

**LEASE NO. GS-06P-LMO41007**

**Warehouse Lease  
GSA FORM L201WH (DEC 2013)**

This Lease is made and entered into between

**KH Bottspec, LLC**

(Lessor), whose principal place of business is 2600 Grand Boulevard, Suite 700, Kansas City, Missouri 64108, 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

**14200 Merritt Road  
Grandview, Missouri 64030**

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 on November 1, 2015, upon acceptance of the Premises as substantially complete as required by this Lease and continuing for a period of

**20 Years, 15 Years Firm,**

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.

**FOR THE**

Name: \_\_\_\_\_

Title: Manager

Entity Name: KH Bottspec, LLC

Date: July 17, 2014

Name: S. Dennis Clemons

Title: Lease Contracting Officer

General Services Administration, Public Buildings Service

Date: 7/20/14

**WITNESSED FOR THE LESSOR BY:**

Name: KEVIN CURTIN

Title: Witness

Date: July 17, 2014

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.

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## SECTION 1 THE PREMISES, RENT, AND OTHER TERMS

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### 1.01 THE PREMISES (WAREHOUSE) (DEC 2013)

The Premises are described as follows:

- A. Warehouse and Related Space: 225,617 rentable square feet yielding 222,500 ANSI/BOMA Office Area (ABOA) square feet (SF) of warehouse Space along with 23,800 square feet of wareyard and related space as depicted on the floor plans and site plan attached hereto as Exhibit A.
- B. Common Area Factor: The Common Area Factor (CAF) is established as 1.4 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 (WAREHOUSE) (DEC 2013)

The Government shall have exclusive or non-exclusive (as identified) 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. Automobile Parking: 100 parking spaces for passenger vehicles as depicted on the plan attached hereto as Exhibit A of which 85 spaces shall be marked as reserved for the exclusive use of the Government. In addition, the Lessor shall provide any additional automobile parking spaces as required by the applicable code of the local government entity having jurisdiction over the Property. All spaces must be secured and lit in accordance with the Security Requirements set forth in this Lease. The cost of this parking shall be included as part of the rental consideration.

B. Semi-Trailer Staging Area/Parking: 2 parking spaces sized for 55 foot semi-tractor trucks as depicted on the plan attached hereto as Exhibit A shall be reserved for the exclusive use of the Government. Should new fencing be required to meet this requirement, the cost of new fencing shall be paid from the Tenant Improvement Allowance (TIA) unless designated in the Security Unit Price List (incorporated by reference herein) as a part of the Shell to be provided by lessor. In addition, the Lessor shall provide such additional truck parking spaces as required by the applicable code of the local government entity having jurisdiction over the Property.

C. Delivery Route:

1. At least one unobstructed route having no steps or abrupt changes in level shall connect with all accessible elements, spaces, buildings, and courses of passage. The minimum clear width of a route shall be 36 inches. If a route is less than 60 inches in width then it shall have level passing zones, spaced at no more than 200 feet apart, measuring a minimum of 60 inches by 60 inches.

2. Objects projecting from walls with their leading edges between 27 and 80 inches above the finished floor shall protrude no more than 4 inches into an accessible route. Freestanding objects mounted on posts or pylons may overhang 12 inches maximum from 27 to 80 inches above the ground or the finished floor. Objects mounted with their leading edges at or below 27 inches above the finished floor may protrude any distance. However, no protruding objects shall reduce the clear width of an accessible route or maneuvering space. If vertical clearance of an area adjoining an accessible route is reduced to less than 80 inches, a barrier to warn blind or visually impaired persons shall be provided.

3. Mechanical rooms and spaces which are not normally frequented by the public or occupants and are not part of an accessible or emergency route are excepted and need not be accessible.

4. Gratings in a route surface shall have spaces no wider than ½ inch in one direction and shall be placed so that the long dimension of openings is perpendicular to the dominant direction of travel.

D. Delivery Ramps:

1. Any part of an accessible route with a slope greater than 1 foot rise in 20 feet shall be considered a ramp. Where ramps are necessary, they shall have a non-slip surface with a slope no greater than 1 foot rise in 12 feet. Ramps must have a minimum clear width of 3 feet with level landings at the top and bottom of each ramp run. Each landing shall be at least 5 feet in length and as wide as any ramp run leading into it. The maximum rise for any run shall be 30 inches. Intermediate landings for turning ramps shall measure a minimum of 5 feet by 5 feet.

2. Lessor shall provide handrails complying with "HANDRAILS" (36 CFR 1191) on both sides of all ramps with a vertical rise greater than 6 inches. Ramps with drop-offs shall have curbs (minimum 2 inches high), walls, railings or projecting surfaces. Lessor shall provide curb ramps wherever an accessible route crosses a curb. Curb ramps shall not interfere with walks or vehicular traffic. The maximum slope of a curb ramp shall be a 1 inch rise per 12 inch run. The maximum length of a curb ramp shall be 6 feet with a minimum width of 36 inches, exclusive of flared sides. If no other alternative is feasible, accessible platform lifts may be used in lieu of a ramp or elevator. Lifts shall have accessible controls and clearances, shall comply with applicable safety regulations, and should facilitate unassisted entry and exit.

E. Antennas, Satellite Dishes, and Related Transmission Devices:

1. Space located on the roof of the Building sufficient in size for the installation and placement of telecommunications equipment,
2. the right to access the roof of the Building, and
3. use of all Building areas (e.g., chases, plenums, etc.) necessary for the use, operation, and maintenance of such telecommunications equipment at all times during the term of this Lease.

F. Loading Docks: See "LOADING DOCKS: SHELL (WAREHOUSE)" paragraph in Section 3 of this Lease.

**1.03 TRUCK TURNING RADIUS REQUIREMENTS (DEC 2013)**

At a minimum, a truck turning radius of 100 feet sized for 55 foot semi-tractor trailer trucks shall be provided and maintained at all times for all loading docks designed for such sized trucks. One-way design for service traffic is preferred in order to avoid the need for large turning areas.

**1.04 CLEAR CEILING HEIGHT REQUIREMENTS (DEC 2013)**

A minimum of 1000 ABOA SF must have a clear ceiling height of 32 feet 0 inches, measured from floor to the lowest obstruction, with the balance of the space maintaining a clear ceiling height of a minimum of 27 feet 0 inches. Bulkheads and hanging or surface mounted light fixtures which impede traffic ways shall be avoided.

**1.05 BAY WIDTH, BAY DEPTH, AND COLUMN SPACING REQUIREMENTS (DEC 2013)**

Optimal bay sizing is 30 feet 0 inches by 40 feet 0 inches on center, however, other column spacing dimensions (such as 40 feet 0 inches by 40 feet 0 inches) may be considered by the Government on a case by case basis.

The following minimum requirements apply to this Lease:

- o Bay Width: 30 feet 0 inches (the distance from one side of the bay to the other side of the bay in linear feet and inches)
- o Bay Depth: 30 feet 0 inches (the distance from the front of the bay to the back of the bay in linear feet and inches)
- o Column Spacing: Columns shall be 30 feet 0 inches linear feet apart from one another

**1.06 RENT AND OTHER CONSIDERATION (DEC 2013)**

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

	YEARS 1-5	YEARS 6-10	YEARS 11-15	YEARS 16-20
	ANNUAL RENT	ANNUAL RENT	ANNUAL RENT	ANNUAL RENT
SHELL RENT	\$1,065,000.00	\$1,140,000.00	\$1,290,000.00	\$1,370,000.00
TENANT IMPROVEMENTS RENT <sup>1</sup>	1,184,980.00	1,184,980.00	1,184,980.00	0.00
OPERATING COSTS	172,500.00	172,500.00	172,500.00	172,500.00
BUILDING SPECIFIC AMORTIZED CAPITAL <sup>2</sup>	6,852.00	6,852.00	6,852.00	0.00
PARKING	0.00	0.00	0.00	0.00
<b>TOTAL ANNUAL RENT</b>	<b>\$2,429,332.00</b>	<b>\$2,504,332.00</b>	<b>\$2,654,332.00</b>	<b>\$1,542,500.00</b>

<sup>1</sup>The Tenant Improvement Allowance of \$13,350,000.00 is amortized at a rate of 4.0 percent per annum over 15 years.

<sup>2</sup>Building Specific Amortized Capital (BSAC) of \$77,200.00 are amortized at a rate of 4.0 percent per annum over 15 years

B. Rent is subject to adjustment based upon a mutual on-site measurement of the Space upon acceptance, not to exceed 222,500 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. INTENTIONALLY DELETED

E. 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.

F. Rent shall be paid to the Lessor by electronic funds transfer in accordance with the "Payment By Electronic Funds Transfer – Central Contractor Registration" paragraph in Section 6 "Additional Terms and Conditions" hereinafter. 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.

G. The 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 herein 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 and maintenance required for the proper operation of the Property, the Building, and the Leased 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. The Government shall be responsible for paying the cost of electric, gas, and water/sewer service directly to the utility provider. The Lessor shall ensure that such utilities are separately metered. The Lessor shall provide and install as part of shell rent, separate meters for utilities. Sub-meters are not acceptable. The Lessor shall furnish in writing to the LCO, prior to occupancy by the Government, a record of the meter numbers and verification that the meters measure Government usage only. Proration is not permissible. In addition, an automatic control system shall be provided to assure compliance with heating and air conditioning requirements.

H. INTENTIONALLY DELETED

**1.07 INTENTIONALLY DELETED**

**1.08 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, by providing not less than 90 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.

**1.09 INTENTIONALLY DELETED**

**1.10 DOCUMENTS INCORPORATED IN THE LEASE (DEC 2013)**

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

DOCUMENT NAME	NO. OF PAGES	EXHIBIT
PLANS, ELEVATIONS & RENDERINGS	10	A
AGENCY SPECIAL REQUIREMENTS	121	B
GSA FORM 3517B, GENERAL CLAUSES	47	C
GSA FORM 3518, REPRESENTATIONS AND CERTIFICATIONS	10	D
LESSOR'S LETTER OF CLARIFICATION	1	E

**1.11 TENANT IMPROVEMENT ALLOWANCE (DEC 2013)**

The Tenant Improvement Allowance (TIA) for purposes of this Lease is \$60.00 per ABOA SF. The TIA is the amount that the Lessor shall make available for the Government to be used for the TIs. This amount is amortized in the rent over the Firm Term of this Lease at an annual interest rate of 4.0 percent.

**1.12 TENANT IMPROVEMENT RENTAL ADJUSTMENT (DEC 2013)**

A. The Government, at its sole discretion, shall make all decisions as to the use of the TIA. The Government may use all or part of the TIA. The Government may return to the Lessor any unused portion of the TIA in exchange for a decrease in rent according to the agreed-upon amortization rate over the Firm Term.

B. The Government may elect to make lump sum payments for any or all work covered by the TIA. That part of the TIA amortized in the rent shall be reduced accordingly. At any time after occupancy and during the Firm Term of the Lease, the Government, at its sole discretion, may elect to pay lump sum for any part or all of the remaining unpaid amortized balance of the TIA. If the Government elects to make a lump sum payment for the TIA after occupancy, the payment of the TIA by the Government will result in a decrease in the rent according to the amortization rate over the Firm Term of the Lease.

C. If it is anticipated that the Government will spend more than the identified TIA, the Government may elect to:

1. Reduce the TI requirements; and/or

2. Pay lump sum for the overage upon substantial completion in accordance with the "Acceptance of Space and Certificate of Occupancy" paragraph; and/or

3. Negotiate an increase in the rent.

**1.13 TENANT IMPROVEMENT FEE SCHEDULE (JUN 2012)**

For pricing TI costs, the following rates shall apply for the initial build-out of the Space.

	INITIAL BUILD-OUT
ARCHITECT/ENGINEER FEES AS A PERCENT OF TI CONSTRUCTION COSTS	4.875%
LESSOR'S PROJECT MANAGEMENT FEE AS A PERCENT OF TI CONSTRUCTION COSTS	2.0%

**1.14 INTENTIONALLY DELETED**

**1.15 INTENTIONALLY DELETED**

**1.16 PERCENTAGE OF OCCUPANCY FOR TAX ADJUSTMENT (DEC 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. The Percentage of Occupancy is derived by dividing the total Government Space of 225,617 RSF by the total Building space of 225,617 RSF.

**1.17 OPERATING COST BASE (DEC 2013)**

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 \$172,500.00/annum.

**1.18 INTENTIONALLY DELETED**

**1.19 INTENTIONALLY DELETED**

**1.20 INTENTIONALLY DELETED**

**1.21 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.