

DATE OF LEASE

6/1/2012

LEASE NO

GS-05B-18625

THIS LEASE, made and entered into this date by and between TCI Properties, LLC

whose address is 523 E. Scranton Avenue
Lake Bluff, Illinois 60044-2202

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 3,377 rentable square feet (RSF) consisting of 3,377 ANSI/BOMA Office Area square feet (USF) of space in Unit 962 of North Shore Place located at 960-970 North Shore Drive, Lake Bluff, Illinois 60044-2202 as indicated on the attached Floor Plan, to be used for such purposes as determined by the General Services Administration.
 - B. Of the 3,377 RSF leased to the Government, 1,200 square feet will be designated as a vehicle bay with a 12' x 12' exterior insulated overhead roll-up door to be utilized for the service, storage and maintenance of Government vehicles.
 - C. Three (3) secured parking space located inside the vehicle bay of Unit 962, as well as five (5) unreserved, unsecured, on-site surface parking spaces, are included in the rent.
 - D. In accordance with the SFO paragraph entitled Common Area Factor, the common area factor is established as 1.00%.
 - E. In accordance with the SFO paragraph entitled Percentage of Occupancy, the percentage of Government occupancy is established as .0889%.
2. TO HAVE AND TO HOLD the said premises with their appurtenances for a term of ten (10) years, five (5) years firm, commencing upon acceptance of the space, subject to renewal rights as may be hereinafter set forth.
3. The Government shall pay the Lessor annual rent of \$134,472.14 at the rate of \$11,206.01 per month in arrears for Years 1-5. The Government shall pay the Lessor annual rent of \$88,983.95 at the rate of \$7,415.33 per month in arrears for Years 6-10.

Lease Years 1-5	RSF	USF
Warm Lit Shell	\$18.17	\$18.17
Real Estate Taxes	\$ 1.08	\$ 1.08
Operating Expenses	\$10.90	\$10.90
Tenant Improvements	\$ 9.67	\$ 9.67
Total	\$39.82	\$39.82

Lease Years 6-10	RSF	USF
Warm Lit Shell	\$14.37	\$14.37
Real Estate Taxes	\$ 1.08	\$ 1.08
Operating Expenses	\$10.90	\$10.90
Tenant Improvements	\$ 0	\$ 0
Total	\$26.35	\$26.35

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:

TCI Properties, LLC
523 E. Scranton Avenue
Lake Bluff, Illinois 60044-2202

4. The Government may terminate this lease at any time after the firm term by giving at least ninety (90) 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 Lesser 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, 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-18625, as amended 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:

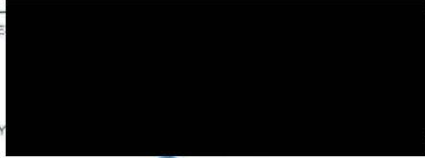
- U.S. Government Lease For Real Property, Standard Form 2 – 2 Pages
- Attachment A (Paragraphs 9 – 28) - 4 Pages
- Solicitation for Offers (SFO No. GS-05B-18625 dated June 20, 2011) — 52 Pages
- Special Requirements - 7 Pages
- SFO Amendment No. 1 – 1 Page
- Form 3517B, General Clauses (Rev 6/08) — 33 Pages
- Form 3518, Representations and Certifications (Rev 1/07) — 7 Pages
- Exhibit A, Floor Plan — 1 Page

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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LE
BY  _____
(Signature)

IN PRESENCE OF  _____


UNITED STATES OF AMERICA GENERAL SERVICES ADMINISTRATION
BY  _____
Contracting Officer
(Official title)



STANDARD FORM 2, ATTACHMENT A

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9. This contract was formed as a result of the Government's acceptance of the Lessor's Final Proposal Revision Offer dated April 3, 2012, submitted by the Lessor under SFO No. GS-05B-18625, as amended, 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 3,377 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 \$39.82 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 \$36,802.00 per annum for 3,377 ABOA 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 .0889%. The Property Tax Identification Numbers are 12-19-401-014 through 12-19-401-019.
13. In the event of the Government vacating in whole or in part prior to lease expiration, the rental will be reduced by \$0 per ABOA square feet per annum for operating expenses.
14. 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 of the building (7:00 a.m. – 6:00 p.m. Monday through Friday,) and except Federal Holidays ("Normal Hours"), at \$66.00 per day. In addition, there will be no any additional charge for areas requiring 24-hour HVAC service.
15. Lessor shall provide janitorial service within Tenant's space after Tenant's normal office hours, 8:00 a.m. to 5:00 p.m., Monday through Friday, except Saturdays, Sundays and federal holidays.
16. 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 \$147,811.00 toward the cost of the Tenant Improvements. The tenant build out cost of \$147,811.00 (based on \$43.77 per ANSI/BOMA Office Area square foot) is amortized for a period of sixty (60) months at 4.0%. Therefore, the amortized tenant build out costs are \$32,665.97 per annum or \$9.67 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 4.0% amortization rate. The refund will be a credit of the rent equally spread out throughout the firm lease term on which the Government is paying rent (60 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 4.0% throughout the firm lease term. The Government and Lessor must agree on any additional Tenant Improvement Cost through a Supplemental Lease Agreement.

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

INITIALS:  & 
LESSOR & GOVERNMENT

STANDARD FORM 2, ATTACHMENT A

Lease No. GS-05B-18625

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18. The Lessor is a Limited Liability Company. The Tax Identification Number is [REDACTED]. The Lessor will obtain and provide a DUNS number prior to Lease Award. The signatory authority for Lessor is Ted Brown, Owner / President, TCI Properties, LLC.
19. Lessor will register with the Central Contractor Registration (CCR) system as referenced in Paragraph 11 of Form 3518.
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.
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. **CBRE, INC.** ("Broker") is the authorized real estate broker representing GSA in connection with this lease transaction. The total amount of the Commission is [REDACTED] (see table on the following page) and is earned upon lease execution, payable according to the Commission Agreement signed between the two parties. Only [REDACTED] the Commission, will be payable to **CBRE, INC.** with the remaining [REDACTED] which is the "commission credit", to be credited to the shell rental portion of the annual rental payments due and owing to fully recapture this commission credit. The reduction in shell rent shall commence with the first month of the rental payments and continue until the credit has been fully recaptured in equal monthly installments over the shortest time practicable.

INITIALS:  & 
LESSOR & GOVERNMENT

COMMISSION CALCULATION TAB

CBRE PVA - NBC2 / YR 1 (v. 04.05.11)

5 Firm Term	Shell Original (RSF)	Op Costs (RSF)	Amortized Security	Amortized Tls	Free Rent	Gross/SF	Annual Amount	Annual % Change (Shell)	\$/SF Shell Increase
0									
1	\$19.25	\$10.90	\$0.00	\$9.67		\$39.82	\$134,472.14	\$0.00	\$0.00
2	\$19.25	\$10.90	\$0.00	\$9.67		\$39.82	\$134,472.14	\$0.00	\$0.00
3	\$19.25	\$10.90	\$0.00	\$9.67		\$39.82	\$134,472.14	\$0.00	\$0.00
4	\$19.25	\$10.90	\$0.00	\$9.67		\$39.82	\$134,472.14	\$0.00	\$0.00
5	\$19.25	\$10.90	\$0.00	\$9.67		\$39.82	\$134,472.14	\$0.00	\$0.00

Lump Sum and Broker Credit Calculation					
Rentable SF	Rental Rate per RSF	# Yrs	Rate is Effective	Broker %	Total Lump Sum
3,377		5			

Commission Credit Calculation for SF2	
Total Monthly Rent	\$11,206.01
Monthly Shell Rent (Less RE Taxes)	
# of Months Credit Deducted	3 Month(s)
Monthly Credit	
Adjusted Shell Rent	
RE Taxes, Opex, TI & BS	
Adjusted Monthly Rent	

Commission Credit to GSA [REDACTED]
 Commission to Broker [REDACTED]

Notwithstanding Paragraph 3 of this Standard Form 2, the shell rental payments due and owing under this lease shall be reduced to recapture fully 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:

Month 1 Rental Payment \$11,206.01 minus prorated commission credit of [REDACTED] equals [REDACTED] adjusted 1st Month's Rent.

Month 2 Rental Payment \$11,206.01 minus prorated commission credit of [REDACTED] equals [REDACTED] adjusted 2nd Month's Rent.

Month 3 Rental Payment \$11,206.01 minus prorated commission credit of [REDACTED] equals [REDACTED] adjusted 3rd Month's Rent.

26. The Tenant Improvement Fee Schedule is as follows and Lessor agrees not to exceed these figures:

- A. The General Conditions will not exceed 5% of the total subcontractor's costs.
- B. The General Contractors fee will not exceed 8% of the total subcontractor's costs.
- C. Architectural and Engineering fees will not exceed 7% of the total construction cost (\$147,811.00).
- D. Lessor's Project Management fees will not exceed 2% of the total subcontractor's costs.

27. Lessor will construct, as a Tenant Improvement Cost, a ramp at the front entrance of the Tenant's Unit, to reconfigure the stoop to comply with ADA.

INITIALS: TH & JK
 LESSOR & GOVERNMENT