

U.S. GOVERNMENT  
LEASE FOR REAL PROPERTY

DATE OF LEASE

October 5, 2009

LEASE NO.

GS-05B-18286

THIS LEASE, made and entered into this date by and between Duke Secured Financing 2009 - 1ALZ, LLC

whose address is 600 E. 96<sup>th</sup> Street, Suite 100  
Indianapolis, Indiana 46240

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:

A total of 28,618 rentable square feet of office and kennel space of which, 24,454 rentable square feet of office space is located on the 7<sup>th</sup> floor and the remaining 4,164 rentable square feet of office/kennel space is located on Level B-1 of Riverway Central, located at 9377 West Higgins Road in Rosemont, Illinois 60018, yielding a total of 25,290 usable square feet.

One hundred eighty (180) on-site structured parking spaces are included at no additional cost to the Government. One hundred (100) parking spaces are unreserved; Eighty (80) are reserved.

Said premises to be used for such purposes as determined by the General Services Administration and consistent with the terms of this solicitation.

2. TO HAVE AND TO HOLD the said premises with their appurtenances for the term beginning on or about July 1, 2010 through June 30, 2020, subject to any termination rights as may be hereinafter set forth. Occupancy of the space will take place in two phases. Phase I (approximately 10,000 usf) will be occupied no later than July 2010 and Phase II (approximately 15,290 usf) will be occupied on October 1, 2010.
3. The Government shall pay the Lessor rent as follows:

TERM	ANNUAL RENT	MONTHLY RENT	RATE/RSF	RATE/USF
Year 1 (Months 1-3)	\$ 103,991.94	\$34,663.98	\$36.76	\$41.60
Year 1 (Months 4-12)	\$ 794,250.89	\$88,250.10	\$37.00	\$41.87
Years 2 - 5	\$1,059,001.18	\$88,250.10	\$37.00	\$41.87
Years 6 - 10	\$ 851,385.50	\$70,948.79	\$29.75	\$33.66

The amortization payments have been calculated based on amortizing Phase I portion of the T.I. Allowance over 60 months and the Phase II T.I. Allowance over 57 months.

CPI and tax escalations continue throughout the term of the lease.

Rent for a lesser period shall be prorated. Rent checks shall be made payable to:

Duke Secured Financing 2009 - 1ALZ, LLC  
75 Remittance Drive  
Suite 1175  
Chicago, Illinois 60675-1175

4. The term of this lease shall be for ten (10) years, five (5) years firm. The Government may terminate this lease in whole or in part at anytime on or after the **FIFTH (5<sup>TH</sup>) YEAR** (June 30, 2015) of the lease by giving at least ninety (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.
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~~

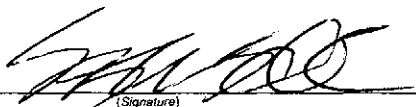
6. The Lessor shall furnish to the Government, as part of the rental consideration, the following:
- A. All services, utilities (with the exception of electricity for lights and outlets within the Government's demised area), maintenance and other operations as set forth elsewhere in this lease.
  - B. All responsibilities and obligations as defined in the Solicitation for Offers Number GS-05B-18286 and other attachments to the Lease referenced in Paragraph 7 of this SF-2 form.
7. The following are attached and made a part hereof:
- U.S. Government Lease For Real Property, Standard Form 2 – 2 pages
  - Attachment A (Paragraphs 9 – 28) – 4 Pages
  - Solicitation for Offers (SFO No. GS-05B-18286 dated March 9, 2009) — 51 Pages
  - Security Requirements Guidelines (dated Nov 2007) – 17 Pages
  - K-9 Real Estate Statement – 1 Page
  - SFO Amendment No. 1 – 1 Page
  - SFO Amendment No. 2 – 1 Page
  - Form 3517, General Clauses (Rev 11/05) — 2 Pages
  - Form 3518, Representations and Certifications (Rev 1/07) — 7 Pages
  - Form B, Document Security Form – 3 Pages
  - Exhibit A, Floor Plans — 2 Pages
8. The following changes were made in this lease prior to execution:
- Paragraph 5 was deleted in its entirety without substitution.

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

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LESSOR DUKE SECURED FINANCING 2009-IALZ, LLC

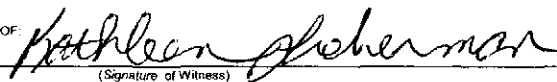
BY



(Signature)

(Signature)

IN PRESENCE OF:



(Signature of Witness)

UNITED STATES OF AMERICA GENERAL SERVICES ADMINISTRATION

BY



CHRISTINE BECKER – Contracting Officer

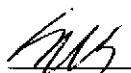
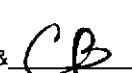
9. The date of this lease, October 5, 2009, is the date this contract was formed as a result of the Government's acceptance of the Lessor's Final Proposal Revision offer dated August 31, 2009, as clarified September 18, 2009, and submitted by the Lessor under SFO No. GS-05B-18286 and all attachments. This Lease reflects the terms and conditions of the accepted Final Proposal Revision Offer.
10. The date of July 1, 2010 in Paragraph 2 of the SF-2 is the estimated effective date. If the actual date of substantial completion is different from this date, then the actual effective date shall be established by Supplemental Lease Agreement. The lease term will then be in effect for ten (10) years thereafter, computed from the actual effective date. The anniversary date for adjustments shall be adjusted to coincide with any revised actual effective date.
11. The total ANSI/BOMA square foot area referred to in Paragraph 1 of the SF-2 herein is subject to an adjustment with the actual number of ANSI/BOMA square feet delivered to be determined by mutual field measurements in accordance with provision of Paragraph 4.1 in the SFO. However it is mutually agreed that the total ANSI/BOMA office area square feet may not exceed the maximum limitation of 27,500 ANSI/BOMA office area square feet as stated in Paragraph 1.1 of the SFO.

If the actual number of ANSI/BOMA square feet differs from Paragraph 1 of the SF-2, the Lease shall be amended by Supplemental Lease Agreement after field measurement to establish the square footage in compliance with the terms of this paragraph.

Rental is subject to a physical mutual measurement and will be based on the rate, per ANSI/BOMA Office Area square foot (USF) as noted in Paragraph 3 of the SF-2, and the actual USF in accordance with Paragraph 27, "PAYMENT" of the GENERAL CLAUSES. The lease contract and the amount of rent will be adjusted accordingly, but not to exceed the maximum USF requested in Paragraph 1.1 "AMOUNT AND TYPE OF SPACE" of the Solicitation for Offers (SFO).

12. In accordance with Paragraph 4.1 of the SFO, the Common Area Factor is established as 1.13159 (28,618 RSF / 25,290 USF).
13. For the purpose of computing Operating Cost adjustments in accordance with Paragraph 4.3 of the SFO, the base cost of services is \$157,684.69 per annum or \$5.51 per rentable square foot for 28,618 square feet of rentable office space. This equates to a rate of \$6.23 per usable square foot. This rate excludes the cost of electricity for lights and outlets within the Government's demised area, which shall be paid by the Government to the local utilities.
14. The lease is subject to real estate tax escalation. For tax escalation in accordance with terms of Paragraph 4.2 of the SFO, the Government's percentage of occupancy is 8.64% (Total Rentable Square Footage of the building = 282,997; Rentable Square Footage leased to Government = 28,618). The Tax Parcel ID Numbers and the percentages for which they pay a proportionate share for the property on which the premises is located are as follows:  
  

12-03-103-010	- 100%
12-03-103-012	- 22.47%
12-03-103-013	- 22.12%
12-03-103-014	- 22.12%
12-03-103-016	- 26.50%
12-03-103-017	- 22.12%
12-03-103-018	- 22.12%
12-03-301-046	- 22.12%
12-03-301-054	- 19.08%
12-03-301-055	- 22.12%
15. In the event of the Government vacating in whole or in part prior to lease expiration, the rental will be reduced by \$1.57 per usable square foot per annum for operating expenses.
16. Pursuant to Paragraph 4.6 of the SFO, "Overtime Usage", 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 (4:30 a.m. – 11:00 p.m. Monday through Friday,) and except Federal Holidays ("Normal Hours"), at a rate of \$100.00 per hour.

INITIALS:  & 

17. Lessor shall provide janitorial service during Tenant's normal daytime working hours.
18. The tenant build out will conform to the specifications in the Lease and all attachments, and are to be provided by the Lessor as part of the total rental payment. In accordance with Paragraph 3.2 of the SFO, the Lessor agrees to provide up to \$1,106,943.00 toward the cost of the Tenant Improvements. For Phase I, the tenant build out cost of \$1,106,943.00 (based on \$43.77 per ANSI/BOMA Office Area square foot) is amortized for a period of sixty (60) months at 5%. Therefore, the amortized tenant build out costs are \$250,672.56 per annum or \$8.76 per rentable square foot. For Phase II, the tenant build out cost of \$1,106,943.00 (based on \$43.77 per ANSI/BOMA Office Area square foot) is amortized for a period of fifty-seven (57) months at 5%. Therefore, the amortized tenant build out costs are \$262,291.49 per annum or \$9.16 per rentable square foot.  
  
Pursuant to Paragraph 3.3 of the SFO, in the event the Tenant Improvement Cost is less than the amount provided above, the Lessor agrees to refund such difference in the form of reduction of base rent using a 5% amortization rate. The refund will be a credit of the rent equally spread out throughout the firm lease term (60 months). In the event that the Tenant Improvement cost is greater than the amount provided above the Government may choose to reduce the Tenant Improvement requirement or pay lump sum for any part of the Tenant Improvement Cost. The Government and Lessor must agree on any additional Tenant Improvement Cost through a Supplemental Lease Agreement.
19. Information regarding Electronic Funds Transfer Payment Methods is provided in Paragraph 24, 552.232-76, General Clauses.
20. The Lessor is a Limited Liability Company. The Tax Identification Number is [REDACTED] The DUNS number is 83-194-9362.
21. Lessor is registered with the Central Contractor Registration (CCR) system as referenced in Paragraph 11 of Form 3518.
22. The Contracting Officer represents the General Services Administration as an agent with authority to enter into the Lease on behalf of the Government and execute this document in his/her official capacity only and not as an individual.
23. It is agreed by the parties hereto that all the 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 execution of this Lease are neither applicable nor binding. This agreement may be amended only by written instrument executed by the Lessor and the Government.
24. All questions pertaining to this Lease shall be referred in writing to the General Services Administration Contracting Officer or their designee. The Government occupant **is not** authorized to administer this lease, and GSA assumes no responsibility for any cost incurred by the Lessor except as provided by the terms of this Lease or authorized in writing by Contracting Officer or their designee. The Lessor will not be reimbursed for any services not provided for in this lease, including but not limited to: repairs, alterations and overtime services. Additionally, rental will not be paid for occupancy in whole or in part except for the term specified herein.
25. 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 "Leased Premises".
26. The Lessor and the Broker (CB Richard Ellis) have agreed to a cooperating lease commission of [REDACTED] per rentable square foot, per year for the entire initial firm term of this lease. The total amount of the commission is [REDACTED] rsf x [REDACTED] x 5 years). In accordance with the "Broker Commission and Commission Credit" paragraph, the Broker has agreed to forego [REDACTED] of the commission that it is entitled to receive in connection with this lease transaction ("Commission Credit"). The Commission Credit is [REDACTED] x [REDACTED]. The Lessor agrees to pay the Commission less the Commission Credit (\$109,106.13) 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.

Notwithstanding Paragraph 3 of this 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 \$34,663.98 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted First Month's rent.

Second Month's Rental Payment \$34,663.98 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted Second Month's rent.

Third Month's Rental Payment \$34,663.98 minus prorated Commission Credit of [REDACTED] equals [REDACTED].89 adjusted Third Month's rent.

Fourth Month's Rental Payment \$88,250.10 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted Fourth Month's rent.

*The allocation of the commission credit is based on monthly shall rental (\$22.49) paid on 11,316 rentable square feet during the first three (3) months of the lease term and 28,618 rentable square feet during months four (4) through sixty (60) of the lease term.*

27. Deviations to the attached SFO, as made a part of this lease, are as follows:

1. SFO Section 1.12, 9. Electrical – The 7<sup>th</sup> floor space is supplied with five (5) watts per ANSI/BOMA.
2. SFO Section 1.2, Unique Requirements, Subparagraph C. - When inside the leased premises [REDACTED]

3. SFO Section 10. Lighting – The existing lighting system is 18" x 48" parabolic. This lease includes the reuse of the existing lighting system. Lessor has included upgrading the ballasts for energy efficient T8 lamps and relamping all fixtures.

4. SFO Section 6.7. Ceilings – The ceilings on the 7<sup>th</sup> floor are 8'6".

5. SFO section 6.8. B. Ceilings – Lessor has provided new ceiling for the existing ceiling system (20" x 60" tiles with NRC 55 not NRC 60 as specified in Section 6.8.B. of the SFO).

6. SFO Section 8.18 – Lighting Interior and Parking – The building has emergency lighting for the building life safety and emergency lighting the parking garage provided for by an emergency generator. Exterior lighting (i.e. site street lights and light poles on top of the parking deck) are not backed up by a generator.
  7. Security Requirement Guidelines, 2.3 Mechanical – The building's HVAC air intake is at grade level.
28. The Tenant Improvement Fee Schedule is as follows and Lessor agrees not to exceed these figures:
- A. The General Conditions will not exceed 4.5% of the total subcontractor's costs.
  - B. The General Contractors fee will not exceed 5% of the total subcontractor's costs.
  - C. Architectural and Engineering fees will not exceed \$1.00 per usable square foot.
  - D. Lessor's Project Management fees will not exceed 0% of the total subcontractor's costs.
  - E. Lessor's fee for Insurance will not exceed .7%.

INITIALS: MS & CB  
LESSOR GOVERNMENT