

LEASE NO. GS-05P-LMI00062

Global Lease
GSA FORM L100 (10/2016)

This Lease is made and entered into between

EPA LLC

(Lessor), whose principal place of business is **115 DEPOT STREET, ANN ARBOR, MICHIGAN 48104-1017**, 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

**2000 TRAVERWOOD DRIVE
ANN ARBOR, MICHIGAN 48105-2195**

and more fully described in Section 1 and **EXHIBIT A**, 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 **04/01/2018**, and continuing for a period of

TEN (10) YEARS FIRM, WITH ONE (1), FIVE-YEAR (5-YR.) RENEWAL OPTION

subject to renewal rights as may be hereinafter set forth. The beneficial occupancy date of the Lease may be more specifically set forth in a Lease Amendment upon substantial completion and acceptance of the Space by the Government.

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:

[Redacted Signature]

Name: Michael C. Martin

Title: Managing Member

Entity Name: EPA LLC

Date: 4-4-2018

WITNESSED FOR THE LESSOR BY:
[Redacted Signature]

Name: Marcel Bonnet

Title: Agent

Date: 4/4/18

FOR THE GOVERNMENT:

[Redacted Signature]

Name: Kimberly S. Gill

Title: Lease Contracting Officer

General Services Administration, Public Building Service

Date: 4-10-18

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

SECTION 1 THE PREMISES, RENT, AND OTHER TERMS

1.01 THE PREMISES (OCT 2016)

The Premises are described as follows:

A. Office and Related Space: 70,516 rentable square feet (RSF), yielding 62,055 ANSI/BOMA Office Area (ABOA) square feet (SF) of office and related Space and an additional 576 RSF, yielding 507 ABOA SF of free space (for which the Government will not be charged rent, including real estate taxes and operating cost escalations) in excess of the total 70,516 RSF/ 62,055 ABOA SF indicated above, for a total of 71,092 RSF (yielding 62,562 ABOA SF), located on the first (1st) and second (2nd) floor(s) of the Building, as depicted on the floor plan(s) attached hereto as **EXHIBIT B**. All rights, responsibilities, and obligations that bind the Lessor and Government under this lease agreement, including the General Clauses, and any other attachments hereto, shall pertain to the entire space under lease, including the free space.

B. Common Area Factor: The Common Area Factor (CAF), defined under Section 2 of the Lease, is established as 13.63% (percent). This factor, rounded to the nearest whole percentage, shall be used for purposes of rental adjustments in accordance with the Payment Clause of the General Clauses.

C. 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.

1.02 EXPRESS APPURTENANT RIGHTS (SEP 2013)

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: 286 surface/ outside parking spaces as depicted on the plan attached hereto as **EXHIBIT C**, reserved for the exclusive use of the Government. In addition, the Lessor shall provide such additional parking spaces as required by the applicable code of the local government entity having jurisdiction over the Property.

B. Antennas, Satellite Dishes, and Related Transmission Devices: (1) Space located on the roof of the Building sufficient in size for the installation and placement of telecommunications equipment, (2) the right to access the roof of the Building, and (3) use of all Building areas (e.g., chases, plenums, etc.) necessary for the use, operation, and maintenance of such telecommunications equipment at all times during the term of this Lease.

1.03 RENT AND OTHER CONSIDERATION (OCT 2016)

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

	Years 1-5 (04/01/2018 – 03/31/2023) Annual Rent	Years 6-10 (04/01/2023 – 03/31/2028) Annual Rent
Shell Rent:	\$2,222,174.71	\$2,444,084.56
Operating Costs:	\$495,737.73	\$495,737.73
Total Annual Rent	\$2,717,912.44	\$2,939,822.29

1. The maximum Tenant Improvement is established at \$1,241,100.00. This component of the rent shall not activate until construction is complete and the required improvements are delivered and accepted by the Government. Once the Space is accepted, the total annual rent stated above will be adjusted to include the amortized tenant improvement component and memorialized in a Lease Amendment.

B. INTENTIONALLY DELETED

C. Rent is subject to adjustment based upon a mutual on-site measurement of the Space upon acceptance, not to exceed 62,055 ABOA SF based upon the methodology outlined under the "Payment" clause of GSA Form 3517.

D. Rent is subject to adjustment based upon the final Tenant Improvement (TI) cost to be amortized in the rental rate, as agreed upon by the parties subsequent to the Lease Award Date.

E. INTENTIONALLY DELETED

F. 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.

G. 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 by the Lessor in the System for Award Management (SAM). If the payee is different from the Lessor, both payee and Lessor must be registered and active in SAM.

H. 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 herein 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 (with the exclusion of **heating, air conditioning, electrical (light and power), and plumbing**), maintenance required for the proper operation of the Property, the Building, and the Leased 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. The Government shall be responsible for paying the cost of **heating, air conditioning, electrical (light and power), and plumbing** directly to the utility provider. The Lessor shall ensure that such utilities are separately metered. The Lessor shall provide and install as part of shell rent, separate meters for utilities. Sub-meters are not acceptable. The Lessor shall furnish in writing to the LCO, prior to occupancy by the Government, a record of the meter numbers and verification that the meters measure Government usage only. Proration is not permissible. In addition, an automatic control system shall be provided to assure compliance with heating, ventilation, and air conditioning requirements.

I. INTENTIONALLY DELETED

J. INTENTIONALLY DELETED

1.04 BROKER COMMISSION AND COMMISSION CREDIT (OCT 2016)

A. **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] and is earned upon Lease execution, payable according to the Commission Agreement signed between the Lessor and Broker. Only [REDACTED] of 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 following acceptance of the tenant improvements (and after full rental has been established) and continue until the credit has been fully recaptured in equal monthly installments over the shortest time practicable.

B. Notwithstanding the "Rent and Other Consideration" paragraph of this Lease, 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 following acceptance of the tenant improvements (and after full rental has been established) and continue as indicated in this schedule for adjusted Monthly Rent:

1.05 INTENTIONALLY DELETED

1.06 RENEWAL RIGHTS (OCT 2016)

A. This Lease may be renewed at the option of the Government for a term of [REDACTED] term at the following rental rate:

Option Term 1		
	Annual Rate	Annual Rent
Shell Rental Rate:	[REDACTED]	[REDACTED]
Operating Costs:	Operating cost base shall continue from the Effective year of the lease. Option term is subject to continuing annual adjustments.	

provided notice is given to the Lessor at least 120-days before the end of the original Lease term or any extension thereof; all other terms and conditions of this Lease, as same may have been amended, shall remain in full force and effect during any renewal term, including all increases to Operating Costs accumulated during the original term, if any.

B. INTENTIONALLY DELETED

1.07 DOCUMENTS INCORPORATED IN THE LEASE (OCT 2016)

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

DOCUMENT NAME	NO. OF PAGES	EXHIBIT
Legal Description of the Premises	1	A
Floor Plan(s)	2	B
Parking Plan(s)	1	C
Agency Requirements – Upgrades/ Repairs Needed in the Office Building	2	D
Security Requirements – Facility Security Level III	5	E

GSA Form 3517B, General Clauses	15	F
GSA Form 3518-SAM, Addendum to System for Award Management (SAM) Representations and Certifications (Acquisitions of Leasehold Interests in Real Property)	2	G
SAM Registration – EPA LLC	4	H
Form B – Document Security Notice to Prospective Bidders/ Offerors	4	I
Energy Independence and Security Act (EISA) Compliance Documentation	3	J

1.08 TENANT IMPROVEMENT RENTAL ADJUSTMENT (OCT 2016)

A. The Tenant Improvement Allowance (TIA) for purposes of this Lease is **\$20.00** per ABOA SF. The TIA is the amount that the Lessor shall make available for the Government to be used for TIs. This amount is amortized in the rent over the Firm Term of this Lease at an annual interest rate of **5.83%** (percent).

B. The Government, at its sole discretion, shall make all decisions as to the use of the TIA. The Government may use all or part of the TIA. The Government may return to the Lessor any unused portion of the TIA in exchange for a decrease in rent according to the agreed-upon amortization rate over the Firm Term.

C. The Government may elect to make lump sum payments for any or all work covered by the TIA. That part of the TIA amortized in the rent 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 TIA. If the Government elects to make a lump sum payment for the TIA after occupancy, the payment of the TIA by the Government will result in a decrease in the rent according to the amortization rate over the Firm Term of the Lease.

D. If it is anticipated that the Government will spend more than the identified TIA, the Government may elect to:

1. Reduce the TI requirements;
2. Pay lump sum for the overage upon substantial completion in accordance with the "Acceptance of Space and Certificate of Occupancy" paragraph;
3. Negotiate an increase in the rent.

1.09 TENANT IMPROVEMENT FEE SCHEDULE (JUN 2012)

For pricing TI costs, the following rates shall apply for the initial build-out of the Space.

	INITIAL BUILD-OUT
Architect/Engineer Fees (% of TI Construction Costs):	5.0%
Lessor's Project Management Fee (% of TI Construction Costs):	7.0%

1.10 INTENTIONALLY DELETED

1.11 INTENTIONALLY DELETED

1.12 PERCENTAGE OF OCCUPANCY FOR TAX ADJUSTMENT (OCT 2016)

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 **99.189782%** (percent). The Percentage of Occupancy is derived by dividing the total Government Space of **70,516** RSF by the total Building space of **71,092** RSF. The tax parcel number is **09-09-15-301-002**.

1.13 REAL ESTATE TAX BASE (SEP 2013)

The Real Estate Tax Base, as defined in the "Real Estate Tax Adjustment" paragraph of the Lease is **\$318,218.38**. Tax adjustments shall not occur until the tax year following lease commencement has passed.

1.14 OPERATING COST BASE (OCT 2016)

The parties agree, for the purpose of applying the paragraph titled "Operating Costs Adjustment," that the Lessor's base rate for operating costs shall be **\$495,737.73** (or **\$7.03** per RSF).

1.15 RATE FOR ADJUSTMENT FOR VACANT LEASED PREMISES (SEP 2013)

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 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 **\$1.50** per ABOA SF of Space vacated by the Government.

1.16 INTENTIONALLY DELETED

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