

U.S. GOVERNMENT  
LEASE FOR REAL PROPERTY

DATE OF LEASE

2/28/2011

LEASE NO.

GS-05B-17900

THIS LEASE, made and entered into this date by and between

Whose address is: 97<sup>th</sup> S ■■■ LLC  
c/o William Schorsch  
694 Grandview Ln.  
Lake Forest, IL 60045-3953

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 consideration hereinafter mentioned, covenant and agree as follows:

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

15,784 BOMA usable square feet (17,300 rentable) of ground floor office space, in a single story building, along with 80 on-site surface parking spaces for the exclusive use of the Government, all located at 9705 S. Cottage Grove in Chicago, Illinois, 60628, to be used for such purposes as determined by the General Services Administration.

This is a fully serviced lease, which includes tenant improvements, real estate taxes, operating costs and parking, as specified in SFO GS-05B-17900, which is attached to, and is part of this lease.

2. TO HAVE AND TO HOLD the said premises with their appurtenances for the term beginning on May 1, 2012 through April 30, 2027, subject to termination and renewal rights as may be hereinafter set forth. The commencement date of May 1, 2012 is an estimated beginning date. The actual commencement date will be established as an amendment to the lease by a Supplemental Lease Agreement if necessary. The lease will then be in effect for 15 years total, 10 years firm.

3. The Government shall pay the Lessor annual rent for years 1-10 of \$920,307.00 at the rate of \$76,692.25 per Month in arrears. Rent for years 1-10 consists of \$67,922.12 per month for shell/base rent, operating expenses, real estate taxes and parking, and \$8,770.13 per month in Tenant Improvements, which were amortized over 120 months at an annual interest rate of 6.75%. Annual rent for Years 11-15 of \$920,307.00 at the rate of \$76,692.25 per Month in arrears. Rent for years 11-15 consists of \$76,692.25 per month for shell/base rent, operating expenses, real estate taxes and parking. Rent for a lesser period shall be prorated.

In Section 3.2, TENANT IMPROVEMENTS INCLUDED IN OFFER, the Lessor agrees to provide up to \$48.3966 per BOMA usable square foot toward the cost of the tenant improvements defined in SFO GS-05B-17900 and Attachment #2. In the event the tenant improvement cost is less than the amount provided above, Lessor agrees as outlined in Section 3.3 TENANT IMPROVEMENT RENTAL ADJUSTMENT, to refund such difference in the form of a reduction of the tenant improvement portion of the rental using a 6.75% amortization annual interest rate over 120 months. The Government and Lessor agree that the final Tenant Improvement costs will be stated in a Supplemental Lease Agreement. Rent checks shall be made payable to:

97<sup>th</sup> S ■■■ LLC  
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4. The government may terminate this lease at the end of the firm term or anytime after the firm term by giving a 90 day cancellation notice by giving at least 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.

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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.~~

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

- (A) All service, utilities and maintenance (including janitorial) of the building and grounds as provided in the lease and attachments hereto.
- (B) The Lessor shall satisfy all responsibilities and obligations as defined in the Solicitation for Offers No. GS-05B-17900 including the attachments to the lease referenced in Paragraph 7 below, including but not limited to providing at least 80 on-site parking spaces as well as meeting all Handicap Accessibility and Fire/Life Safety Requirements.

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

- (A) Paragraphs 9 through 31 of this lease on pages 3 through 5;
- (B) Solicitation for Offers (SFO) No. GS-05B-17900 dated November 12, 2009, pages 1 through 52;
- (C) SFO Amendment No 1. dated April 20, 2010, consisting of 5 pages;
- (D) Attachment No. 2: Definitions of Shell and Tenant Improvement consisting of 4 page;
- (E) Attachment No. 3: General Requirements consisting of 12 pages;
- (F) Attachment No. 4: Document Security Form consisting of 2 pages;
- (G) GSA Form 3516A (REV. 12/03) consisting of 6 pages;
- (H) GSA Form 3517B (REV. 11/05) consisting of 33 pages;
- (I) GSA Form 3518 (REV. 1/07) consisting of 7 pages.;
- (J) Prelease Building Security Plan consisting of 6 pages;
- (K) Prelease Fire Protection and LifeSafety consisting of 4 pages.
- (L) Attachment No 1: Attach to Form GSA 1364 "Proposal to Lease Space" consisting of 3 pages;
- (M) GSA Form 1217 - Lessor's Annual Cost Statement consisting of 2 pages
- (N) Exhibit A Davis Bacon Wages dated November 13, 2009 consisting of 29 pages;
- (O) Exhibit B Site Plan / Floor Plan / Elevation

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

Paragraph 5 of Standard Form 2 has been deleted in their entirety.

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

LESSOR: 97<sup>th</sup> St SSA LLC

BY \_\_\_\_\_

(Signature)

IN PRESENCE OF:

(Signature)

694 Grandview Ln. Lake Forest IL 60045

(Address)

UNITED STATES OF AMERICA GENERAL SERVICES ADMINISTRATION



BY \_\_\_\_\_

Jerald M. Helland (Signature)

Lease Contracting Officer

(Official title)



9. The date of this lease is the date this contract was formed as a result of the Government's acceptance of the Lessor's Best and Final Offer dated December 6, 2010 submitted by the Lessor under SFO GS-05B-17900. This lease reflects the terms and conditions of the accepted Best and Final Offer.
10. The anniversary date for annual escalations and operating cost adjustments will be revised based upon the actual commencement date, which will be established as an amendment to the lease by a Supplemental Lease Agreement as stated in the above Paragraph 2.
11. The Lessor will construct and build out the space per the requirements in the SFO GS-05B-17900 and its attachments, so as to be ready for occupancy no later than 180 calendar days after receiving the Government's Notice to Proceed with Tenant Improvements. The Government shall deliver layout drawings and necessary finish selections to the Lessor within the latter of 120 working days after receipt of accurate CAD files of the existing demised area to be leased from the Lessor or the date of this lease.
12. The total BOMA usable square foot area referred to in Paragraph 1 is subject to adjustment but may not exceed the maximum limitation nor the minimum usable requirement defined in the Solicitation for Offers. Should there be any adjustments in the square footage delivered that has been determined through mutual field measurement, the per annum rental referred to above shall be adjusted on the basis of Years 1-15: \$58.31 per BOMA usable square foot. If necessary, the lease shall be amended by Supplemental Lease Agreement after actual field measurement is performed in order to establish the square footage and annual rental in compliance with the terms of the lease. Should the leased space offer more than the maximum usable square footage required under SFO GS-05B-17900, the Government will not adjust the annual rental for any usable square footage above the maximum usable square footage. Should the leased space not offer the minimum usable square footage required in SFO GS-05B-17900, this lease may be declared null and void by the Government, with no further obligation on the part of either party.
13. The rent is subject to annual operating cost adjustments in accordance with Paragraph 4.3 OPERATING COSTS (SEP 2009) of Solicitation for Offers No. GS-05B-17900 within this lease. It is understood and agreed that for operating cost adjustment purposes, the first year's operating cost base will be \$94,704.00, which is approximately \$6.00 per BOMA usable square foot.
14. It is understood and agreed that for real estate tax adjustment purposes, in accordance with Paragraph 4.2 TAX ADJUSTMENT (AUG 2008) of Solicitation for Offers No. GS-05B-17900 within this lease, the Government will occupy 100 percent of the net usable square foot area of the entire building. The Lessor estimated \$140,995.00 for the first year, this amount for real estate taxes is included in the annual rental as stated in this SF-2. The Identification Number for the Real Estate Parcel occupied under this lease is to-be-determined and supplied to the Government.
15. If heating or cooling is required by the Government on an overtime basis, it shall be provided at an additional cost to the Government of \$50.00 per hour.
16. Lessor shall not construct, change, alter, remove, or add to the leased area without prior notification and approval from the Contracting Officer of the General Services Administration or his/her designee.
17. All questions pertaining to this lease should be referred to the Contracting Officer of the General Services Administration or his/her designee. The Government occupant is not authorized to administer the lease. The Government assumes no responsibility for any cost incurred by the Lessor except as provided by the terms of this lease or authorized in writing by the Contracting Officer or his/her designee.

INITIALS:  &   
LESSOR GOVERNMENT

18. The Government shall have total flexibility in the layout of the interior office space including the placement of all [REDACTED] and Lessor's rooms (i.e. the mechanical room, janitor closets, etc, public and employee restrooms and drinking fountains). The Lessor acknowledges that the Government will supply the Lessor with approved interior space plans for the Lessor to use to develop his construction plans.
19. All terms and conditions of this Lease as expressly contained herein represent the total obligations of the Lessor and the Government. Any agreements, written or oral between the Lessor and Government prior to the execution of this Lease are not applicable or binding. This agreement may be amended only by written instrument executed by the Lessor and Government.
20. Attached to this lease are the Department of Labor wage labor rates for Cook County consisting of 29 pages. As required by Paragraph 1.13, LABOR STANDARDS of the Solicitation for Offers GS-05B-17900, which is made part of this Lease, the Lessor is required to pay current prevailing wage rates established for the construction area, as determined by the Department of Labor. It is the Lessor's responsibility to determine what the current wage rates are at the time of construction in the area of the construction from the Department of Labor and to use those rates to comply with Paragraphs 1.13 of the Solicitation for Offers GS-05B-17900.
21. The Contracting Officer represents the General Services Administration as an agent with authority to enter into this Lease on behalf of the Government and executes this document in his or her Official capacity only, and not as an individual.
22. If the property housing the leased premises is sold or transferred, the following information is required before the Government can acknowledge the successor in interest and change the payee for rent or other payments:
  - (I) Evidence of the transfer of title.
  - (II) A letter from successor Lessor (transferee) assuming, approving, and adopting the lease and agreeing to be bound by its terms.
  - (III) A letter from prior Lessor (transferor) waiving all rights under the lease as against the United States of America, except unpaid rent through a specified date, usually the date of ownership transfer.
  - (IV) The IRS tax identification number of the new owner.

Where leased premises are transferred by death of the Lessor, a copy of the letters of administration when there is no will, showing the Lessor(s), is required. Unless an interim court order is received, rents will be accrued and paid to the new owner(s) upon final settlement of the estate.

23. The Lessor's DUNS Number is 962176546 and Tax ID Number is [REDACTED]
24. In accordance with Paragraph 2.5 (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 of [REDACTED] per rentable square foot per year of the firm term of this lease ("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, which shall be hereby agreed to as [REDACTED], 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 a credit to the shell rental portion of the annual rental payments.

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Notwithstanding Paragraph 3 of the Standard Form 2, 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 \$76,692.25 minus prorated Commission Credit of [REDACTED]  
equals [REDACTED] adjusted First Month's rent.

Second Month's Rental Payment \$76,692.25 minus prorated Commission Credit of [REDACTED]  
equals [REDACTED] adjusted Second Month's rent.

Third Month's Rental Payment \$76,692.25 minus prorated Commission Credit of [REDACTED]  
equals [REDACTED] adjusted Third Month's rent.

25. Lessor agrees at its sole expense to remediate the site to meet commercial clean-up objectives prior to occupancy.

26. In accordance with Lease Paragraph 3.7 - Green Lease Submittals (Aug 2008) shall be met.

27. This site requires fenced and gated parking for the employee parking lot. The fence and gate are tenant improvement items.

28. The Government may cancel the award if awardee fails to secure proper zoning by the time design intent drawings, prepared by the government are complete or at anytime awardee cannot demonstrate to the Contracting Officer the city of Chicago will execute a sales contract for the land, as indicated in Exhibit B, by the time the design intent drawings, prepared by the government are complete, sufficient for an [REDACTED] office in accordance with the SFO.

29. In the event the government shall no longer occupy the lease space the Lessor shall reduce the rental rate by \$1.00 per useable square foot during the period the government does not occupy the space i.e. discontinues the need for this office.

30. Appropriate signage shall be placed at street entrance to identify location to [REDACTED].

31. A public bus stop shall be within two blocks of [REDACTED] office along a paved sidewalk, well lighted and wheel-chair accessible.

INITIALS:

[Signature]  
LESSOR

& [Signature]  
GOVERNMENT