

U.S. GOVERNMENT
LEASE FOR REAL PROPERTY

DATE OF LEASE

August 11, 2011

LEASE NO.
GS-05B-18739

THIS LEASE, made and entered into this date by and between Halsted Pershing Morgan LLC

whose address is 20 South Clark Street, Suite 630
Chicago, Illinois 60603-1831

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. A total of approximately 25,100 rentable square feet (RSF) consisting of 25,000 ANSI/BOMA Office Area square feet (USF) of space located at the Halsted Pershing Business Center at 815 West Pershing Road, Chicago, Illinois 60609-1423 as indicated on the attached Floor Plan, to be used for such purposes as determined by the General Services Administration.

B. Four (4) on-site, surface parking spaces are included in the rent.

C. In accordance with the SFO paragraph entitled Common Area Factor, the common area factor is established as 1.004%.

D. In accordance with the SFO paragraph entitled Percentage of Occupancy, the percentage of Government occupancy is established as 24.0%.

2. TO HAVE AND TO HOLD the said premises with their appurtenances for a term of fifteen (15) years, ten (10) years firm, beginning upon the substantial completion of the space, and acceptance by the Government as satisfactorily complete. Design and construction of the space shall begin upon award of this lease in conformance with the Construction Schedule of Tenant Improvements paragraph of the attached Solicitation for Offers. The commencement date of this lease, along with any applicable termination and renewal rights, shall more specifically be set forth in a Supplemental Lease Agreement upon substantial completion and acceptance of the space by the Government.

3. The Government shall pay the Lessor annual rent of \$410,134.00 at the rate of \$34,177.83 per month in arrears for years 1 through 5, however the Government shall pay \$5,208.25 for months 1, 2 and 3 of the lease term (the Lessor has offered 3 months of free rent for shell rent and operating costs of \$28,969.58 deducted per month). Annual rent for years 6-10 shall increase by \$40,913.00 per year. Annual rent for years 11-15 shall decrease by \$92,870.00. Accumulated operating cost adjustments will be included in the stated per annum rates at the time they become effective. Rent for a lesser period of time shall be prorated. Rent checks shall be made payable to:

Halsted Pershing Morgan LLC
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Chicago, IL 60603-1831

4. The Government may terminate this lease at any time after the tenth (10th) lease year by giving at least one hundred twenty (120) days' notice 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, 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-18739 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 – 27) – 3 Pages
Solicitation for Offers (SFO No. GS-05B-18739 dated April 18, 2011) — 47 Pages
Special (Program of) Requirements – 6 Pages
SFO Amendment No. 1, date May 6, 2011 – 1 Page
Form 3517B, General Clauses (Rev 11/05) — 33 Pages
Form 3518, Representations and Certifications (Rev 1/07) — 7 Pages
Tax ID number and Legal Description of Leased Property – 2 Pages
Floor Plan – 2 Pages
Building Security Unit Price List – 2 Pages
Unit Price List – 3 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 Halstead Pershing Morgan LLC

BY

IN PRESENCE OF:

UNITED STATES OF AMERICA GENERAL SERVICES ADMINISTRATION

BY

Lease Contracting Officer

9. This contract was formed as a result of the Government's acceptance of the Lessor's Final Proposal Revision offer dated June 16, 2011, as clarified on June 17 and June 21, 2011, submitted by the Lessor under SFO No. GS-05B-18739 and all attachments. This Lease reflects the terms and conditions of the accepted Final Proposal Revision Offer.
10. 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 25,472 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.

Should there be any adjustment in the square footage delivered, which will be determined through mutual field measurement, the per annum rental referred to above shall be adjusted on the basis of \$16.41 per usable square foot per annum.

11. For the purpose of computing Operating Cost adjustments in accordance with Paragraph 4.3 of the SFO, the base cost of services in accordance with Paragraph 4.3 is \$72,702.00 per annum for 25,100 rentable square feet.
12. The lease is subject to real estate tax adjustment. For tax adjustment in accordance with terms of Paragraph 4.2 of the SFO, the Government's percentage of occupancy is 24.00%. The Property Tax Identification Numbers are 20-05-200-009 and 20-05-200-161.
13. 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 (8:00 a.m. - 6:00 p.m. Monday through Friday,) and except Federal Holidays ("Normal Hours"), at \$75.00 per hour. In addition, there will be no additional charge for areas requiring 24-hour HVAC service.
14. Lessor shall provide janitorial service within Tenant's space during normal office hours, 8:00 a.m. to 6:00 p.m., Monday through Friday, except Saturdays, Sundays and federal holidays.
15. 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 \$443,250.00 toward the cost of the Tenant Improvements. The tenant build out cost of \$443,250.00 (based on \$17.73 per ANSI/BOMA Office Area square foot) is amortized for a period of one hundred twenty (120) months at 7.0%. Therefore, the amortized tenant build out costs are \$61,746.00 per annum or \$2.46 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 7.0% amortization rate. The refund will be a credit of the rent equally spread out throughout the firm lease term (120 months). In the event that the Tenant Improvement Cost is greater than the amount provided above the Government can (1) reduce the Tenant Improvement requirements, (2) pay lump sum for the overage upon completion and acceptance of the improvements, or (3) have the Lessor amortize the additional cost at 7.0% throughout the firm lease term. The Government and Lessor must agree on any additional Tenant Improvement Cost through a Supplemental Lease Agreement.

16. Information regarding Electronic Funds Transfer Payment Methods is provided in Paragraph 24, 552.232-76, General Clauses.

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17. The Lessor is a Limited Liability Company and a small business. The Tax Identification Number is [REDACTED] (b)(4). The DUNS number is 043310310. The signatory authority for Lessor is Howard Wedren c/o Dayton Street Partners LLC.
18. Lessor is registered with the Central Contractor Registration (CCR) system as referenced in Paragraph 11 of Form 3518.
19. Pursuant to Paragraph 4.12 of the SFO, Novation and Change of Name, In the event of a transfer of ownership of the lease premises, an assignment of lease or a change in the Lessor's legal name, the Lessor must comply with the requirements of Subpart 42.12 of the Federal Acquisition Regulations (FAR).
- A. The Government and the Lessor may execute a Change of Name Agreement where only a change of the Lessor's name is involved and the Government's and the Lessor's rights and obligations remain unaffected. A sample form is found at FAR 42.1205
 - B. The Government, the Lessor and the successor in interest may execute a Novation Agreement when the Lessor's rights or obligations under the lease are legally transferred.
 - C. In addition to all documents required by Far 42.1204, the Contracting Officer may request additional information (i.e., copy of the deed, bill of sale, certificate of merger, contract, court decree, articles of incorporation, operation agreement, partnership certificate of good standing, etc.) from the transferor or transferee to validate the proposed changes.
 - D. The transferee must submit a new GSA Form 3518, Representations and Certifications.
 - E. Any separate agreement between the transferor and transferee regarding the assumption of liabilities shall be referenced specifically in the Novation Agreement.
 - F. When it is in the best interest of the Government not to concur in the transfer of a contract from one entity to another, the original contractor remains under contractual obligation to the Government. The applicability of novation agreements is detailed at FAR 42.1204.
 - G. When executed on behalf of the Government, a Novation Agreement will be made part of the lease via Supplemental Lease Agreement.
 - H. In the event of a change in ownership, rent will continue to be paid to the prior Lessor until the Supplemental Lease Agreement is executed by the Government. New Lessors must comply with all provisions of this Lease, including but not limited to, Central Contractor Registration and the provision of all information required by the Contracting Officer.
 - I. Notwithstanding anything to the contrary in this Lease, the Government has no obligation to recognize a change of ownership or interest until (1) the payment of rent has commenced; and (2) any amounts due and owing to the Government hereunder have been paid in full or completely set off against this Lease.
20. 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.
21. The Government assumes no responsibility for any conclusions or interpretations made by the Lessor based on information made available by the Government and/or its contractors. Nor does the Government assume any responsibility for any understanding reached or representation made concerning conditions which can affect the work by any of its officers or agents before execution of this contract unless that understanding or representation is expressly stated in the Lease.
22. 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 are neither applicable nor binding. This agreement may be amended only by written instrument executed by the Lessor and the Government.

INITIALS: _____ & _____
LESSOR GOVERNMENT

23. 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.
24. 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".
25. The Tenant Improvement Fee Schedule is as follows and Lessor agrees not to exceed these figures:
- A. The General Conditions will not exceed [REDACTED] of the total subcontractor's costs.
 - B. The General Contractors fee will not exceed [REDACTED] of the total subcontractor's costs.
 - C. Architectural and Engineering fees will not exceed [REDACTED] (flat fee).
 - D. Lessor's Project Management fees will not exceed [REDACTED] of the total subcontractor's costs.
26. Prior to occupancy, and at no additional cost to the Government, the Lessor shall use best efforts to renovate the space for any energy efficiency and conservation improvements that would be cost effective over the firm term of the lease, thereby reducing electricity or fossil fuel consumption, water, or other utility costs. Additional information on such improvements can be found on www.gsa.gov/leasing under "Green Leasing." However, in the event the Lessor obtains the Energy Star label prior to the Government's occupancy, the Lessor shall not be required to renovate the space for these improvements. To earn the ENERGY STAR label, the Lessor must follow the instructions on the Energy Star Web site at <http://www.energystar.gov/eslabel>.
27. Lessor takes, and is granted, exception to the following SFO requirements:
- A. **Section 1.9** While Landlord is happy to provide occupancy ninety (90) days following Notice to Proceed, it will take time to permit the construction and receive Occupancy Permits from the City of Chicago. Owner will use best efforts to accommodate this requirement.
 - B. **Section 1.12 (3)** Acoustical tile will only be provided within the office portion of the Premises.
 - C. **Section 2.2** It is cost prohibitive to perform seismic certification. Since the building is new construction and there is low seismicity in Chicago area, this exception is granted.
 - D. **Section 5.10 F.** Landlord will use commercially reasonable efforts to complete the Tenant Improvements within ninety (90) calendar days following receipt of construction permit from the City of Chicago.
 - E. **Section 8.3 C 1 Offered** space and building are not currently Energy Star rated. According to our consultants, an Energy Star rating cannot be obtained for an empty building. Please note an official Energy Star rating will not be generated until the building is 50% occupied for a period of 12 months. The Lessor you are to make all energy and water upgrades that are cost-effective over the course of the lease.
 - F. **Section 8.6** The space and building are currently raw; therefore there are no existing toilet facilities. Toilet facilities shall be constructed within the offered Premises and shall be part of the Tenant Improvement. Building shell includes domestic water service, service sanitary drains and vents are provided. The bathrooms and fixtures do not currently exist and will be part of the Tenant Improvements.