

STANDARD FORM 2  
FEBRUARY 1965  
EDITION  
GENERAL SERVICES  
ADMINISTRATION  
FPR (41 CFR) 1-16.601

U.S. GOVERNMENT  
LEASE FOR REAL PROPERTY

DATE OF LEASE

1-26-10

LEASE NO.

GS-05B-18415

THIS LEASE, made and entered into this date by and between

whose address is

S & J PROPERTIES OF ORION  
(CO Steven Mazzetti, Managing Partner)  
1814 S. Lapeer Road  
Oxford, MI 48371

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:

2,890 ANSI/BOMA office usable area square feet (3,323 rentable square feet) of contiguous first floor office space, along with twenty (20) on-site reserved parking spaces, all located at 4405 Baldwin Road, Orion, MI 48359 -2164, to be used for such purposes as determined by the General Services Administration.

2. TO HAVE AND TO HOLD the said premises with their appurtenances for the term beginning on the date which is not later than 60 days after the Government has issued the "Notice to Proceed" to the Lessor for a period of eight years (8) years, with a firm term of five (5) years beginning upon the substantial completion of space estimated to be April 1, 2010, subject to termination and renewal rights as may be hereinafter set forth. The actual dates of the lease will be established by Supplemental Lease Agreement at the time the Government accepts the space.

3. The Government shall pay the Lessor annual rent for the firm term (years 1-5) of \$107,101.08 at the rate of \$8,925.09 per Month (\$52.23/RSF or \$37.06/USF) in arrears and consists of: shell rent (including taxes); \$58,321.81 (\$17.55/RSF or \$20.18/USF), operating expenses: \$20,794 (\$6.25/RSF or \$7.19/USF) and \$27,985.14 (\$8.42/RSF or \$9.68/USF) in amortized Tenant improvements over 60 months at a rate of 6.50% and rent for years 6-8 of \$79,115.94 per year, (\$6593/ month) from the date of acceptance by the commencement SLARent for a lesser period shall be prorated.

In Section 3.2 TENANT IMPROVEMENTS INCLUDED IN OFFER; the Lessor agrees to provide up to \$41.24 per ANSI/BOMA Office Area square foot toward the cost of the tenant improvements. In the event the tenant improvement cost is less than that amount, Lessor agrees as outlined in Section 3.3 TENANT IMPROVEMENT RENTAL ADJUSTMENT, to refund such difference in the form of a reduction of the tenant improvement portion of the rental using an 6.50% amortization rate over 60 months. The Government and Lessor agree that the final Tenant Improvement costs will be stated in a Supplemental Lease Agreement. Rent checks shall be made payable to:


S & J PROPERTIES OF ORION  
(CO Steven Mazzetti, Managing Partner)  
1814 S. Lapeer Road  
Oxford, MI 48371

4. The Government may terminate this lease at any time after five (5) years, by giving 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

INITIALS:

  
LESSOR

&

  
GOVERNMENT

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6. The Lessor shall furnish to the Government, as part of the rental consideration, all responsibilities and obligations as defined in this lease which includes the attachments specified in Paragraph 7 below including the following: All services, utilities and maintenance of the building and grounds. Also, as part of the rental consideration, the Lessor shall meet all responsibilities and obligations as defined in the SFO GS-05B-18415 and other attachments to the Lease, including but not limited to providing twenty (20) on site parking spaces as well as meeting all handicapped Accessibility and Fire/Life Safety Requirements.
7. The following are attached and made a part hereof:  
  
(A) Paragraphs 12 through 24 of this lease on pages 3; (B) Solicitation of Offers NO. GS-05B-18415 dated 11/17/09, pages 1 through 49; Attachment #1 - Lease Cost breakdown, Attachment #2 - Tenant Improvement vs. Shell Cost Guide, Attachment #3 - General Requirements, - (Form B) Document Security; Attachment 3 General Requirements of the Social Security Administration consisting of 11 pages (C) GSA Form 3516A (REV 12/03) consisting of 6 pages; (D) GSA Form 3517B (REV. 06/08) consisting of 33 pages; (E) GSA Form 3518 (REV. 01/07) consisting of 7 pages (F) Exhibit A - Floor Plan as submitted by Lessor.
8. The following changes were made in this lease prior to its execution:  
PARAGRAPH 5 ABOVE WAS DELETED.
9. The date of this lease is the date this contract was formed as a result of the Government's acceptance of the Lessor's Best and Final Offer dated December 15, 2009, submitted by the Lessor under SFO GS-05B-18415. This lease reflects the terms and conditions of the accepted Best and Final Offer.
10. Cost adjustments and termination rights shall be adjusted to coincide with any revised actual commencement date. The actual commencement date will be established by Supplemental Lease Agreement to the lease. The lease will then be in effect for eight (8) years (5 years firm), subject to termination rights as specified in the lease. The anniversary date for annual escalations, operating cost adjustments and termination rights shall be adjusted to coincide with any revised actual commencement date.
11. The Lessor will complete the tenant improvements in the space making it ready for occupancy no later than 90 working days after receiving the Government's Notice to Proceed. GSA shall deliver layout drawings and necessary finish selections to the Lessor within 60 working days after full execution of this lease.

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

LESSOR S & J PROPERTIES OF ORION

BY

[Redacted Signature]

(Signature)

STEVEN MAZZOLA, MANAGING MEMBER S+J PROPERTIES OF ORION

(Signature)

IN PRESENCE OF:

[Redacted Name]

1814 S Lapeer Rd LK Orion

(Address)

UNITED STATES OF AMERICA GENERAL SERVICES ADMINISTRATION

BY GERALD K. KOSMAN

(Signature)



Leasing Contracting Officer

(Official title)

12. **Usable Square Footage:** The total net usable square foot area referred to in Paragraph 1.1, is subject to adjustment, but may not be less than the minimum 2,890 ANSI/BOMA Office Area square feet defined in the Solicitation for Offers No. GS-05B-18415. Should there be any adjustments in the usable square footage delivered, that has been determined through mutually agreed field measurement, the per annum total rental referred to above shall be adjusted on the basis of \$37.06 per usable square foot per annum. The lease shall be amended by Supplemental Lease Agreement after actual field measurement to establish the square footage and rental in compliance with the terms of the lease.
13. **Operating cost adjustments:** The rent is subject to annual operating cost adjustments in accordance with Section 4.3 of Solicitation for Offers No. GS-05B-18415 within this lease. It is understood and agreed that for operating cost adjustment purposes, the first year's operating cost will be \$20,794 (subject to actual measured accepted space).
14. **Real Estate Tax adjustments:** It is understood and agreed that for real estate tax adjustment purposes, in accordance with Section 4.2 of the SFO No. GS-05B-18415 (Aug 2008) (A - D) that the Government will occupy 46% of the net useable square foot area of the building. It is understood and agreed that for real estate tax adjustment purposes the tax portion of the original shell rent will not be used for future adjustments, but rather the actual first year taxes as stated on local assessment tax bills. (subject to actual measured accepted space).
15. **Government's percent of the net use area of the building:** It is understood and agreed that for real estate tax adjustment purposes, in accordance with Section 4.2 of Solicitation for Offers NO. GS-05B-18415 within this lease, the Government will occupy 46% percent of the net usable square foot area of the building.
16. **Overtime HVAC Cost:** If heating or cooling is required by the Government on an overtime basis, it shall be provided at \$0 per hour.
17. **Changes to leased area or funding for changes to TI:** Lessor shall not construct, change, alter, remove, or add to the leased area without prior notification and approval from the General Services Administration (the Contracting Officer or his/her representative) as well as acknowledgement of funding for any changes to the Tenant Improvement costs, approved prior to the Notice to Proceed with build out of the tenant's space.
18. **Sale or transfer of property:** If the property housing the leased premises is sold or transferred, the following information is required before the Government can acknowledge the success in interest and change the payee for rent or other payments:
  - (I) Evidence of the transfer of title.
  - (II) A letter from successor Lessor (transferee) assuming, approving and adopting the lease and agreeing to be bound by its terms.
  - (III) A letter from prior Lessor (transferor) waiving all rights under the lease as against the United States of America, except unpaid rent through a specified date, usually the date of ownership transfer.
  - (IV) The IRS tax identification number of the new owner.
  - (V) Evidence in form and substance satisfactory to the Government of the proposed new owners financial capability.
  - (VI) Proposed new Lessor must complete all steps required in the Central Contractor Record prior to sale. (CCR)

Where leased premises are transferred by death of the Lessor, a copy of the letters of administration when there is no will, showing the Lessor(s), is required. Unless an interim court order is received, rents will be accrued and paid the new owner(s) upon final settlement of the estate.

19. **Real Estate Tax Identification Number:** The Tax Identification Number for the real estate parcel occupied under this lease is [REDACTED]
20. **Questions pertaining to this lease:** All questions pertaining to this lease should be referred to the Contracting Officer of the General Services Administration or his/her designee. The Government occupant is not authorized to administer this lease. The General Services Administration assumes no responsibility for any cost incurred by the Lessor except as provided by the terms of this lease or authorized in writing by the Contracting Officer or his/her designee.
21. **Terms and conditions of this Lease:** All 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 the execution of this Lease are not applicable or binding. This agreement may be amended only by written instrument executed by the Lessor and Government.
22. **Lease Common Area Factor:** The Lease Common Area Factor is 1.14989 (2,890 useable square feet multiplied by 1.49889 equals 3,323 rentable square feet of space)
23. **Government's Signatory Authority:** The Contracting Officer represents that the General Services Administration as an agent with authority to enter into this Lease on behalf of the Government and executes this document in his or her Official capacity only, and not as an individual.
24. **IRS Tax ID Number & DUNS Number:** The Lessors IRS Tax Number is [REDACTED] and DUNS number is 136931750.

INITIALS:  &   
LESSOR & GOVERNMENT