

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

9/12/11

LEASE NO. LVT04850

THIS LEASE, made and entered into this date by and between Pizzagalli Properties, LLC
whose address is: 50 Joy Drive
South Burlington, VT 05403-6118

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:

- LESSOR HEREBY LEASES TO THE GOVERNMENT AND THE GOVERNMENT HEREBY LEASES FROM THE LESSOR THE FOLLOWING DESCRIBED PREMISES: An area of 62,824 Rentable Square Feet (RSF) yielding 57,183 BOMA Office Area Square Feet (ABOASF), with a Common Area Factor of 9.86%, of office and general purpose space consisting all of the 1st and 2nd floors (60,524 RSF / 55,091 ABOASF) of the building located at 30 River Road, Essex Junction, VT 05452-3808 and a of a portion of the 1st floor (2,300 RSF / 2,092 ABOASF) of the building located at 38 River Road, Essex Junction, VT 05452-3808 (hereinafter the "Buildings"), and identified on the plan entitled "Floor Plans"; and all improvements and all amenities being collectively hereinafter referred to as the "Premises" or the "Leased Premises", all of which are leased to the Government together with any and all appurtenances, rights, privileges and easements now or hereafter benefiting, belonging or appertaining thereto, including without limitation use of all common areas and facilities, and rights of ingress and egress to the Building, the Leased Premises and all common areas and appurtenances, to be used for general Government purposes as determined by the General Services Administration. In addition, the Government shall have the right to utilize up to 285 surface parking spaces at no additional cost.
- TERM: TO HAVE AND TO HOLD the said Premises with their appurtenances for a term of ten (10) years commencing August 1, 2011 (the "Commencement Date"), and ending ten (10) years thereafter, unless extended or sooner terminated as provided herein or as may be allowed at law or in equity (the "Lease Term").
- TERMINATION RIGHT: THE GOVERNMENT MAY TERMINATE this Lease in whole or in part at any time on or after the last day of the fifth (5th) year by giving at least ninety (90) days prior notice in writing to the Lessor and no rental shall accrue after the effective date of termination. Said 90-day period shall be computed commencing with the day after the date of mailing of the notice by the Government
- RENEWAL OPTION (intentionally deleted)
- THE GOVERNMENT SHALL PAY to the Lessor, commencing on the Commencement Date in accordance with Paragraph 2 above as follows:

Years 1 through 5: Annual rent of \$1,426,082.00 payable at the rate of \$118,840.17 per month, in arrears and;
Years 6 through 10: Annual rent of \$1,507,688.96 payable at the rate of \$125,640.75 per month, in arrears,
via Electronic Funds Transfer to:

Pizzagalli Properties, LLC
50 Joy Drive
South Burlington, VT 05403-6118

Rent for a lesser period shall be prorated on a per diem basis.

Initial/Date

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Lessor

6. THE LESSOR SHALL FURNISH TO THE GOVERNMENT, for the stated rental consideration specified in Paragraph 5 above and at no further cost or expense to the Government, the following:
- (a) The Leased Premises, and all appurtenances, rights and privileges as described in Paragraph 1 hereof;
 - (b) All requirements including, but not limited to, all services, utilities, compliance activities and efforts, alterations, improvements, build-out (except for lump sum reimbursable items), and maintenance, repair and replacement requirements, all as specified in or contemplated by Solicitation for Offers 9VT2007, dated June 30, 2011 (hereinafter, the "SFO"), attached hereto and by this reference made a part hereof;
 - (c) All tenant improvements in accordance with SFO Section 3.2. In regards to the required improvements, Lessor shall provide a proposed construction schedule within five (5) working days of lease award for review and approval by the Government. A credit due from the Lessor to the Government for carpet and paint arising from expiring Lease No. LVT04300 in the amount of \$0.90 per RSF has been accounted for in the rental rates set forth in Paragraph 5 hereof, and no further credits regarding this matter are due the Government. Lessor's obligations to the Government regarding carpet, paint and other construction work items in this Lease are described in SFO Section 3.2.
 - (d) All provisions and specifications of the Lessor's Revised Best and Final proposal dated August 3, 2011, submitted in response to the SFO and the Government's request for Revised Best and Final Offers;
 - (e) All services, including, without limitation, construction drawings and specifications, engineering and architectural services, and all permitting and approval requirements as are necessary to effect the construction and delivery of the Leased Premises in accordance with the requirements described herein;
 - (f) All energy efficient renovations that are determined by the lessor to be cost effective as required by SFO Sections 2.3 and 8.3 "Energy Independence and Security Act" must be complete within one year of lease award. A report detailing the findings must be submitted to the Contracting Officer no later than two calendar months after lease award.
 - (g) All rights, reservations of rights, privileges and the like specified in, described by, or contemplated by this Lease.

7. COMMISSION AND COMMISSION CREDIT:

(a) The Lessor and Studley, Inc. have agreed to a total cooperating lease commission of [REDACTED] of the aggregate value of this lease as defined in the SFO. Based on the rental amount stated herein, the total amount of the commission is [REDACTED]. The Broker's compensation is [REDACTED], or [REDACTED]. The balance of the total cooperating commission, [REDACTED] shall be applied to the shell rent as the Commission Credit. The Lessor agrees to pay the Commission less the Commission Credit to the Studley, Inc. in accordance with the "Broker Commission and Commission Credit" section in the SFO attached to and forming a part of this lease. The Lessor shall pay Studley, Inc. no additional commissions associated with this lease transaction.

(b) Notwithstanding Paragraph 5 of the Standard Form 2, the shell portion of the rental payments due and owing under this lease shall be reduced to fully recapture the Commission Credit of [REDACTED]. The reduction in shell rent shall commence with the 1st month of the rental payments and continue as indicated in this schedule for adjusted Monthly Rent:

First (1st) Month's Rental Payment of \$118,840.17 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted First (1st) Month's Rent.

Second (2nd) Month's Rental Payment of \$118,840.17 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted Second (2nd) Month's Rent.

(c) Upon final acceptance of the Premises as evidenced by execution of a Supplemental Lease Agreement (SLA), in the event the rental amount increases or decreases from the amount stated herein, the commission percentage stated herein shall be applied to the revised rental amount to determine the revised commission and commission credit amounts and documented on the referenced SLA.

8. TAX ADJUSTMENTS: Referencing Section 4.1 "Tax Adjustment" of the SFO, the percentage of Government occupancy of the Building for real estate tax purposes is agreed to be 100% (60,524 RSF / 60,524 RSF) for 30 River Road and 2.8% (2,300 RSF / 82,800 RSF) for 38 River Road.

9. OPERATING COSTS: Referencing Section 4.2 "Operating Costs" of the SFO, the base rate for the cost of services (hereinafter, the "Operating Costs Base") shall be \$499,992.00 (\$7.96 per RSF). This operating cost base shall be subject to annual adjustment as provided for in Section 4.2 of the SFO entitled "Operating Costs".

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10. VACANT PREMISES: Referencing Section 4.3 "Adjustment for Vacant Premises" of the SFO, provided that the Government's failure to occupy all or any portion of the Leased Premises does not result from an event of default or failure to perform on the part of Lessor which remains uncured beyond any cure period as may be provided in this Lease, if the Government fails to occupy all or any of the Leased Premises or vacates the Leased Premises in whole or in part prior to the expiration of this Lease, rent for such unoccupied portion of the Leased Premises shall be reduced for the entire vacancy period by \$4.80 per BOASF. Any rental paid by the Government after acceptance of the Leased Premises as described herein but prior to actual occupancy shall be less the cost for services and utilities.
11. OVERTIME USAGE: Referencing Section 4.5 "Overtime Usage" of the SFO, the Government shall pay the Lessor for overtime usage of heating, ventilation and air conditioning ordered in full compliance with the requirements of said Section 4.5, at the rate of \$25.00 per hour.
12. CHANGE ORDERS: Unless explicitly authorized in advance and in writing by the Contracting Officer, any additional supplies or services, or any change to the specifications, terms or conditions of this Lease (hereinafter a (hereinafter, a "Change Order"), shall be deemed to be an unauthorized Change in Lease Terms or unauthorized Change Order. The Government shall not pay all or any portion of the cost, charge or expense associated with any such unauthorized Change In Lease Terms or unauthorized Change Order. The Government's occupant tenant is not authorized to administer this Lease and the General Services Administration assumes no responsibility for any costs incurred by the Lessor except as provided herein. All questions and issues pertaining to this Lease shall be referred to the Contracting Officer.
13. NOTICES: All notices and other communication which is required or permitted by this Lease shall be in writing and delivered by personal service, sent by registered or certified first class US mail, postage prepaid, properly addressed, or by regular overnight delivery service such as Federal Express, if intended for the Lessor to the address first set forth above, or as follows:

Pizzagalli Properties, LLC
50 Joy Drive
South Burlington, VT 05403-6118

and if intended for the Government, to the below-named Contracting Officer at the following address:
Thomas McNaughton, Contracting Officer

General Services Administration - Public Buildings Service
New England Region
10 Causeway Street
Room 1010
Boston MA 02222

or to such other address as shall be given in writing by any party to the other.

14. RESTRICTION ON DISSEMINATION OF PLANS, DRAWINGS AND SPECIFICATIONS:

Associated plans, drawings, or specifications provided under this Lease are intended for use by the Lessor, contractors, subcontractors and suppliers. In support of this requirement, GSA requires Lessor to exercise reasonable care when handling documents relating to building drawings/plans, security equipment, security equipment installations, and contract guard service, by the following means:

- A. Limiting reproduction and/or dissemination of covered materials only to persons/parties related to this acquisition or otherwise authorized to receive such information;
- B. Making every possible reasonable and prudent effort to prevent unauthorized disclosure of this information;
- C. Keeping accurate and detailed records as to the identity of persons having access to or receiving copies of plans, drawings or specifications;
- D. Continuing the efforts required above throughout the entire term of this Lease and for what specific time thereafter as may be necessary; and
- E. When need for documents has elapsed, destroying all copies.

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15. ATTACHMENTS: The following documents are attached hereto and by this reference made a part hereof:

- A. SFO 9VT2007
- B. GSA Form 3517, General Clauses
- C. GSA Form 3518, Representations and Certifications
- D. Exhibit A – Floor Plans

To the extent of any inconsistency between the terms of this lease (SF2 only) and any of the attachments, the terms of this lease shall govern.

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

[Redacted Signature]

Manager

(Title)

IN WITNESS WHEREOF, I have hereunto subscribed my name as of the date first above written.
[Redacted Signature]

50 Joy Drive, South Burlington, VT 05403

(Signature)

PRINTED NAME OF WITNESS: Robert Bouchard

(Address of Witness)

UNITED STATES OF AMERICA GENERAL SERVICES ADMINISTRATION

[Redacted Signature]

Contracting Officer

(Official title)

Initial/Date:

[Signature] & [Signature]
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