

LEASE NO. GS-05B-18548

Succeeding/Superseding Lease
GSA FORM L202 (6/12)

This Lease is made and entered into between

Terrace Oaks Associates, LLC

(Lessor), whose principal place of business is 635 Butterfield Road, Suite 220, Oakbrook Terrace, IL 60181-4001, 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

**635 Butterfield Road
Oakbrook Terrace, IL 60181-4001**

and more fully described in Section 1 and Exhibit B, 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 October 16, 2012 and continuing through October 15, 2017, subject to termination and renewal rights as may be hereinafter set forth.

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:

Terrace Oaks Associates, LLC

Name: Robert C. Rorache

Title: Authorized Agent

Date: 12/14/12

WITNESSED FOR THE LESSOR BY:

Name: KINGA K LUCZKIEWICZ

Title: Controller

Date: 12/14/2012

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

FOR THE GOVERNMENT:

Christine Becker

Lease Contracting Officer

General Services Administration, Public Buildings Service

Date: January 7, 2013

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SECTION 1 THE PREMISES, RENT, AND OTHER TERMS

1.01 THE PREMISES (SUCCEEDING) (JUN 2012)

Unless otherwise noted, the Government accepts the Premises and tenant improvements in their existing condition, except where specifications or standards are contained elsewhere in this Lease. These standards include security improvements, Fire Protection and Life Safety requirements, ABAAS compliance, as well as compliance with all local codes and ordinances. Such acceptance by the Government of existing Premises shall not relieve Lessor of continuing obligations for cleaning, janitorial, maintenance, repair, etc. as set forth in the Lease paragraphs and attached General Clauses.

The Premises are described as follows:

A. Office and Related Space: 7,070 rentable square feet (RSF), yielding 6,220 ANSI/BOMA Office Area (ABOA) square feet (SF) of office and related Space located on 1 floor(s) and known as Suite(s) 210 and 260, of the Building, as depicted on the floor plan(s) attached hereto as Exhibit B.

B. INTENTIONALLY DELETED

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: 40 parking spaces, reserved for the exclusive use of the Government, of which 0 shall be structured/inside parking spaces, and 40 shall be surface/outside parking spaces. In addition, Lessor shall provide such additional parking spaces as required by the applicable code of the local government entity having jurisdiction over the Property.

B. INTENTIONALLY DELETED

1.03 RENT AND OTHER CONSIDERATION (JUN 2012)

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

	FEBRUARY 16, 2013- OCTOBER 15, 2016	OCTOBER 16, 2016- OCTOBER 15, 2017
	ANNUAL RENT	ANNUAL RENT
SHELL RENT ¹	\$93,073.00	\$93,073.00
TENANT IMPROVEMENTS RENT ²	\$ 0.00	\$ 0.00
OPERATING COSTS ³	\$46,722.00	\$46,722.00
BUILDING SPECIFIC SECURITY ⁴	\$9,744.16	\$0.00
PARKING	\$ 0.00	\$ 0.00
TOTAL ANNUAL RENT	\$149,539.16*	\$139,795.00

¹Shell rent (Firm Term) calculation: \$13.16 per RSF multiplied by 7,070 RSF

²The Tenant Improvement Allowance of \$0.00 is amortized at a rate of 0 percent per annum over 0 years.

³Operating Costs rent calculation: \$6.61 per RSF multiplied by 7,070 RSF

⁴Building Specific Security Costs of \$32,000 are amortized at a rate of 6.00 percent per annum over 44 months.

*Please note that the monthly rental beginning October 16, 2012 until completion and acceptance of the Building Specific Security (estimated to be February 16, 2013) will be \$11,649.58, which includes \$7,756.08 for Shell, \$3,893.50 for Operating Costs.

The payment of the amortized Building Specific Security will commence upon completion and acceptance of the improvements and established by a Lease Amendment. The chart above shows the annual rental for the Building Specific Security commencing on February 16, 2013. The date and amount of the Building Specific Security is subject to change and will not be paid until a separate Lease Amendment is fully executed.

B. INTENTIONALLY DELETED

C. INTENTIONALLY DELETED

D. 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.

E. 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.

F. 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.

G. INTENTIONALLY DELETED

1.04 INTENTIONALLY DELTED

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 (October 15, 2016) of this Lease, by providing not less than 60 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 2011)

This Lease may be renewed at the option of the Government for a term of 5 YEARS at the following rental rate(s):

	OPTION TERM, YEARS 6 - 10	
	ANNUAL RENT	ANNUAL RATE / RSF
SHELL RENTAL RATE	\$151,651.50	\$21.45
OPERATING COSTS	OPERATING COST BASIS SHALL CONTINUE FROM YEAR 5 OF EXISTING LEASE TERM. OPTION TERM IS SUBJECT TO CONTINUING ANNUAL ADJUSTMENTS.	

provided notice is given to the Lessor at least 180 days before the end of the original Lease term, all other terms and conditions of this Lease, as same may have been amended, shall remain in force and effect during any renewal term:

1.07 DOCUMENTS INCORPORATED IN THE LEASE (JUN 2012)

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

DOCUMENT NAME	NO. OF PAGES	EXHIBIT
SECURITY REQUIREMENTS	3	A
FLOOR PLAN(S)	1	B
GSA FORM 3517B GENERAL CLAUSES	46	
GSA FORM 3518, REPRESENTATIONS AND CERTIFICATIONS	10	

1.08 TENANT IMPROVEMENT RENTAL ADJUSTMENT (SUCCEEDING) (SEPT 2011)

The Government may elect to make lump sum payments for any or all work covered by the Tenant Improvement (TI) scope. That portion of the rental payments attributable to amortization of the TIs 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 TIs. If the Government elects to make a lump sum payment for the TIs after occupancy, the payment by the Government will result in a decrease in the rent according to the amortization rate over the remaining Firm Term of the Lease.

1.09 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 12.80 percent. The Percentage of Occupancy is derived by dividing the total Government Space of 7,070 RSF by the total Building space of 55,235 RSF.

1.10 INTENTIONALLY DELETED

1.11 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 \$6.61 per RSF (\$46,722.00/annum).

1.12 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 or any portion of the 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 \$2.00 per ABOA SF of Space vacated by the Government.

1.13 HOURLY OVERTIME HVAC RATES (AUG 2011)

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

- \$100.00 per hour per zone
- Number of zones: 2

1.14 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. If 24-hour HVAC is required by the Government for any designated rooms or areas of the Premises, such services shall be provided by the Lessor at an annual rate of \$N/A per ABOA SF. of the area receiving the 24-hour HVAC. Notwithstanding the foregoing, Lessor shall provide this service at no additional cost to the Government if the Lessor provides this service to other tenants in the Building at no additional charge.

1.15 BUILDING IMPROVEMENTS (JUN 2012)

The Lessor shall complete the following additional Building improvements prior to acceptance of the Space:

- A. _____
- B. _____
- C. _____