

U.S. GOVERNMENT LEASE FOR REAL PROPERTY
(Short Form)

LEASE NUMBER
GS 04B-62401

PART 1 - SOLICITATION DESCRIPTION OF REQUIREMENTS (To be completed by Government)

A. REQUIREMENTS

2. The Government of the United States of America is seeking to lease approximately 36,000 rentable square feet of office and related use space located in Oak Ridge TN for occupancy not later than July 23, 2012 (date) for a term of six months, with six (6) additional one month renewal options. Rentable space must yield a minimum of 30,000 to a maximum of 32,000 square feet of ANSI/BOMA Office Area (ABOA) for use by Tenant for personnel, furnishing, and equipment. Parking requirement: 175 parking spaces are required for the tenant (onsite or within 500 feet of leased property).

3. INITIAL OFFERS ARE DUE ON OR BEFORE 5 pm EST on Tuesday, July 17, 2012.

B. STANDARD CONDITIONS AND REQUIREMENTS - See Supplemental Lease Requirements for Additional Information

4. The following standard conditions and requirements shall apply to any premises offered for lease to the UNITED STATES OF AMERICA (the GOVERNMENT):

- a. Space offered must be in a quality building of sound and substantial construction meeting the Government's requirements for the intended use.
- b. The Lessor shall provide floor plans for the offered space and a valid Certificate of Occupancy for the intended use of the Government and shall meet, maintain, and operate the building in conformance with all applicable current (as of the date of this solicitation) codes and ordinances. If space is offered in a building to be constructed for lease to the Government, the building must be in compliance with the most recent edition of the building code, fire code, and ordinances adopted by the jurisdiction in which the building is located.
- c. Offered space shall meet or be upgraded to meet the applicable egress requirements in National Fire Protection Association (NFPA) 101, *Life Safety Code* or an alternative approach or method for achieving a level of safety deemed equivalent and acceptable by the Government. Offered space located below-grade, including parking garage areas, and all areas referred to as "hazardous areas" (defined in NFPA 101) within the entire building (including non-Government areas), shall be protected by an automatic sprinkler system or an equivalent level of safety. Additional automatic fire sprinkler requirements will apply when offered space is located on or above the 6th floor. Unrestricted access to a minimum of two remote exits shall be provided on each floor of Government occupancy. Scissor stairs shall be counted as only one approved exit. Open-air exterior fire escapes will not be counted as an approved exit. Additional fire alarm system requirements will apply when offered space is located 2 or more stories in height above the lowest level of exit discharge.
- d. The Building and the leased space shall be accessible to persons with disabilities in accordance with appendices C and D of 36 CFR Part 1191 (ABA Chapters 1 and 2 and Chapters 3 through 10 of the ADA-ABA Accessibility Guidelines).
- e. The leased space shall be free of all asbestos containing materials, except undamaged asbestos flooring in the space or undamaged boiler or pipe insulation outside the space, in which case an asbestos management program conforming to Environmental Protection Agency guidance shall be implemented. The space shall be free of other hazardous materials and in compliance with applicable Federal, State, and local environmental laws and regulations.
- f. Services, utilities, and maintenance will be provided daily, extending from 7:00 a.m. to 5:00 p.m. Monday through Friday (except Federal holidays). The Government shall have access to the leased space at all times, including the use of electrical services, toilets, lights, elevators, and Government office machines without additional payment.
- g. The Lessor shall complete any necessary alterations, repairs, maintenance, and initial cleaning within 2 days after receipt of contract award, unless otherwise negotiated.
- h. The Offeror must have an active registration in the Central Contractor Registration (CCR) System (via the Internet at <http://www.ccr.gov>) prior to lease award and throughout the life of the lease. To remain active, the Lessor must update or renew its registration annually. The Government will not process rent payments to Lessors without an active CCR Registration. The Government will recognize no change of ownership of the leased premises until the new owner registers in the CCR system.

5. SERVICES AND UTILITIES (To be provided by Lessor as part of rent)

- | | | | | |
|--|--|--|---|---|
| <input checked="" type="checkbox"/> HEAT | <input checked="" type="checkbox"/> TRASH REMOVAL | <input checked="" type="checkbox"/> ELEVATOR SERVICE | <input checked="" type="checkbox"/> INITIAL & REPLACEMENT LAMPS, TUBES & BALLASTS And AIR FILTERS | <input checked="" type="checkbox"/> OTHER (Specify below) |
| <input checked="" type="checkbox"/> ELECTRICITY | <input checked="" type="checkbox"/> CHILLED DRINKING WATER | <input checked="" type="checkbox"/> WINDOW WASHING | <input type="checkbox"/> PAINTING FREQUENCY | a. See Supplemental lease Requirements for Additional Information |
| <input checked="" type="checkbox"/> POWER (Special Equip.) | <input checked="" type="checkbox"/> AIR CONDITIONING | Frequency <u>annually</u> | Space <u>flr</u> | |
| <input checked="" type="checkbox"/> WATER (Hot & Cold) | <input checked="" type="checkbox"/> TONER SUPPLIES | <input checked="" type="checkbox"/> CARPET CLEANING | Public Areas <u>flr</u> | |
| <input checked="" type="checkbox"/> SNOW REMOVAL | <input checked="" type="checkbox"/> JANITORIAL SERV. & SUPP. | Frequency <u>initial</u> | | |

6. OTHER REQUIREMENTS- See GSA Form 3626 pages 3 and 4, Attachment A(Supplemental Lease Requirements) and Attachment D (Offer Phase)

NOTE: All offers are subject to the terms and conditions outlined above, and elsewhere in this solicitation, including the Government's General Clauses and Representations and Certifications.

7. BASIS OF AWARD

- THE ACCEPTABLE OFFER WITH THE LOWEST PRICE PER SQUARE FOOT, ACCORDING TO THE ANSI/BOMA Z55.1-1996 DEFINITION FOR BOMA RENTABLE OFFICE AREA, WHICH MEANS THE AREA WHERE A TENANT NORMALLY HOUSES PERSONNEL AND/OR FURNITURE, FOR WHICH A MEASUREMENT IS TO BE COMPUTED
- OFFER MOST ADVANTAGEOUS TO THE GOVERNMENT, WITH THE FOLLOWING EVALUATION FACTORS BEING:
 - SIGNIFICANTLY MORE IMPORTANT THAN PRICE
 - APPROXIMATELY EQUAL TO PRICE
 - SIGNIFICANTLY LESS IMPORTANT THAN PRICE
 - (Listed in descending order, unless stated otherwise)

PART II - OFFER (To be completed by Offeror/Owner and remain open until lease award)

A. LOCATION AND DESCRIPTION OF PREMISES OFFERED FOR LEASE BY GOVERNMENT

1. NAME AND ADDRESS OF BUILDING (include ZIP code) 545 Oak Ridge Turnpike Oak Ridge, TN 37830	2. LOCATION(S) IN BUILDING	
	a. FLOOR(S) First and Second	b. ROOM NUMBER(S)
c. SQ. FT. RENTABLE <u>32,000</u> ABOA <u>30,250</u> <small>Common Area Net Factor</small> 5.785%		d. TYPE <input checked="" type="checkbox"/> GENERAL OFFICE <input type="checkbox"/> OTHER (Specify) <input type="checkbox"/> WAREHOUSE

B. TERM

3. To have and to hold, for the term commencing on July 23, 2012 and continuing through January 22, 2013 inclusive. The Government may terminate this lease in whole or in part at any time on or N/A by giving at least N/A notice in writing to the Lessor. No rental shall accrue after the effective date of termination. Said notice shall be computed commencing with the day after the date of mailing. Renewal options: The Government may exercise each one month renewal option by giving at least 15 days notice in writing to the Lessor.

C. RENTAL

4. Rent shall be payable in arrears and will be due on the first workday of each month. When the date for commencement of the lease falls after the 15th day of the month, the initial rental payment shall be due on the first workday of the second month following the commencement date. Rent for a period of less than a month shall be prorated.

5. AMOUNT OF ANNUAL RENT \$560,000.00	7. HVAC OVERTIME RATE PER HOUR <u>\$25</u> per zone <u>N/A</u> per floor	8. ELECTRONIC FUNDS TRANSFER PAYMENT SHALL BE MADE TO (Name and Address) R & R Management 575 Oak Ridge Turnpike, Suite 201 Oak Ridge, TN 37830-7100
6. RATE PER MONTH \$46,666.67		

9. NAME AND ADDRESS OF OWNER (include ZIP code. If requested by the Government and the owner is a partnership or joint venture, list all General Partners, using a separate sheet, if necessary.)

R & R Enterprises, 575 Oak Ridge Turnpike, Suite 201, Oak Ridge, TN 37830-7100

Partners are: RG Chinn IRRV Trust and CR Chinn IRRV Trust

10. SIGNATURE OF PERSON SIGNING 	10. TYPE OF INTEREST IN PROPERTY OF PERSON SIGNING <input checked="" type="checkbox"/> OWNER <input type="checkbox"/> AUTHORIZED AGENT <input type="checkbox"/> OTHER (Specify)
	11. TITLE OF PERSON SIGNING Authorized Rep.
	11. DATE 7-19-12

III - AWARD (To be completed by Government)

1. Your offer is hereby accepted. This award consummates the lease which consists of the following attached documents: (a) this GSA Form 3626, (b) Representations and Certifications, (c) the Government's General Clauses, and (d) the following changes or additions made or agreed to by you:

1. Attachment A - Supplemental Lease Requirements
2. Attachment B - Floor plan of offered space
3. Attachment C - Parking Plan

2. THIS DOCUMENT IS NOT BINDING ON THE GOVERNMENT OF THE UNITED STATES OF AMERICA UNLESS SIGNED BELOW BY AUTHORIZED CONTRACTING OFFICER.

12. NAME OF CONTRACTING OFFICER (Type or Print)

Felicia R. Walker

DATE

7/20/12

D. Part I, Page 1, Section B, Item 3, OTHER REQUIREMENTS, is hereby continued as follows:

The requirements described in this solicitation package are to be included in the rental consideration.

a). As part of Offer –

- 1) Offeror must demonstrate the building can comply with the following requirement by July 27, 2012 - and must be confirmed prior to award: The lessor shall provide connectivity from the leased building(s) to the Oak Ridge Federal – Integrated Communications Network (ORF-ICN) for both voice and data services. It will be the lessor's responsibility to provide the fiber/copper facilities to the ORF-ICN demarcation point as defined by [REDACTED]. The facilities must be capable of handling a minimum of 225 voice connections for ORF-ICN dial tone as well as a 1 gigabit data connection at the same time with no degradation of service. Leased facility must have spare entrance conduit and have adequate space for new telecommunications equipment in existing Telecom Terminal Room (at least a 4'x4' area) with dedicated duplex electrical outlet and building ground. [REDACTED] ORF-ICN contractor must have access to such space and facilities
- 2) The Government reserves the right to request environmental reports or other safety reports for review with offer

b). Offeror agrees to the following:

- 1) Ensure all building systems are functioning properly prior to Government occupancy. Air filters should be replaced if more than 3 months old.
- 2) The Government does not require offeror to complete initial changes to space configuration or finishes of offered space; however, Lessor will provide electrical items to support systems furniture, along with preparations and structure for cabling/ IT, and adequate number of voice / data jacks, and security access control system to accommodate the expedited Government occupancy (see section 4 and 6 of Attachment A).
- 3) The Government reserves the right to alter the space directly during contract period including data and minor work; however, only the Lessor may complete any required electrical and structural changes.

E. Part II, Page 2, Section A., Item 2.c., Building Location, Continued

1. Square footage: This lease contains 30,250 BOMA office area square feet and 32,000 rentable square feet. The common-area factor (CAF), if applicable, is established as 1.05785.

F. Part II, Page 2, Section C., Item 7., ANNUAL RENT, Continued

The following shall be added to item 7. "ANNUAL RENT":

- 1.) The rental rate shown in Block 7 consists of the following components:

	FIRM PERIOD	NONFIRM/RENEWAL PERIOD	FIRM PERIOD	FIRM PERIOD
	ANNUAL RENT	ANNUAL RATE	PRSF RATE	PUSF RATE
SHELL RENT ¹	384,120.00	384,120.00	12.00	18.51
TENANT IMPROVEMENTS RENT ²	27,400.00	N/A	.86	12.70
OPERATING COSTS ³	148,480.00	148,480.00	4.64	4.91
BUILDING SPECIFIC SECURITY	N/A	N/A	N/A	N/A
PARKING	N/A	N/A	N/A	N/A
TOTAL ANNUAL RENT	\$560,000.00	\$532,600.00	\$17.50	\$18.51

¹Shell rent (Firm Term) calculation: \$12.00 per RSF multiplied by 32,000 RSF

²The tenant improvement calculation : Total TI amount amortized by 0% over 12 months, then applied to firm period (6 months);

³Operating Costs rent calculation: \$4.64 per RSF multiplied by 32,000 RSF

2. Operating Costs Base: 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 \$4.64 per RSF (\$148,480.00 /annum). This lease is not subject to annual operating rent CPI increase provisions.

3. Renewal Option: This Lease contains six (6) one month options after the initial six month term. This Lease may be renewed at the option of the Government for a term of one month upon N/A days prior written notice at the Non-firm annual rental (\$16.64 prsf or \$532,600 per annum).

4. The percentage of occupancy by the Government is 100% based on Government occupancy of 32,000 rentable square feet and total building area of 32,000 rentable square feet.

5. Adjustment rate 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 N/A per ABOA SF of Space vacated by the Government. Said reduction shall occur after the Government gives 30 calendar days' prior notice to the Lessor and shall continue in effect until the Government occupies the vacant Premises or the Lease expires or is terminated

6. Tenant Improvement Cost:

A. For offer period – The offeror will estimate TI costs of \$ _____ based pricing allowance defined in Attachment D. This amount is amortized in the rent over the Firm Term (4 months) of this Lease at an interest rate of _____ percent per year – yielding \$ _____ / per month. Must apply 12 months into 4 month amortization period. This amount will be quoted in rental rate in paragraph 1 above.

B. If possible, offeror will also offer pricing estimate of \$13,700 on the newly installed items described in **section 4 of Attachment A**. This amount is amortized in the rent over the Firm Term (6 months) of this Lease at an interest rate of 0 percent per year – yielding \$2,283.33/ per month. Must apply 12 months into 6 month amortization period.

C. The Government shall have the right to make lump sum payments for any or all TI work. If this approach is taken, the annual rent shall be adjusted to reduce this amortized amount.

D. The summary and cost of the TI items is shown below (offeror shall fill in this chart with initial offer)–

See Section 4 (Attachment A)	Price per unit	# of units	Other comments	Total cost per line item
Providing power to 14 power poles to support systems furniture	█	14		█
Junction boxes	█	14		█
Providing conduit for cabling	█	10		█
Providing drops and rings for cabling	█	10		█
Security access control system for exterior / interior doors leading to client space	█	200	█	
GRAND TOTAL				\$13,700.00



 GENERAL SERVICES ADMINISTRATION
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