

LEASE NO. GS-05P-LMI19312

Global Lease
GSA FORM L100 (10/2016)

INSTRUCTIONS TO OFFEROR: Do not attempt to complete this lease form (GSA Lease Form L100, hereinafter Lease Form). Upon selection for award, GSA will transcribe the successful Offeror's final offered rent and other price data included on Offeror's submitted GSA Lease Proposal Form 1384, (hereinafter Lease Proposal Form) into a Lease Form, and transmit the completed Lease Form, together with appropriate attachments, to the successful Offeror for execution.

This Lease is made and entered into between

HB Development Company

(Lessor), whose principal place of business is 3741 Dove Rd, Port Huron, MI 48060-7444, 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 or a portion of the Property located at

2600 Willis Drive Marysville MI 48040

LEASE TERM

To Have and To Hold the said Premises with its appurtenances for the term beginning 9/14/2017 JK HNB upon ~~acceptance of the Premises~~ as required by this Lease and continuing for a period of

15 Years, 10 Years Firm,

"Building is accepted AS IS" HNB JK

LESSOR

GOVERNMENT

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.

FOR THE LESSOR:

Name: [Redacted]
Title: OWNER
Entity Name: H. B. Development
Date: 9.12.17

FOR THE GOVERNMENT:

Name: [Redacted]
Title: Lease Contracting Officer
General Services Administration, Public Buildings Service
Date: 9/12/17

WITNESSED FOR THE LESSOR BY:

Name: [Redacted]
Title: OFFICE MANAGER
Date: 9/12/17

SECTION 1 THE PREMISES, RENT, AND OTHER TERMS

1.01 THE PREMISES (OCT 2016)

The Premises are described as follows:

A. Office and Related Space: 18,000 rentable square feet (RSF), yielding 18,000 ANSI/BOMA Office Area (ABOA) square feet (SF) of office and related Space located on the first floor(s)

B. Common Area Factor: The Common Area Factor (CAF), defined under Section 2 of the Lease, is established as 1 percent. This factor, rounded to the nearest whole percentage, shall be used for purposes of rental adjustments in accordance with the Payment Clause of the General Clauses.

C. INTENTIONALLY DELETED EXPRESS APPURTENANT RIGHTS (SEP 2013)

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: 60 parking spaces reserved for the exclusive use of the Government, of which 50 shall be structured/inside parking spaces, and 10 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: (1) Space located on the roof of the Building sufficient in size for the installation and placement of telecommunications equipment, (2) the right to access the roof of the Building, and (3) use of all Building areas (e.g., chases, plenums, etc.) necessary for the use, operation, and maintenance of such telecommunications equipment at all times during the term of this Lease.

1.03 RENT AND OTHER CONSIDERATION (OCT 2016)

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

	FIRM TERM	NON FIRM TERM
	ANNUAL RENT	ANNUAL RENT
SHELL RENT ¹	\$430,453.13	\$430,453.13
OPERATING COSTS ²	\$ 170,317.36	\$ 170,317.36
TENANT IMPROVEMENTS RENT ³	\$ 0	\$0.00
PARKING ⁴	\$ 0	\$ 0
TOTAL ANNUAL RENT	\$600,770.49	\$600,770.49

¹Shell rent calculation:

(Firm Term) \$23.91 per RSF multiplied by the RSF stated under Paragraph 1.01
(Non Firm Term) \$23.91 per RSF multiplied by the RSF stated under Paragraph 1.01
The Real Estate Taxes are included in the shell.

²Operating Costs rent calculation: \$9.46 per RSF multiplied by the RSF stated under Paragraph 1.01

³Tenant Improvements of \$XX are amortized at a rate of X percent per annum over XX years.

⁴Parking costs described under sub-paragraph I below

B. In instances where the Lessor amortizes either the TI or Building Specific Amortized Capital (BSAC) for a period exceeding the Firm Term of the Lease, should the Government terminate the Lease after the Firm Term or does not otherwise renew or extend the term beyond the Firm Term, the Government shall not be liable for any costs, including unamortized costs beyond the Firm Term.

C. Rent is subject to adjustment based upon a mutual on-site measurement of the Space upon acceptance, not to exceed 18,180 ABOA SF based upon the methodology outlined under the "Payment" clause of GSA Form 3517.

D. Rent is subject to adjustment upon reconciliation from quantities in the Lease to the approved DID's and post-DID change orders, based on unit prices negotiated and agreed upon prior to Lease award.

E. INTENTIONALLY DELETED

DOCUMENT NAME	NO. OF PAGES	EXHIBIT
FLOOR PLAN(S)		A
PARKING PLAN(S)		N/A
AGENCY REQUIREMENTS		B
TENANT IMPROVEMENTS UNIT PRICE LIST		N/A
SECURITY REQUIREMENTS		C
SECURITY UNIT PRICE LIST		N/A
GSA FORM 3517B GENERAL CLAUSES		D
GSA FORM 3518-SAM, ADDENDUM TO SYSTEM FOR AWARD MANAGEMENT (SAM) REPRESENTATIONS AND CERTIFICATIONS (ACQUISITIONS OF LEASEHOLD INTERESTS IN REAL PROPERTY)		E
SEISMIC FORM C, BUILDING RETROFIT OR NEW CONSTRUCTION PREAWARD COMMITMENT		
SMALL BUSINESS SUBCONTRACTING PLAN		N/A
REVISION(S) TO LEASE ISSUED UNDER RLP AMENDMENT NUMBER(S)		N/A

1.08 TENANT IMPROVEMENT RENTAL ADJUSTMENT (OCT 2016)

A. The Lessor has agreed to total TI pricing of \$XX,XXX based on the Agency's Requirements and design schematic included in Exhibit X. This amount is amortized in the rent over the Firm Term of this Lease at an interest rate of X percent per year.

B. The TI Unit Prices listed in Exhibit X will be used to make the adjustment for variances between TI turnkey pricing based on the Agency's Requirements and the approved design intent drawings. The prices quoted will also be used to order alterations during the first year of the Lease. The prices quoted shall be the cost to furnish, install, and maintain each item, unless otherwise specified. These prices may be indexed or renegotiated to apply to subsequent years of the Lease upon mutual agreement of the Lessor and the Government. Final rent calculations will be reconciled and the Lease will be amended after acceptance of the Space.

C. The Government may elect to make lump sum payments for any or all work covered by the TI scope. That part of the TI 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 TI. If the Government elects to make a lump sum payment for the TI after occupancy, the payment of the TI by the Government will result in a decrease in the rent according to the amortization rate over the Firm Term of the Lease.

1.09 TENANT IMPROVEMENT FEE SCHEDULE (JUN 2012) INTENTIONALLY DELETED

1.10 BUILDING SPECIFIC AMORTIZED CAPITAL (SEP 2012) INTENTIONALLY DELETED

1.11 BUILDING SPECIFIC AMORTIZED CAPITAL RENTAL ADJUSTMENT (SEP 2013) INTENTIONALLY DELETED

1.12 PERCENTAGE OF OCCUPANCY FOR TAX ADJUSTMENT (OCT 2016)

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 1 percent. The Percentage of Occupancy is derived by dividing the total Government Space of 18,000 RSF by the total Building space of 18,000 RSF. The tax parcel number is 74-03-052-0039-500.

1.13 REAL ESTATE TAX BASE (SEP 2013)

The Real Estate Tax Base, as defined in the "Real Estate Tax Adjustment" paragraph of the Lease is \$2.37. Tax adjustments shall not occur until the tax year following lease commencement has passed.

1.14 OPERATING COST BASE (OCT 2016)

The parties agree, for the purpose of applying the paragraph titled "Operating Costs Adjustment," that the Lessor's base rate for operating costs shall be \$9.46 per RSF.