

**LEASE NO. GS-05B-18560**

Standard Lease  
GSA FORM L201C (June 2012)

This Lease is made and entered into between

Karen Schaefer

(Lessor), whose principal place of business is [REDACTED] (name must match CCR) 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

1310 W. Claremont Avenue, Eau Claire, WI 54701-7016

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 upon acceptance of the Premises as required by this Lease and continuing for a period of

10 Years, 5 Years Firm from September 1, 2013 through August 31, 2023 with termination rights on or after August 31, 2018 with 60 days written notice after the firm term date

subject to termination and renewal rights as may be hereinafter set forth. The commencement date of this Lease, along with any applicable termination and renewal rights, shall 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.

FO [REDACTED]  
Name: Schaefer, Karen  
Title: Owner  
Entity Name: Designworks  
Date: 8/29/13

FOR THE GOVERNMENT:  
[REDACTED]  
Name: [REDACTED]  
Title: Lease Contracting Officer  
General Services Administration, Public Buildings Service  
Date: 9/10/13

WITN [REDACTED]  
Name: [REDACTED]  
Title: \_\_\_\_\_  
Date: 8/29/13

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 (JUN 2012)**

The Premises are described as follows:

- A. **Office and Related Space:** 2,966 rentable square feet (RSF), yielding 2,579 ANSI/BOMA Office Area (ABOA) square feet (SF) of office and related Space located on the 1<sup>st</sup> floor(s) of the Building, as depicted on the floor plan(s) attached hereto as Exhibit A.
- B. **Common Area Factor:** The Common Area Factor (CAF) is established as 1.15058. This factor, which represents the conversion from ABOA to rentable square feet, rounded to the nearest whole percentage, shall be used for purposes of rental adjustments in accordance with the Payment Clause of the General Clauses.

**1.02 EXPRESS APPURTENANT RIGHTS (JUN 2012)**

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:** Two (2) reserved parking spaces, reserved for the exclusive use of the Government, of which two (2) shall be surface/outside parking spaces. 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:** Space located on the roof of the Building sufficient in size for the installation and placement of the telecommunications equipment as such may be described herein, together with the right to access the roof and use of, all Building areas (e.g., chases, plenums) necessary for the use, operation and maintenance of such equipment at all times during the term of this Lease.

**1.03 RENT AND OTHER CONSIDERATION (JUN 2012)**

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

|   | FIRM TERM 1 - 5    | NON-FIRM TERM 6 - 10 |
|---|--------------------|----------------------|
|   | ANNUAL RENT        | ANNUAL RENT          |
| SHELL RENT <sup>1</sup>                 | \$38,943.58        | \$42,324.82          |
| TENANT IMPROVEMENTS RENT <sup>2</sup>   | \$ 0.00            | \$0.00               |
| OPERATING COSTS <sup>3</sup>            | \$ 15,897.76       | \$ 15,897.76         |
| BUILDING SPECIFIC SECURITY <sup>4</sup> | SEE SHELL RENT     | \$ 0.00              |
| PARKING <sup>5</sup>                    | \$ 0.00            | \$ 0.00              |
| <b>TOTAL ANNUAL RENT</b>                | <b>\$54,841.34</b> | <b>\$58,222.58</b>   |

<sup>1</sup>Shell rent (Firm Term) calculation: \$12.50 per RSF multiplied by 2,966 RSF plus \$8,000 for [redacted] 6% over 60 months  
<sup>2</sup>The Tenant Improvement Allowance is \$0.00  
<sup>3</sup>Operating Costs rent calculation: \$5.36 per RSF multiplied by 2,966 RSF  
<sup>4</sup>Building Specific Security Costs see shell rent.  
<sup>5</sup>Parking costs described under sub-paragraph G below

In instances where the Lessor amortizes either the TI or Building Specific Security for a period exceeding the Firm Term of the Lease, should the Government terminate the Lease after the Firm Term or does not otherwise renew or extend the term beyond the Firm Term, the Government shall not be liable for any unamortized costs beyond the Firm Term.

- B. Rent is subject to adjustment based upon a mutual on-site measurement of the Space upon acceptance, not to exceed 2,579 ABOA SF based upon the methodology outlined under the "Payment" clause of GSA Form 3517.
- C. 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.
- D. 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.
- E. 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 in the Lessor's Central Contractor Registration (CCR). If the payee is different from the Lessor, both payee and Lessor must be registered in CCR.

F. 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 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, and maintenance required for the proper operation of the Property, the Building, and the 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.

G. Parking shall be provided at a rate of \$0 per parking space per month (Surface).

**1.04 BROKER COMMISSION AND COMMISSION CREDIT (JUN 2012)**

A. Jones Lang LaSalle (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 two parties. Only [REDACTED] of the Commission will be payable to Jones Lang LaSalle 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.

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 and continue as indicated in this schedule for adjusted Monthly Rent:

Month 1<sup>st</sup> Full Rental Payment \$4,570.11 (shell portion = \$3,245.29) minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted 1<sup>st</sup> Month's Rent.\*

Month 2<sup>nd</sup> Full Rental Payment \$4,570.11 (shell portion = \$3,245.29) minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted 2<sup>nd</sup> Month's Rent.\*

Month 3 Full Rental Payment of \$4,570.11.

\* Subject to change based on adjustments outlined under the paragraph "Rent and Other Consideration."

**1.05 TERMINATION RIGHTS (AUG 2011)**

The Government may terminate this Lease, in whole or in part, at any time effective after the Firm Term of this Lease which is August 31, 2018, by providing not less than 60 days' prior written notice to the Lessor. The effective date of the termination shall be the day following the expiration of the required notice period or the termination date set forth in the notice, whichever is later. No rental shall accrue after the effective date of termination.

**1.06 RENEWAL RIGHTS (AUG 2014)-INTENTIONALLY DELETED**

**1.07 DOCUMENTS INCORPORATED IN THE LEASE (JUN 2012)**

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

| DOCUMENT NAME                                     | NO. OF PAGES | EXHIBIT |
|---|--------------|---------|
| FLOOR PLAN(S)                                     | 1            | A       |
| SECURITY REQUIREMENTS                             | 3            | B       |
| GSA FORM 3517B GENERAL CLAUSES                    | 46           | D       |
| GSA FORM 3518, REPRESENTATIONS AND CERTIFICATIONS | 10           | G       |
| BROKER COMMISSION AGREEMENT                       | 4            | F       |

- 1.08 ~~TENANT IMPROVEMENT ALLOWANCE (AUG 2011)~~ THIS PARAGRAPH IS INTENTIONALLY DELETED
- 1.09 ~~TENANT IMPROVEMENT RENTAL ADJUSTMENT (AUG 2011)~~ THIS PARAGRAPH IS INTENTIONALLY DELETED
- 1.10 ~~TENANT IMPROVEMENT FEE SCHEDULE (JUN 2012)~~ THIS PARAGRAPH IS INTENTIONALLY DELETED
- 1.11 PERCENTAGE OF OCCUPANCY FOR TAX ADJUSTMENT (JUN 2012)

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 59.32 percent. The Percentage of Occupancy is derived by dividing the total Government Space of 2,966 RSF by the total Building space of 5,000 RSF.

1.12 REAL ESTATE TAX BASE (JUN 2012)

The Real Estate Tax Base, as defined in the "Real Estate Tax Adjustment" paragraph of the Lease is \$8,106.69 equaling \$1.62 rsf.

1.13 OPERATING COST BASE (AUG 2011)

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 \$5.36 per RSF (\$15,897.76/annum).

1.14 RATE FOR ADJUSTMENT FOR VACANT LEASED PREMISES (JUN 2012)

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 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 \$0.00 per ABOA SF of Space vacated by the Government.

1.15 HOURLY OVERTIME HVAC RATES (AUG 2011)

The following rates shall apply in the application of the paragraph titled "Overtime HVAC Usage:"

- \$0.00 per hour per zone
- No. of zones: 1
- \$0.00 per hour for the entire Space.

1.16 24-HOUR HVAC REQUIREMENT (APR 2011)

The hourly overtime HVAC rate specified above shall not apply to any portion of the Premises that is required to have heating and cooling 24 hours per day. If 24-hour HVAC is required by the Government for any designated rooms or areas of the Premises, such services shall be provided by the Lessor at an annual rate of \$0.00 per ABOA SF of the area receiving the 24-hour HVAC. Notwithstanding the foregoing, Lessor shall provide this service at no additional cost to the Government if the Lessor provides this service to other tenants in the Building at no additional charge.

1.17 BUILDING IMPROVEMENTS (JUN 2012)

The Lessor shall complete the following additional Building improvements prior to acceptance of the Space:

- A. The Lessor agrees to the requirements of Security Level 2 attached to this Lease.
- B. Should agency remain at current location, agency will require new carpet throughout as well as wall base and new paint throughout the space. Vinyl tile floors will be striped of wax and cleaned and re-waxed. Vinyl baseboard will be replaced if not in good shape. All interior doors will be cleaned and touched up or re-stained to look like new. Window blinds will be cleaned, replaced if not working, and rehung. Ceiling tiles will be cleaned, broken or chipped tiles replaced, as well as light fixtures cleaned and repaired if necessary.
- C. The work will be completed by November 31, 2013. The dates for completion of the work will be mutually agreed upon by the Lessor, GSA, and the local tenant.

1.18 HUBZONE SMALL BUSINESS CONCERNS ADDITIONAL PERFORMANCE REQUIREMENTS (MAR 2012)

If the Lessor is a qualified HUBZone small business concern (SBC) that did not waive the price evaluation preference then as required by 13 C.F.R. 126.700, the HUBZone SBC must spend at least 50% of the cost of the contract incurred for personnel on its own employees or employees of other qualified HUBZone SBC's and must meet the performance of the work requirements for subcontracting in 13 C.F.R. § 125.6(c). If the Lessor is a HUBZone joint venture, the aggregate of the qualified HUBZone SBC's to the joint venture, not each concern separately, must perform the applicable percentage of work required by this clause.