

This Lease is made and entered into between:

Regan Development LLC

(Lessor), whose principal place of business address is:

3159 Ogidaki Tr., Traverse City, MI 49686 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

13919 S. West Bay Shore Dr, Unit 8, Traverse City, MI 49686

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 **15 Years, 7 Years Firm**, subject to termination and renewal rights as may be hereinafter set forth. The commencement date of this Lease, **October 21, 2015** 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.

FOR THE LESSOR:

[Redacted Signature]

Name: Sean O'Connor

Title: Manager

Entity Name: Regan Development LLC

Date: October 15, 2015

FOR THE GOVERNMENT:

[Redacted Signature]

Lease Contracting Officer

General Services Administration, Public Buildings Service

Date: 10/23/15

WITNESSED FOR THE LESSOR BY:

[Redacted Signature]

Name: Cathy O'Connor

Title:

Date: October 15, 2015

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 (SIMPLIFIED) (SEP 2013)

The Premises are described as follows:

- A. **Office and Related Space:** 3,369 rentable square feet (RSF), yielding 2,653 ANSI/BOMA Office Area (ABOA) square feet (SF) of office and related Space located on the 3rd floor(s) and known as Suite 208, of the Building, as depicted on the floor plan(s) attached hereto as Exhibit B.
- B. **Common Area Factor:** The Common Area Factor (CAF) is established as 27.0 percent. 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 (SIMPLIFIED) (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 10 surface parking spaces as described under Block 16 of Exhibit A, Simplified Lease Proposal, GSA Form 1364A. 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.

1.03 RENTAL CONSIDERATION FOR SIMPLIFIED LEASES (SEP 2013)

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

	FIRM TERM	NON FIRM TERM
	ANNUAL RENT	ANNUAL RENT
SHELL RENT ¹	\$84,359.76	\$79,097.38
REAL ESTATE TAXES ²	\$ 12,162.09	\$12,162.09
OPERATING COSTS ³	\$ 35,037.60	\$35,037.60
TOTAL ANNUAL RENT	\$131,559.45	\$126,297.07

¹Shell rent calculation:

(Firm Term) \$25.04 (rounded) per RSF multiplied by 3,369 RSF
(Non- Firm Term) \$23.48 (rounded) per RSF multiplied by 3,369 RSF

² Real Estate Taxes \$3.61 (rounded) per RSF, multiplied by 3,369 RSF. This number is subject to adjustments per Section 2.06 of the lease

³ Operating Costs rent calculation: \$10.40 (rounded) per RSF multiplied by 3,369 RSF. This number is subject to adjustments per Section 2.08 of the lease.

- B. 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.

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

1.04 TERMINATION RIGHTS (SIMPLIFIED) (JUN 2012)

The Government may terminate this Lease, in whole or in part, after the Firm Term of this Lease by providing not less than 120 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. The Government must provide termination notice no later than 120 days after the last day of the Firm Term.

1.05 RENEWAL RIGHTS (SIMPLIFIED) (APR 2014)

This Lease may be renewed at the option of the Government for a term of X YEARS at the rental rate(s) set forth on Form 1364A, provided notice is given to the Lessor at least 60 days before the end of the original Lease term; 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.

1.06 DOCUMENTS INCORPORATED IN THE LEASE (SIMPLIFIED) (APR 2015)

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

DOCUMENT NAME	NO. OF PAGES	EXHIBIT
Simplified Lease Proposal (GSA Form 1364A)	4	A
Floor Plan Delineating the Premises	1	B
GSA Form 3517B	46	
GSA Form 3518A	9	
GSA Form 3518A- SAM	2	

1.07 PERCENTAGE OF OCCUPANCY FOR TAX ADJUSTMENT (SIMPLIFIED) (SEP 2013)

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 100% percent of Unit 208. Each unit receives individual tax bills. The parties agree, for the purpose of applying the paragraph titled "Real Estate Tax Adjustment," that the Lessor's base for real estate taxes shall be \$3.61 per RSF (\$12,162.09/annum).

1.08 OPERATING COST BASE (SEP 2013)

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 \$10.40 per RSF (\$35,037.60/annum).

1.09 BUILDING IMPROVEMENTS (SEP 2012)

Within six months of the commencement date of the lease, the Lessor shall complete the following additional Building improvements:

- A. See scope of work under Section 6 for replacement wall covering and floor covering (carpet only)

1.10 HUBZONE SMALL BUSINESS CONCERNS ADDITIONAL PERFORMANCE REQUIREMENTS (SIMPLIFIED) (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.

If the Lessor is a HUBZone small business concern (SBC) that did not waive the price evaluation preference, the Lessor shall provide a certification within 10 days after Lease award to the LCO (or representative designated by the LCO) that the Lessor was an eligible HUBZone SBC on the date of award. If it is determined within 20 days after award that a HUBZone SBC Offeror that has been awarded the Lease was not an eligible HUBZone SBC at the time of award, and the HUBZone SBC Lessor failed to provide the LCO with information regarding a change to its HUBZone eligibility prior to award, then the Lease shall be subject, at the LCO's discretion, to termination, and the Government will be relieved of all obligations to the Lessor in such an event and not be liable to the Lessor for any costs, claims, or damages of any nature whatsoever.