



STATE OF MICHIGAN

DEPARTMENT OF MANAGEMENT & BUDGET
LANSING

JENNIFER M. GRANHOLM
GOVERNOR

LISA WEBB SHARPE
DIRECTOR

January 5, 2006

Dear Sir or Madam:

Subject: State of Michigan Seeks Office Space (PR #2005-0225)

In an effort to reduce overall costs to the State of Michigan and to expedite the Bid notification system, the Department of Management and Budget, Real Estate Division is moving to an e-mail only notification system for prospective Landlords. Please go to <http://www.michigan.gov/dmb-red> and click on the Prospective Landlords link to re-register for the DMB Real Estate Division Bid List. Be sure to provide your e-mail address because future notifications will be via e-mail only.

Wanted To Lease

The State of Michigan is seeking 3,000 square feet of office space. Anyone interested in offering space or seeking additional information should visit <http://www.michigan.gov/dmb-red>

Thank you,

Maureen S. Bailey
Property Specialist, Real Estate Division
Strategic Asset Management

REQUEST FOR PROPOSAL

DEPARTMENT OF STATE - MASON

SR#2005-0225 JANUARY 8, 2006

The State of Michigan ("State" or "Lessee") is evaluating its space alternatives in the Mason vicinity of Michigan. The Department of State intends to occupy the demised premises. Please respond to the Request for Proposal ("RFP") if you have a potential location in the geographic boundaries detailed below. If you have more than one potential location, only submit one location per proposal. Each proposal should be submitted in a sealed envelope with the Office Location clearly written on the envelope.

I. Occupancy and Space Requirements

- 1. Occupancy Commencement Date** The Lease Commencement Date for the space provided ("Premises") shall be the latest date on which the improvements to the Premises are substantially complete, the Lessor secures a Certificate of Occupancy, or the Lessee begins beneficial use of the Premises. Lessor will deliver the premises to Lessee no later than June 1, 2006. If this date is not achievable, indicate a Lease Commencement Date that is feasible. Include an estimated time frame to build out the Premises.

- 2. Space and Location** Approximately 3,000 usable square feet of office space located within 1.5 miles of the Mason City center (Park St. and Ash St.) along Cedar, Ash, Jefferson, Kipp, Okemos, Hagadorn or Maple.

Please verify that the Premises will be measured in accordance with 1996 BOMA Standards.

II. Financial Terms

Please note that your proposal will be evaluated as it is proposed. Do not expect a counteroffer from the State. As such, you should set forth your best offer in the proposal.

- 1. Initial Lease Term** Please propose an initial Lease Term of ten (10) years

- 2. Rental Rate** Please state your rental rate on a full-service basis, inclusive of all operating expenses, taxes and utilities (including electricity).

- 3. Escalation**

 - a. There will be no Base Year Adjustments in the Lease. Please state any incremental annual increases in fixed amounts as opposed to using an index or percentage as the basis for changes.
 - b. For comparison purposes, please provide us with actual operating expenses and real estate taxes for the Building for years 2004 through 2005.
- 4. Base Building and Tenant Improvements**

Please describe in detail the delivery condition of the proposed space(s).

Lessor will be responsible for providing the Premises in a “turn key” condition in accordance with the attached specifications. Please include all allowances or contributions that Lessor proposes with respect to design costs, moving, construction and or any allowance items.
- 5. Moving Expenses**

Please indicate a per square foot moving allowance where indicated on the space available proposal form. Although a moving allowance is not required, any proposed allowance will be considered in the overall financial evaluation of the proposal.
- 6. Free Rent**

Please indicate in space provided on the space available proposal form. Although free rent is not required, any proposed free rent will be considered in the overall financial evaluation of the proposal.
- 7. Cancellation**

All State government Leases for real property, for a term in excess of one (1) year, are required to contain a cancellation provision. This is established within the framework of the 1963 Michigan Constitution. As such, the State may cancel the Lease with ninety (90) days written notice. The cancellation is required during either renewal option if exercised, shall be ninety (90) days written notice, with no other events required to initiate the cancellation.
- 8. Security Deposit**

Please confirm the Lessor’s agreement that no security deposit will be required of the State.

9. Brokerage

The Staubach Company (along with their subcontractors, S.J. Wisinski Company, The Bauer Commercial Group and the Miller Group) is the sole and exclusive Broker for the State. Upon execution of a Lease, a commission will be due to The Staubach Company equal to five percent (5%) of the aggregate, full service rent obligation over the term, as escalated by fixed escalations. The commission agreement will be solely between The Staubach Company and the successful bidder. The State of Michigan shall assume no liability under the commission agreement.

III. Options and Other Lease Terms

1. Options to Renew

Please include at least one (1) consecutive right to renew the term, for a five (5) year period. Please outline your proposed renewal terms and notice periods.

2. Parking

The State requires fifty (50) on-site parking spaces. Please describe the parking provided at the site, including the total number of spaces available and provide detail as to how you will meet this parking requirement.

3. Lease Master

All Leases entered into by the State of Michigan are based on the Lease Master pre approved by the Attorney General's Office, which is enclosed with this RFP. Any exceptions being requested to this Master Lease must accompany your bid. However, final approval of proposed exceptions must be given by the Attorney General. Exceptions to the Master Lease may have an impact on the award decision.

4. Proposal Process Overview

The proposed Lease shall not be binding or effective on either party until approved (and witnessed and notarized as necessary) by the Lessor, Lessee, Department of Attorney General, Department of Management and Budget, Building Committee of the State Administrative Board and the State Administrative Board. If the proposed Lease or any subsequent amendments to it fall within the requirements of 1984 PA431, as amended, MCL 18.1101 et seq. (Management and

Budget Act), the proposed Lease and any subsequent amendments to it shall also require approval of the Joint Capital Outlay Subcommittee of the Legislature. The effective date of the proposed Lease is the date that the last State governmental approval is obtained as set forth on the signature page. At any time prior to the last State governmental approval, the State reserves the right to reject the proposal and terminate the Lease approval process.

IV. *Building Specifications and Services*

- 1. Building Plans and Building Systems** Please provide a full description of the Building, including building size and height, ceiling height, floor load capacity, column spacing, curtain, wall and window treatment, lobby size, height and finishes, indoor and outdoor landscaping, location of retail, parking location and access, and any other description materials that will allow the State to understand the quality and appearance of the Building. In the proposal, please include renderings and photographs of the Building, site location and access maps, list of other tenants and the floors leased by each tenant, brochures, and 1/8" plans or proposed floor plans as well as an electronic version of the Auto Cad drawings. This information should include a proposed floor plan for the Premises.
- 2. HVAC** Define and detail the HVAC system for the Building, as well as the costs and notice procedures for after-hours HVAC services.
- 3. Access and Security** Please state the type of security system and procedures used at the Building.
- 4. Telecommunications** Please describe the telecommunications services (fiber optics, competitive access providers, etc.) available at the Building.
- 5. Cleaning and Maintenance Services** Janitorial supplies, equipment, personnel, and supervision to provide cleaning services after 6:30 p.m. as follows in accordance with the attached standards:

Janitorial supplies shall include, but not be limited to toilet tissue, hand soap, a means for drying hands, waxes, strippers, sealers, etc.

In addition to trash removal from office wastebaskets, dumpsters, or equivalent containers, the janitorial duties shall include the collection of recyclable materials which have been separated by the Lessee, and the placement of recyclable materials in the proper containers at the single designated storage location at the loading dock on the Leased Premises on a weekly basis.

In the event the janitorial service provided by the Lessor is not satisfactory to the Lessee, the Lessee may provide janitorial service as described above and the Lessee's rent will then be reduced by \$1.50 per square foot.

6. Taxes, Permits and Fees

The proposer shall pay all taxes which are levied by the Federal, State or local government, on all labor and materials entering into the work. All permits and fees required for the construction and/or remodeling work are to be arranged for and paid by the proposer. It will be the responsibility of the proposer to acquire and pay for the necessary plans and specifications from their architect/engineer. The proposer shall be responsible for all necessary inspections by the architect/engineer during the construction and/or remodeling.

7. Environmental Disclosure

The Lessor covenants that he/she has undertaken a due diligence inquiry of the premises. The premises, and property on which the premises are located, are free of any toxic, hazardous or injurious substances as defined under Federal and State laws and regulations.

V. *Experience and Financing*

- 1. Developer** Please provide information about the Building's ownership and management. Specifically include any other similar projects currently managed by said company. Proposers shall submit photocopy proof, **with their written proposal**, that they have legal authority to lease their property to State government (i.e. recorded warranty deed, land contract, lease indicating authority to sublease, etc.)
- 2. Financing** Please identify the equity partners and all lenders for the Building, as well as evidence of confirmed financing for the Project. Also, identify all entities that must approve or consent to the Lease.

VI. Proposal Evaluation Criteria

- 1. Proposal Evaluation Criteria** All proposals submitted will be evaluated on the following criteria:
 1. Compliance with Executive Directive 2003-22.
 2. Condition of property/facility, including infrastructure, HVAC, etc.
 3. Parking
 4. Cost, including operating expenses, taxes, insurance, etc.
 5. Prior experience/performance with State and others
 6. Special needs of agency, if any
 7. References from tenants in comparable space
 8. Accessibility, i.e. roads, public transportation, access
 9. Utilities, type available in area
 10. Barrier Free Design
 11. Ability to meet build out specifications and timelines, if any
 12. Customer contact information, availability, trouble calls
 13. Financial stability of company
 14. Exceptions, if any, to the State's standard Lease

The State of Michigan encourages you to utilize minority-owned and/or woman-owned business contractors or subcontractors in all construction or remodeling work. For assistance in locating and identifying certified businesses contact the Department of Civil Rights, Compliance Division, 1200 Sixth Avenue, Detroit, Michigan 48226,

telephone number (313) 256-2126 or the Department of Transportation, Office of Small Business Liaison or Contracts Division, 3222 South Martin Luther King Suite #2, Lansing, Michigan 48910 telephone number (517) 373-0279.

Documents to be returned by you for consideration of the proposal are:

1. Written Summary of Proposal
2. Completed Space Available Proposal Form
3. Photocopy of Proof of Ownership of Property (or otherwise proof of ability to lease to State government)
4. Environmental Assessment
5. Proposed Floor Plan (You must show how the State's requirements, using State standards, will fit your proposed site).

The enclosed documents (electronic copies only) provided to assist you in establishing your rental price are:

1. Lease Boilerplate
2. Remodeling or Construction Standards and Specifications. These specifications (provided to you by the Department) are to be used in determining the cost of remodeling and construction. Please note that the "Space Available Proposal" form included with the RFP is to be filled out. The costs for remodeling or construction, if any, shall be included as part of the rent consideration in the proposal with the heading "Amortized".
3. Applicable floor plans
4. Janitorial and Recycling Standards

Additional questions concerning clarifications or specifications contained in this RFP are to be submitted by email only, please indicate the appropriate Bid in your subject line, no later than **January 16, 2006** to: DMB-RED@michigan.gov

The State will not respond to telephone inquiries or visitation by bidders or their representatives.

Answers to questions will be prepared and posted on the website at www.michigan.gov/dmb-red no later than **January 23, 2006**. Prospective bidders should check the website for any updates, questions and answers.

Please submit three (3) copies of your proposal following the above format **on or before January 30, 2006** to Maureen Bailey, State of Michigan, DMB Real Estate Division, Mason Building 1st Floor, 530 West Allegan Street, Lansing, Michigan 48933. We kindly request that you simultaneously email a copy of your proposal to DMB-RED@michigan.gov indicating the appropriate Bid in the subject line.

Thank you for your cooperation and consideration of the State as a potential tenant in your building.

The submission of this RFP does not constitute an offer to lease. No agreement shall exist between Lessor and Lessee until both parties have executed and delivered a fully executed lease document. Lessee shall have no liability for any expenses incurred by Lessor in anticipation of the lease or in replying to this RFP.

Notice of award recommendation shall be made after all proposals have been analyzed. Any proposals not meeting the minimum requirements of the enclosed sample Lease and instructions herein may be rejected. The State reserves the sole right to reject any or all proposals and/or waive any defects in any or all proposals. Establishment of a Lease contract, if made, shall be with the Proposer whose proposal, based on review of the evaluation criteria, is in the best interest of the State of Michigan.

RFP Sample Lease

LEASE

State Lease #

between

, as Lessor
and

THE STATE OF MICHIGAN, as Lessee

ARTICLE I - DEFINITIONS

- 1.1 A.N.S.I.
- 1.2 Cancellation
- 1.3 Construction
- 1.4 Executive
- 1.5 Maintenance
- 1.6 Occupancy
- 1.7 Reserved
- 1.8 Possession
- 1.9 Potable Water
- 1.10 Purpose
- 1.11 Remodel
- 1.12 State Government Managed
- 1.13 State Government Owned
- 1.14 Substantial Completion
- 1.15 Tenantable
- 1.16 Tenant Improvements

ARTICLE II - POSSESSION

- 2.1 Square footage Leased
- 2.2 Location of Leased premises
- 2.3 Early possession
- 2.4 Initial term of possession
- 2.5 First renewal option
- 2.6 Second renewal option
- 2.7 Deleted, Not Applicable
- 2.8 Deleted, Not Applicable
- 2.9 Ninety-day holdover
- 2.10 Assignment/sublet
- 2.11 Quiet enjoyment
- 2.12 Lessor access to Leased premises
- 2.13 Lessor provides equivalent premises

ARTICLE III - LESSOR OBLIGATIONS

- 3.1 Lessor obligations
- 3.2 Asbestos
- 3.3 Toxic, hazardous, injurious substances
- 3.4 Defense against claims
- 3.5 Commence remodeling or construction
- 3.6 Complete remodeling or construction
- 3.7 Standards and specifications
- 3.8 Construction change orders
- 3.9 Remodeling required by future law
- 3.10 Damage to Leased premises
- 3.11 First right of refusal for adjacent
- 3.12 Discrimination prohibited
- 3.13 Structural loading
- 3.14 Notice of Ownership Transfer
- 3.15 Year 2000
- 3.16 Time Extension
- 3.17 Public Notifications

ARTICLE IV LESSEE OBLIGATIONS, DUTIES, AND OPTIONS

- 4.1 Lessee obligations
- 4.2 Notification to maintain and repair
- 4.3 Lessee option to add/remove improvements
- 4.4 Quality of improvements by Lessee
- 4.5 Move-out condition
- 4.6 Payment for sign ordinance variances
- 4.7 Lessee repairs for damage
- 4.8 Recording of lease
- 4.9 Protection of Leased premises by Lessee
- 4.10 Lessee prohibited conduct

RFP Sample Lease

ARTICLE V - RENT CONSIDERATION

- 5.1 Frequency of rent payment
- 5.2 Late possession - no rent
- 5.3 Rent during initial term
- 5.4 Mid Term Rent Increase
- 5.5 Rent during 1st renewal option
- 5.6 Consumer Price Index increases
- 5.7 Rent adjustment for operating expenses
- 5.8 Rent adjustment for real property taxes
- 5.9 Real property tax exemptions
- 5.10 Real property tax assessment appeals
- 5.11 Waiver of rent adjustments
- 5.12 Remodeling/get-ready costs
- 5.13 Reserved
- 5.14 Reserved
- 5.15 Remodeling/maintenance costs deduct
- 5.16 Rent reduced for documentation
- 5.17 Rent abated for untenable premises
- 5.18 Prepaid rent refunded upon damage

ARTICLE VI - STATE OPTION TO PURCHASE

- 6.1 Definition of seller
- 6.2 Exclusive right to purchase
- 6.3 Duration of option
- 6.4 Written notice
- 6.5 Purchase price
- 6.6 Appraiser qualifications
- 6.7 Payment of appraisals
- 6.8 Encumbrances considered
- 6.9 Delivery of title insurance
- 6.10 Objection to title and cure
- 6.11 Restrictions, termination of option
- 6.12 Removal of title defects
- 6.13 Transfer of title free and clear
- 6.14 Lessee delivery of purchase price payment
- 6.15 Title free of other possessory interest
- 6.16 Seller payment for transfer tax
- 6.17 Payment for recording documents
- 6.18 Real Property Tax Adjustment
- 6.19 Waste to Leased premises
- 6.20 Reserved
- 6.21 Toxic, hazardous, or injurious substances

ARTICLE VII EMINENT DOMAIN/CONDEMNATION

- 7.1 Lessor to notify Lessee
- 7.2 Whole taking, rents prorated
- 7.3 Taking
- 7.4 Lessor option to terminate
- 7.5 Award of damages

ARTICLE VIII - ESTOPPEL

- 8.1 Timeliness, Lessee obligations

ARTICLE IX MANAGEMENT AGREEMENT Reserved

ARTICLE X - LESSOR'S MORTGAGEE

- 10.1 Identification of Lessor's mortgagee
- 10.2 Disclosure of mortgagees, nondisturbance
- 10.3 Mortgagee right to cure defaults
- 10.4 Attornment

ARTICLE XI - CANCELLATION

- 11.1 Cancellation by Lessee
- 11.2 Cancellation by Lessee
- 11.3 Cancellation by Lessee
- 11.4 Cancellation by Lessor

ARTICLE XII NOTICE, APPLICATION, AND APPROVALS

- 12.1 Notice mailing addresses and delivery
- 12.2 Application of laws
- 12.3 Binding application
- 12.4 State government approvals required
- 12.5 Supercede and cancellation
- 12.6 Severability
- 12.7 Entire agreement and enclosures

RFP Sample Lease

State Lease # _____

LEASE

between _____

_____, as Lessor

and _____

THE STATE OF MICHIGAN, as Lessee

THIS LEASE is entered into by _____, as Lessor, whose address is _____, and the State of Michigan by the Department of Management and Budget for the Department of _____, as Lessee. (REV 09-96)

The parties, for the considerations specified in this Lease, agree to the following terms, conditions, and covenants: (New 10-91)

ARTICLE I - DEFINITIONS

1.1 - A.N.S.I.: American National Standards Institute, Inc., a New York corporation that identifies public requirements for national standards and coordinates voluntary standardization activities. A.N.S.I. standards are used in calculating square footage used in this Lease. (REV 10-91)

1.2 - Cancellation: Ending all rights and obligations of the Lessor and Lessee, except for any rights and obligations that are due and owing. (REV 09-95)

1.3 - Construction: Assembling of foundation, structural, architectural, electrical, and mechanical systems, on the Leased premises, where none existed prior. (New 09-91)

1.4 - Executive: An Executive Order of the Governor pursuant to the Constitution 1963, Article 5, § 2 and 20, or a decision by the Director of the Department of Management and Budget in conjunction with the head of the principal State department or agency for whose use the Lease was entered. (New 09-96)

1.5 - Maintenance: That effort, including repair, replacement, or removal, required to keep the Leased premises and the appearance of said Leased premises functioning or operating as originally designed, constructed, or installed, including but not limited to mechanical, electrical, architectural, or civil systems within the Leased premises, outside the Leased premises, or those systems otherwise attached thereto. (New 09-91)

1.6 - Occupancy: Actual physical presence by the Lessee in the Leased premises. (REV 04-95)

RFP Sample Lease

1.7 - Reserved

1.8 - Possession: Lawful availability and physical access to install the Lessee's furnishings and compliance with paragraphs 3.1(z) and 3.7. (REV 09-95)

1.9 - Potable water: Water free from impurities present in amounts sufficient to cause disease or harmful physiological effects and conforming in its bacteriological and chemical quality to the requirements of the Public Health Service Drinking Water Standards or the regulations of the public health authority having jurisdiction. (New 02-93)

1.10 - Purpose: The purpose for this Lease is _____ space use for the department or agency mentioned in the Lease in the specific geographic location described in paragraph 2.2 of the Lease. (REV 03-96)

1.11 - Remodel: Includes alterations, renovations, and any related demolition, and is the rearranging of existing architectural, civil, electrical, and/or mechanical systems within the Leased premises. Remodeling does not include enlarging or decreasing of structural or foundation systems, or new construction. (New 09-91)

1.12 - State Government Managed: Property management tasks and responsibilities provided or contracted for and managed by a) the State of Michigan; b) any of the several departments, boards, commissions, offices, or agencies of the executive, legislative or judicial branches of state government; c) any institution of higher learning funded in whole or in part by the State of Michigan; or d) any entity created by act of the Legislature as an instrumentality of Michigan State government. (New 10-91)

1.13 - State Government Owned: Real property fee title to which is held by a) the State of Michigan; b) any of the several departments, boards, commissions, offices, or agencies of the executive, legislative or judicial branches of state government; c) the State Building Authority; d) any institution of higher learning funded in whole or in part by the State of Michigan; or e) any entity created by act of the Legislature as an instrumentality of Michigan State government. (REV 10-91)

1.14 - Substantial Completion: The construction work has been completed in accordance with Enclosure C and C-1, to the extent that the Lessee can use or occupy the Leased premises for the use intended, without any outstanding or concurrent work remaining, except as required to complete minor punch list items. The Lessee has the sole discretion to determine whether punch list items are "minor". Prerequisites for substantial completion include (a) receipt by the Lessee of all required operating and maintenance documentation, (b) all systems have been successfully tested and demonstrated by the Lessor for their intended use, and (c) the Lessee has received all required certifications and/or occupancy approvals from the State and any other political subdivisions having jurisdiction over the work. Receipt of all certificates and/or occupancy approvals in and of itself does not necessarily connote substantial completion. (New 01-97)

RFP Sample Lease

1.15 - Tenantable: Habitable for the effective conduct of the Lessee's intended business. (REV 04-95)

1.16 - Tenant Improvements: Remodeling, attachment of fixtures, erection of additions, partitions, structures or signs by the Lessee in and upon the Leased premises after the Lessee has acquired possession. (REV 09-95)

ARTICLE II - POSSESSION

2.1 - The Lessor leases to the Lessee _____ square feet of space, referred to as the "Leased premises", which is outlined on a plan attached as Enclosure "A", _____ page(s). This square footage is based upon the A.N.S.I. Z65.1 - 1996 method for calculating space. (REV 01-97)

2.2 - The Leased premises, located on the property described in Enclosure "B" (legal description), also known as _____, Michigan in the _____ of _____, County of _____, State of Michigan. (REV 01-97)

2.3 - If the Leased premises are available for possession by the Lessee prior to the commencement of the term defined in paragraph 2.4, the Lessee, at its sole option, may possess the Leased premises when the same are available. The Lessor shall provide written notice to the Lessee of such availability. For each day of possession prior to commencement of such term, the Lessee shall pay to the Lessor, at the same time that rent consideration for the first month of the regular term of the Lease is due, 1/365 of the initial annual rent consideration set forth in Article V. (REV 03-96)

2.4 - The Lessor shall furnish the Leased premises with their appurtenances to the Lessee for a _____ - _____ initial term of possession beginning upon actual possession or at 12:01 a.m. on _____, and ending at 11:59 p.m. on _____, or such later date as provided in paragraph 3.6. If the Leased premises are not ready by the possession date, the beginning and ending dates may be altered by mutual written consent to reflect the correct possession date. If the initial possession date is changed, paragraphs 2.5, 2.6, and Article V shall also be changed accordingly. (REV 03-96)

2.5 - This Lease may, at the option of the Lessee, be extended for a _____ - _____ term beginning at 12:01 a.m. on _____, and ending at 11:59 p.m. on _____, provided notice be given in writing to the Lessor (_____) days before this Lease or extension expires. (REV 03-96)

2.6 - This Lease may, at the option of the Lessee, be extended for a _____ - _____ term beginning at 12:01 a.m. on _____, and ending at 11:59 p.m. on _____, provided notice be given in writing to the Lessor (_____) days before this Lease or extension expires. (REV 03-96)

2.7 - Deleted, Not Applicable

RFP Sample Lease

2.8 - Deleted, Not Applicable

2.9 - The Lessee may, upon written notice to the Lessor, at least thirty (30) days prior to termination of this Lease or any extension, remain in possession of the Leased premises for the period specified in the notice, not to exceed three months. The Lessee shall pay the Lessor for each month or part of a month a sum equal to 1/12 of the annual rent consideration set forth in Article V. (REV 03-96)

2.10 - The Lessee may assign this Lease or may sublet the Leased premises in whole or in part, with prior written consent of the Lessor which shall not be unreasonably withheld. The Lessee, through its Department of Management and Budget may assign or reassign any or all of the Leased premises to any branch, department, board, agency, commission or other instrumentality of State government without the necessity of obtaining consent of the Lessor. (REV 03-96)

2.11 - The Lessee, upon payment of the rental consideration specified in Article V and upon performing all covenants, shall and may peacefully and quietly have, hold, and enjoy the Leased premises for the term of this Lease or any extension. (REV 03-96)

2.12 - The Lessor or Lessor's agent may enter the Leased premises with reasonable advance notice for the purpose of conducting repairs, preventive maintenance, or providing replacements, as required under Article III. (New 09-91)

2.13 - If for any reason relating to ownership of the Leased premises the Lessor is unable to lawfully put and maintain the Lessee in possession of the Leased premises as of the commencement of the term of this Lease or any proper extension thereof, the Lessor shall immediately secure other premises which in the Lessee's sole judgment is substantially equivalent to the Leased premises described herein, at a rental rate to the Lessee which shall not exceed the rental consideration in this Lease. (REV 03-96)

ARTICLE III - LESSOR OBLIGATIONS

3.1 - The Lessor shall furnish to the Lessee and pay the cost of the following:
(REV 03-96)

a) Heating, mechanical ventilating, cooling, and humidification system capable of providing a temperature range of 68°F to 78°F, measured at 30" above the finished floor, and 12" inside any exterior wall, and a humidification range of 30% to 50%, at all times occupied. Ventilation in restrooms shall be a minimum of 100 cfm, exhausted to the outdoors. (REV 09-96)

b) Electrical power distribution system throughout the Leased premises, for the operation of all business machinery and equipment. (New 09-91)

RFP Sample Lease

c) Natural and/or artificial interior illumination that provides a minimum 50 foot-candles, measured at desk level, at all times, throughout the Leased premises. Artificial illumination shall be by incandescent or fluorescent lamps, and shall include tubes, bulbs, starters, ballasts, and fuses used inside the illumination fixture, and the replacement thereof for the Leased premises and common areas. (REV 09-96)

d) Domestic plumbing system to restrooms and breakrooms capable of supplying hot and cold water, and removing sanitary waste water. Hot water delivery shall be not more than 120°F and not less than 110°F, measured at the tap. (Rev 02-93)

e) Potable water shall meet the requirement of the Safe Drinking Water Act, 1976 PA 399, as amended, MCL 325.1001 et seq. (REV 09-96)

f) Metered utility costs for electricity, natural gas, water, sewerage, steam, fuel oil, or coal, between the hours of 7:00 a.m. and 6:00 p.m. Monday through Friday, except state government holidays. (Rev 02-93)

g) Adequate roof, vertical, and foundation thermal insulation in accordance with applicable codes. (New 09-91)

h) Complete moisture protection from all exterior weather sources, on all sides, floors, and roof of the Leased premises. (REV 09-96)

i) Sound attenuation between any mechanical system or other tenant in the premises and the Leased premises, which provides not greater than 45dbA sound level readings, under conditions with all Lessee business equipment shut down. (REV 09-96)

j) Vibration isolation between any mechanical, plumbing, electrical, or other building system attached to and a part of the Leased premises. (New 09-91)

k) Any equipment, portable or fixed, including alarm notification systems, required by the local public fire marshal authority. (New 09-91)

l) Commercial grade, heavy-duty locking hardware.

Prior to Lessee possession, all doors providing access to the Leased premises shall be rekeyed and () keys per lock combination shall be provided to the Lessee. (REV 09-96)

m) Pest control, including but not limited to: insects, rodents, flying animals, etc. **Spraying must be performed after business hours or on weekends.** (New 09-91)

n) Trash removal from office wastebaskets, dumpsters, or equivalent containers. (New 09-91)

RFP Sample Lease

o) Exterior grounds maintenance, including grass and weed cutting, clippings removal, leaf raking, litter removal, sidewalk surface and parking lot surface maintenance, de-icing, and snow removal. Snow removal is required anytime the accumulated depth is 2" or more, 24 hours after the most recent snowfall, and there shall be a clear path from the handicapper motor vehicle parking spaces to the barrier free entrances. (New 09-91)

p) Janitorial supplies, equipment, personnel, and supervision to provide cleaning services as described in Enclosure " " () pages. (New 09-91)

p) Janitorial supplies, equipment, personnel, and supervision to provide for cleaning of: (New 09-91)

1) Horizontal surfaces (floors including carpeting, modular furnishing tops, desk top surfaces, and ceiling diffusers and air bars). (New 09-91)

2) Vertical surfaces (walls, doors, door hardware, window covers (blinds and curtains/draperies), ceramic or other nonporous surfaces in restrooms and breakrooms). (New 09-91)

3) Wastebaskets. (REV 09-96)

4) Restroom, breakroom, and drinking fountain fixtures. (New 09-91)

Janitorial supplies shall include, but not be limited to toilet tissue, hand soap, a means for drying hands, waxes, strippers, sealers, etc. (New 09-91)

In addition to trash removal from office wastebaskets, dumpsters, or equivalent containers, the janitorial duties shall include the collection of recyclable materials which have been separated by the Lessee, and the placement of the recyclable materials in the proper containers at the single designated storage location on the Leased premises. (REV 09-96)

Carpeted areas shall be steam-cleaned twice annually at six-month intervals, except when waived in writing by the Lessee. (REV 09-96)

Windows (glazing) and frames, both interior and exterior, shall be washed clean twice annually at six-month intervals, except when waived in writing by the Lessee. (REV 09-96)

In the event the janitorial service provided by the Lessor is not satisfactory to the Lessee, the Lessee may provide janitorial service as described above and the Lessee's rent will then be reduced by \$ per square foot. (REV 09-96)

RFP Sample Lease

q) Paved, striped, illuminated, and motor vehicle parking on the Leased premises, for motor vehicles, including overnight parking for state-owned motor vehicles. The striping on the parking lot shall be repainted during the lease period in the summer by the Lessor. Illumination shall be not less than 2 foot-candles, with a uniformity not greater than 4 to 1, measured on the parking surface. The Lessor shall provide replacement tubes, bulbs, starters, and fuses, i.e., all parts and equipment necessary to provide and maintain this exterior illumination. (REV 09-96)

r) Leased premises shall comply with the barrier free design requirements of 1966 PA 1, as amended, MCL 125.1351 et seq. (Utilization of Public Facilities by Physically Handicapped Act). (REV 02-93)

s) Complete maintenance of the Leased premises, except for any obligations expressly undertaken by the Lessee set forth in Article IV. The Lessor shall keep the Leased premises in good repair, and able to perform and operate as designed, free from dangerous or defective conditions, and in tenantable condition, and at the Lessor's sole expense, properly and in a manner customarily accepted by the skilled trades, make all repairs and/or replacements, structural or nonstructural, of whatever nature. The Lessor shall provide inspections and preventive maintenance for heating and cooling systems in accordance with manufacturers' standards and any local codes or ordinances. The Lessor shall have a reasonable period of time, not to exceed thirty (30) days after receipt of a detailed written notice from the Lessee, to cure any maintenance defect. Additional time to cure any such maintenance defects may be allowed provided, in the Lessee's discretion, the Lessor proceeds with due diligence both during and after such thirty (30) day period, and the total time period to cure does not exceed ninety (90) days. This provision is cross-referenced in paragraphs 4.2, 5.15, 5.17, and 11.3. (REV 09-96)

t) A listing of all important service or repair contractors to be contacted by telephone by the Lessee for emergency service or maintenance. These emergency telephone numbers shall be used by the Lessee only after attempting contact with the Lessor, given the scope and nature of the emergency. The Lessor shall maintain an updated or otherwise current listing. Lessor's failure to provide the emergency telephone numbers or to notify the Lessee of changes to the current listing shall be considered as authorization for the Lessee to contact an emergency service or maintenance contractor of choice. (REV 09-96)

u) Full replacement value insurance, for the Leased premises identified in paragraphs 2.1 and 2.2, having only standard exclusions, i.e. for acts of war, nuclear disaster, or civil riots. (New 09-91)

RFP Sample Lease

v) General premises liability insurance for the Leased premises identified in paragraphs 2.1 and 2.2, which provides full coverage for the Lessor, the Lessee, and their respective agents and employees and which protects against all claims, demands, actions, suits, or causes of action, and judgments, settlements or recoveries, for bodily injury or property damage arising out of a condition of the Leased premises. The Lessor agrees to maintain minimum policy limits in the amount of \$500,000.00 per occurrence for property damage, and \$1,000,000.00 per occurrence for bodily injury, with a \$2,000,000.00 aggregate. The Lessor shall provide to the Lessee a certificate of insurance listing the Lessee, its several departments, boards, agencies, commissions, officers, and employees as additional insureds, within thirty (30) calendar days following execution and delivery of this Lease to the Lessor, and every year thereafter. The insurance policy shall provide that it may not be modified, cancelled, or allowed to expire without thirty (30) days prior written notice given to the Lessee. (REV 01-97)

w) A written report, not more than sixty (60) days old from the date of first possession, from the local public fire marshal authority, indicating the Leased premises are approved for occupancy. If a renewal option is exercised, the Lessor shall provide the Lessee with an updated report within sixty (60) days from the beginning date of each renewal period. (REV 09-96)

x) A legible photocopy of the recorded warranty deed, or other instrument conveying current legal possession or title, with right to lease or sublease the Leased premises, as found in paragraphs 2.1 and 2.2, to the Lessor; and copies of all other documents limiting or restricting the use of the Leased premises or affecting title to the lands and Leased premises. (REV 10-91)

y) A legible photocopy of the current legal entity documents (corporation, partnership, trust, D.B.A., etc.) of the Lessor. This shall include signature authorizations indicating the signatory of this Lease is authorized to act on behalf of the legal entity, in this real estate transaction. (New 09-91)

z) A legible photocopy of any certificates of occupancy, as approved by the local public building department or authority, if remodeling or construction is performed in paragraph 3.7. (New 09-91)

aa) Legible photocopies of all paid-in-full supporting documents necessary to calculate adjustments to the rental consideration referenced in Article V. (New 09-91)

bb) Adequate and easily accessible indoor space in the vicinity of any shipping and receiving docks, areas, or platforms, for the purpose of the placement of holding containers for state-government recyclable materials and supplies, in accordance with 1994 PA 451, as amended, MCL 324.16501 et seq. (REV 03-96)

RFP Sample Lease

cc) New carpeting and ceiling grid pads throughout, during the one hundred eighty (180) days immediately following the start of the tenth (10th) year of possession, and during the one hundred eighty (180) days immediately following the start of the first renewal option, if exercised. The 180-day period is intended as a "window period" only, not as permission to take 180 days to complete the replacement. The carpet and ceiling grid pads shall be of equal or better construction, materials, or grade, as compared to the carpeting and ceiling grid pads used upon initial possession. (New 09-91)

3.2 - The Lessor warrants that any asbestos contained within the Leased premises has been removed prior to the Lessee taking possession; or if not removed, is present or installed in a manner that will not harm or injure human occupants. The parties agree that the Lessee assumes no liability or responsibility for the presence of asbestos in or on the Leased premises. (REV 03-96)

3.3 - a) The Lessor covenants that he/she has undertaken an environmental assessment of the Leased premises, satisfactory to and for the benefit of the Lessee, that is adequate to establish the liability exemptions and defenses available in Sections 20126(1)(c) and 20126(3)(h) of the Natural Resources and Environmental Protection Act (NREPA), MCL 324.20126(1)(c) and 324.20126(3)(h) and Section 107(b)(3) of the Comprehensive Environmental Response Compensation Liability Act, 42 USC 9607(b)(3), and that the Leased premises, and property on which the Leased premises is located, do not contain a concentration of any hazardous substance above applicable criteria. (REV 09-96)

b) The Lessor covenants that in the event a release or the threat of a release of a hazardous substance is discovered after execution of the Lease, to exist on, in or below the Leased premises, the Lessor shall: (REV 09-96)

1) Promptly notify both the State, as the Lessee, and the Michigan Department of Environmental Quality (MDEQ) of the release or threatened release. (REV 09-96)

2) Report, investigate, remediate, and take all other actions consistent with Federal, State and local laws and regulations including, without limitation, Part 201 of the Natural Resources and Environmental Protection Act (NREPA), MCL 324.20101, et seq. (REV 09-96)

3) Inform the Lessee, the MDEQ, and all other parties required to be notified under Federal, State or local law, of all actions taken under (2) above. (REV 09-96)

4) Provide the Lessee, the MDEQ, and all other parties required to be notified under Federal, State or local law, with all reports, data, analyses and other documents and information related in any way to the investigation, remediation or other steps taken under (2) above. (REV 09-96)

RFP Sample Lease

c) The Lessor, except as otherwise provided herein, agrees to hold the Lessee harmless and to indemnify the Lessee for any claims brought against the Lessee related to asbestos or the release or threatened release of any hazardous substance on, in or below the Leased premises that may have occurred prior to or after the Lessee's occupancy of the Leased premises. This indemnification and hold harmless provision shall survive the termination of the leasehold interest and the sale of the Leased premises by the Lessor. (REV 09-96)

d) The Lessor agrees to take no administrative or judicial action against the Lessee including, without limitation, any action for damages, contribution, cost recovery, or injunctive relief to compel the Lessee to investigate or take remedial action, declaratory relief, or any action associated with the Lessor's obligations to comply with Federal, State or local law as a result of asbestos or the release or threat of release of any hazardous substance on, in or below the Leased premises, except if the release or threatened release is caused solely by the Lessee. (REV 09-96)

e) The Lessor and Lessee mutually agree that they shall not release on, in, or below the Leased premises any hazardous substance. The Lessee assumes responsibility, to the extent provided by law, for a release or threatened release of a hazardous substance caused by the Lessee. The Lessor need not indemnify or defend the Lessee if the release or threatened release is caused solely by the Lessee. (REV 09-96)

3.4 - The Lessor is responsible for defending the Lessee against any claim whether meritorious or frivolous, by any person challenging the Lessor's right to Lease the Leased premises, and shall at its sole expense satisfy any judgment against the Lessee. (REV 09-96)

3.5 - The Lessor shall begin the remodeling or construction indicated in paragraph 3.7 within () days of Lessor's receipt of a fully executed copy of this Lease. All work required under paragraph 3.7 shall meet the latest local and state building codes, fire codes, and barrier free regulations. The Lessor shall be responsible for acquisition of and payment for all necessary permits. (REV 09-96)

3.5 - The Lessor shall provide to the Lessee, within fifteen (15) days from the effective date of the Lease, written evidence from a surety company authorized to do business in the State of Michigan, that a performance bond and a payment bond have been issued each in the amount of one hundred percent (100%) of the value of construction as security for the faithful performance of all the work described in Enclosure C and C-1 and this Lease and payment of all charges in connection with the work. Lessor shall obtain such bonds in a manner consistent with Michigan law. Attorneys-in-Fact who sign bonds shall attach a certified copy of their Power of Attorney to sign such bonds and conduct business in the State of Michigan. Each bond shall assure that the Lessee is named as a third-party beneficiary thereunder with full rights and benefits to enforce the terms and conditions of each bond as if the contract(s) was made directly with the Lessee. (New 01-97)

RFP Sample Lease

a) No later than () days after the effective date of the Lease, the Lessor shall submit to the Lessee a detailed schedule for the design and construction of the Leased premises conforming to the Critical Path Method as outlined in Enclosure "C". Prior to commencement of construction, the Lessor shall submit detailed preliminary plans and specifications consistent with Enclosure "C" and a schedule of all permits and approvals for review by the Lessee. (New 01-97)

b) Lessee will endeavor to use its best efforts to complete the review of the preliminary detailed plans and specifications within () weeks of their submittal. (New 01-97)

c) Lessee will either approve the preliminary detailed plans and specifications or make comments on them. The Lessor shall incorporate the Lessee's comments into the final design of the Leased premises. Once the final detailed plans and specifications are complete, they shall be attached to and become part of this Lease as Enclosure "C-1". Lessor shall supply three (3) copies of the final detailed plans and specifications to the Lessee prior to commencement of construction. (New 01-97)

d) No modification shall be made to the final detailed plans and specifications without the prior written consent of the Lessee. Lessor, in constructing the Leased premises, shall use quality materials and comply with all federal, state, and municipal laws, rules, and regulations of any governmental agencies having jurisdiction over the Leased premises. All proposals for the necessary substitution of materials because of shortage or lack of specified materials will be immediately submitted to Lessee, and Lessee may thereupon approve these substitutions, provided they do not alter the quality of the Leased premises. (New 01-97)

e) Building plan review and approval as described in this paragraph is not for the Lessor's benefit and the Lessee is not responsible for any design error and/or omissions discovered or which could have been discovered during this review. Nor does this review waive or negate any rights of the Lessee for breach of contract and/or default based upon design error and/or omissions. (New 01-97)

f) The Lessor shall immediately commence construction as required in paragraph 3.6 upon submission of the final detailed plans and specifications to the Office of Design and Construction. (REV 08-99)

g) All work required under paragraph 3.6 shall meet the latest local and state building codes, fire codes, and barrier free regulations. The Lessor shall be responsible for acquisition of and payment for all necessary permits. (New 01-97)

3.6 - The Lessor shall complete the remodeling or construction in accordance with the standards and specifications listed in paragraph 3.7 by , or () days after Lessor receives a fully executed copy of this Lease, whichever is later. (New 09-91)

RFP Sample Lease

3.6 - a) The Lessor shall complete construction in accordance with the standards and specifications found in Enclosures "C" and "C-1" by _____, or _____ (_____) days after Lessor receives a fully executed copy of this Lease whichever is later. Upon completion of construction, Lessor shall submit to the Lessee three (3) copies of the "as-built" detailed plans and specifications.

b) Time extension requests must be submitted in writing to Lessee each month in which the Lessor believes he/she is entitled to more time. Such requests shall detail the length of time extension requested and indicate why the Lessor believes more time is warranted. Lessee will respond to such requests and may extend the timeframe allowed for Substantial Completion. If no time extension is requested in writing, it will be assumed that no additional time is needed and no timeframe extension will be allowed for that month.

c) The work to be performed under Article III of this Lease shall be commenced as provided in paragraph 3.5 and shall be Substantially Completed within the timeframe required in paragraph 3.6(a). Lessor and Lessee agree that Substantial Completion by the time specified is of the essence to this Lease and that the Lessee will suffer injuries and damages if the work is not timely completed. Should the Lessor fail to Substantially Complete the work within the above-referenced timeframe, the sum of \$ _____ per day shall be deducted from the Lease rent payment(s) for each and every calendar day of delay. It is understood and agreed that this deduction from Lease rent payment(s) is not a penalty, but represents liquidated damages suffered by the Lessee, and is so fixed on a per diem basis because of the extreme difficulty of ascertaining the full amount of damages the Lessee will sustain if the work is not timely completed. Liquidated damages are not intended to compensate the Lessee for any other breach of this Lease.

d) See attached Enclosure "C", _____ pages, for construction standards and specifications. Enclosure "C-1" (final detailed construction plans and specifications) shall be incorporated and attached to this Lease upon receipt by the Office of Design and Construction pursuant to paragraph 3.5.

e) The program, design, and construction of the Leased premises shall be executed in compliance with all applicable federal, state, and local laws, permits, approvals, ordinances, standards, and regulations, including but not limited to applicable regulations of the Occupational Safety and Health Act (OSHA), and other professional practices and industry standards.

f) The Lessor expressly warrants and guarantees to the Lessee that all construction work will conform to the Lease, Enclosures "C" and "C-1" and will not be defective. Reasonably prompt notice of defective work of which the Lessee has actual knowledge shall be given to the Lessor, but failure to do so will not void the Lessor's warranty and guarantee obligations unless actual prejudice results from such untimely notice.

RFP Sample Lease

The Lessor's obligations for correction of construction work specified herein are in addition to, and not in limitation of, any warranties or guarantees required elsewhere in this Lease, Enclosure "C" and "C-1", or by law. Nothing contained in this paragraph shall be construed as establishing a period of limitations for, or limiting the obligations of, the Lessor to warrant and guarantee that the construction work will not be defective.

3.7 - See attached Enclosure "C", _____ pages, for remodeling or construction standards and specifications. (New 09-91)

3.7 - Lessor agrees that the Lessee or its authorized representative(s) shall, at all times, have access to the Leased premises construction site to determine that the Leased premises are being constructed in accordance with reasonable construction standards and the requirements of Enclosure "C" and "C-1". Lessor agrees that:

a) The Lessee's representative shall receive copies of Lessor's required construction submittals as outlined in Enclosure "C-1", such as shop drawings, product data and samples, to confirm conformance with the design concept of the work and with the information provided in enclosure "C-1" and industry performance standards.

b) The Lessee's representative shall have authority to observe the construction and where non-conformance with Enclosure "C" and/or "C-1" is discovered communicate to the Lessor such non-conformance. The Lessor agrees to take appropriate corrective action to conform the construction work to the requirements of Enclosure "C" and "C-1".

c) The Lessee's right to make observations or otherwise act as set forth in paragraph 3.7(a), 3.7(b), 3.7(d) and 3.7(e) shall not:

1) give rise to or impose any duty or responsibility on Lessee to make those observations or perform those services for the benefit of the Lessor or any of its contractors, subcontractors, agents, or employees;

2) relieve the Lessor from its obligations to perform the construction work in accordance with Enclosure "C" and "C-1"; or

3) represent acceptance of defective construction work.

RFP Sample Lease

3.8 - During the remodeling or construction of the Leased premises, either party may request remodeling or construction changes, for the purposes of economizing, or Lessee program changes. The Lessor shall submit a complete description and itemized cost estimate for prior written approval to the Real Estate Division of the Department of Management and Budget, prior to performing the work required by the requested change. If the changes, and any resulting cost differences, are mutually agreed upon in writing by the Lessor, Lessee, and Real Estate Division, the Lessee shall make a lump-sum payment with, or lump-sum deduction from, the first month's rental consideration due the Lessor. Failure to include in the complete itemized cost estimate any cost directly or indirectly incurred as a result of the change constitutes Lessor's waiver of entitlement to such costs, except in the event that the Lessor or Lessor's contractor provides a detailed reservation of its right to additional costs which cannot be reasonably calculated as of the date the cost estimate is submitted. (REV 09-96)

3.8 - Lessor agrees that the Lessee shall retain an Architect/Engineer at Lessee's expense, who will provide construction inspection services and will periodically visit the site to determine that the Leased premises are being constructed in accordance with reasonable construction standards and relevant specifications and drawings, Lessor agrees that: (REV 09-96)

a) The Lessee's Architect/Engineer shall at all times have access to the work whenever it is in preparation and progress. Lessor is responsible for providing access to the Lessee's Architect/Engineer so that he/she may properly perform functions under this agreement. (REV 09-96)

b) The Lessee's Architect/Engineer who is responsible for the preparation of the construction documents will be the final interpreter of the specifications, drawings and standards, and the judge of performance thereunder by the Lessor. (REV 01-97)

c) The Lessee's Architect/Engineer shall receive copies of Lessor's required construction submittals, such as shop drawings, product data and samples, to confirm conformance with the design concept of the work and with the information provided in the specifications, drawings, and industry performance standards. (REV 09-96)

d) The Lessee's Architect/Engineer shall have authority to inspect and, where required because of a non-conformance with the relevant contract documents, reject any construction work, or take other appropriate action including recommending action necessary to correct any rejected work. The Lessor shall promptly correct the rejected work according to the Lessee's Architect/Engineer's recommendations. (REV 01-97)

e) The Lessee's Architect/Engineer's authority to make the required observations or otherwise act as set forth in Section 3.8 (a) - (d), shall not a) give rise to or impose any duty or responsibility on it to make those observations or perform those services for the benefit of the Lessor or any of its contractors, subcontractors, agents or employees, b) relieve the Lessor from its obligations to perform the construction work in accordance with the drawings, specifications and standards, or c) represent acceptance of defective construction work. (REV 09-96)

RFP Sample Lease

f) During the remodeling or construction of the Leased premises, either party may request remodeling or construction changes, for the purposes of economizing, or Lessee program changes. The Lessor shall submit a complete description and cost estimate for prior written approval to the Real Estate Division of the Department of Management and Budget, prior to the requested change. If the changes, and any resulting cost differences, are mutually agreed upon in writing by the Lessor, Lessee, and Real Estate Division, the Lessee shall make a lump-sum payment with, or lump-sum deduction from, the first month's rental consideration due the Lessor. Failure to include in the complete itemized cost estimate any cost directly or indirectly incurred as a result of the change constitutes Lessor's waiver of entitlement to such costs, except in the event that the Lessor or Lessor's contractor provides a detailed reservation of its right to additional costs which cannot be reasonably calculated as of the date the cost estimate is submitted. (REV 01-97)

3.9 - Remodeling of the Leased premises required by any existing or future laws, ordinances, or regulations of the city, village, township, county, state, or federal government, or other public building authority, shall be made by the Lessor, at no expense to the Lessee. (REV 09-96)

3.10 - In the event that less than ten percent (10%) of the replacement value of the Leased premises are damaged or destroyed by any casualty insured under the Lessor's insurance policy, the Lessor shall at its own expense, as speedily as circumstances permit, repair said damage and restore the Leased premises to its prior condition, within thirty (30) days notice after the damage or destruction. In the event that between ten percent (10%) and fifty percent (50%) of the replacement value of the Leased premises are damaged or destroyed by any casualty insured under the Lessor's insurance policy, the Lessor shall at its own expense, as speedily as circumstances permit, repair said damage and restore the Leased premises to its prior condition, within ninety (90) days notice after the damage or destruction. In the event that more than fifty percent (50%) of the replacement value of the Leased premises are damaged or destroyed by any casualty insured under the Lessor's insurance policy, the Lessor shall have the option of repairing or reconstructing, or canceling this Lease, which option shall be exercised within ninety (90) days after the damage or destruction. This covenant is cross referenced in Articles IV, V and XI. (REV 09-96)

3.11 - The Lessor shall not rent or otherwise occupy any adjoining space which is or becomes vacant on the Leased premises known as _____ during the term of this Lease or any extensions thereof, without first offering for a period of ten (10) days, the space to the Lessee at the same rental proposed for a third party, or if Lessor intends to occupy the space, at the Lessee's current rental rate and under the same terms and conditions found in this Lease. (REV 01-97)

3.11 - The Lessor shall not rent or otherwise occupy any adjoining space which is or becomes vacant on the Leased premises known as _____ during the term of this Lease, or any extensions thereof, without first offering for a period of ten (10) days, the space to the Lessee at the Lessee's current rental rate, and under the same terms and conditions found in this Lease. (New 09-96)

RFP Sample Lease

3.12 - The Lessor shall comply with the Elliott-Larsen Civil Rights Act, 1976 PA 453, as amended, MCL 37.2101 et seq, the Persons with Disabilities Civil Rights Act, 1976 PA 220, as amended, MCL 37.1101 et seq, and all other federal, state and local fair employment practices and equal opportunity laws and covenants that it shall not discriminate against any employee or applicant for employment, to be employed in the performance of this real estate contract, with respect to his or her hire, tenure, terms, conditions, or privileges of employment, or any matter directly or indirectly related to employment, because of his or her race, religion, color, national origin, age, sex, height, weight, marital status, or physical or mental disability that is unrelated to the individual's ability to perform the duties of a particular job or position. The Lessor agrees to include in every subcontract entered into for the performance of this real estate contract this covenant not to discriminate in employment. A breach of this covenant is a material breach of this real estate contract. This covenant is cross referenced in Article XI. (REV 07-98)

3.13 - The Lessor shall have the right to specify positioning of safes or other concentrated loads, that do not exceed the structural loading capacities, in the floor design layout. (New 02-93)

3.14 - The Lessor shall, within forty-five (45) days after transfer of its ownership interest in the Leased premises, provide notice to the Lessee of said transfer so that the Lessee can calculate the amount of the potential increase in real estate taxes as a result of such transfer. (New 09-96)

3.15 - The Lessor warrants that all fixtures, equipment and/or operating systems installed in the Leased premises which require firmware or software systems to operate and are in use prior to, during, or after calendar year 2000, have been designed or modified and fully tested in such a manner that the fixtures, equipment and/or operating systems will not generate any invalid and/or incorrect date related results or cause any of the problems commonly referred to as "Year 2000 problems" and will, without interruption or manual intervention, continue to operate consistently, predictably and accurately and in accordance with all of the requirements of this Lease, including without limitation, meeting all specifications and/or functionality and performance requirements, when used during any year prior to, during or after the calendar year 2000 to ensure the Lessee's uninterrupted use of the Leased premises. (REV 01-99)

3.16 - Time extension requests must be submitted in writing to Lessee each month in which the Lessor believes he/she is entitled to more time. Such requests shall detail the length of time extension requested and indicate why the Lessor believes more time is warranted. Lessee will respond to such requests and may extend the timeframe allowed for substantial completion. If no time extension is requested in writing, it will be assumed that no additional time is needed and no timeframe extension will be allowed for that month. (New 09-96)

RFP Sample Lease

3.17 - The Lessor shall permit the Lessee to display public notifications of applicable public meetings as required by 1976 PA 267, as amended, MCL 15.261 et seq., in public lobby areas of the building wherein the Leased premises are located, in a manner consistent with the decor of the public lobby areas. Any display cases or other means used to display such public notifications shall be at the Lessee's expense. (New 10-97)

ARTICLE IV - LESSEE OBLIGATIONS, DUTIES, and OPTIONS

4.1 - Deleted, Not Applicable

4.2 - The Lessee shall give detailed written notice to the Lessor, and if applicable, to the Lessor's mortgagee, of the need for any maintenance which is the obligation of the Lessor pursuant to Article III. This provision is cross referenced in paragraphs 3.1(s), 5.15, and 5.17. (REV 09-96)

4.3 - a) The Lessee shall have the option to add tenant improvements to the Leased premises during this Lease or any extension at the Lessee's expense. The tenant improvements to the Leased premises shall be and remain the property of the Lessee, and may be removed by the Lessee prior to cancellation or termination of this Lease. In the event the Lessee exercises its option to remove any tenant improvements to the Leased premises under this paragraph upon cancellation or termination of this Lease, the Lessee shall restore or otherwise return the Leased premises to the Lessor in an "as found" condition, except for normal wear and tear, unless otherwise agreed upon in writing. (REV 09-96)

b) In the event the Lessee removes any fixtures, finishes, additions, or structures owned by the Lessor, placed in or attached to the Leased premises, upon termination or cancellation of this Lease, the Lessee shall restore or otherwise return the Leased premises to the Lessor in an "as found" condition, except for normal wear and tear, unless otherwise agreed upon in writing. (REV 09-96)

4.4 - All tenant improvements by the Lessee, made pursuant to paragraph 4.3, shall be performed in a manner customarily accepted by the skilled trades, and in accordance with all federal, state, and local rules, ordinances, laws, codes, or nationally recognized standards of good construction practice. (REV 09-96)

4.5 - Upon cancellation or termination of this Lease, the Lessee shall clean the Leased premises to "broom-clean condition", and shall remove all furnishings from the Leased premises. Furnishings remaining in or on the Leased premises after the cancellation or termination effective date shall be considered abandoned property, and the Lessee shall be obligated to pay the Lessor for all reasonable removal costs. (REV 09-96)

4.6 - The Lessee shall be responsible to request and obtain any local government sign ordinance variances and the payment of any related fees. (REV 09-96)

RFP Sample Lease

4.7 - In the event the Lessor fails to proceed with repairs necessitated by damage or destruction that is fifty percent (50%) or less, as referenced in paragraph 3.10, the Lessee may proceed, after affording insurance surveyors or adjusters opportunity to inspect the damages, with repairs for the account of and at the expense of the Lessor. (REV 09-96)

4.8 - If the Lessee records this Lease with the county register of deeds, the Lessee shall record a discharge or notice of cancellation or termination of Lease within thirty (30) days after the cancellation or termination of this Lease is effective. The discharge from the public record shall include any recorded amendments to this Lease. (REV 09-96)

4.9 - The Lessee shall close all open windows, skylights, doors, or other exterior openings to the Leased premises, within the control of the Lessee, to avoid possible damage from fire, storms, rain, or freezing, when leaving the Leased premises at the close of the business day, or prior to any times when the Leased premises shall be unoccupied. (REV 09-96)

4.10 - The Lessee shall not permit: (REV 09-96)

a) Bicycles, mopeds, or other vehicles used for personal transportation, to be stored within the Leased premises or other common areas, unless otherwise specifically authorized elsewhere in this Lease, or agreed upon in writing with the Lessor. (Rev 02-93)

b) Any items to be attached to suspended acoustical ceiling grids. (Rev 02-93)

c) Access to any roof or overhang structure, except as under emergencies to maintain the roof moisture barrier or any rooftop mechanical system affecting the Leased premises. (REV 09-96)

ARTICLE V - RENT CONSIDERATION

5.1 - Rent consideration installment payments shall be made during the month for which the installment applies. (New 09-91)

5.2 - If the Leased premises are not ready for possession by the date established in paragraphs 2.4 and 3.6, the Lessee shall not be responsible for rent until taking possession, nor shall the Lessee waive any claims to damages which the Lessee may have suffered. (REV 09-96)

5.3 - The Lessee shall pay to the Lessor as annual rent consideration for the Leased premises from 12:01 a.m. , through 11:59 p.m. , at the rate of /100 dollars (\$) per year, payable in installments of /100 dollars (\$) per month. (REV 09-96)

RFP Sample Lease

5.3A - The annual rental rate reflected in this Lease is based on an estimated \$ debt amortized at () years with an estimated . % interest rate. It is agreed by the parties that the actual rental and interest rates will be adjusted to correspond with the actual debt service requirement to retire the bond sale debt, and that the Lessor will provide, for the Lessee, the final debt service payment schedule prior to occupancy or rental payment by the Lessee. It is also agreed that the actual costs will be adjusted against the estimated operating costs to reflect the actual costs incurred for adjustment. (New 04-92)

5.4 - **[repeat paragraph 5.3 above for mid-term rent changes].** (New 09-91)

5.5 - In the event the Lessee exercises the renewal option pursuant to Article II, paragraph , the Lessee shall pay to the Lessor as rent consideration for the Leased premises from 12:01 a.m. , through 11:59 p.m. , at the rate of /100 dollars (\$) per year, payable in installments of /100 dollars (\$) per month. (REV 09-96)

a) - In the event the Lessee exercises the renewal option pursuant to Article II, paragraph , the Lessee shall pay to the Lessor as rent consideration for the Leased premises from 12:01 a.m. , through 11:59 p.m. , at the rate of /100 dollars (\$) per year, payable in installments of /100 dollars (\$) per month. (REV 09-96)

b) - In the event the Lessee exercises the renewal option pursuant to Article II, paragraph , the Lessee shall pay to the Lessor as rent consideration for the Leased premises from 12:01 a.m. , through 11:59 p.m. , at the rate of /100 dollars (\$) per year, payable in installments of /100 dollars (\$) per month. (REV 09-96)

c) - In the event the Lessee exercises the renewal option pursuant to Article II, paragraph , the Lessee shall pay to the Lessor as rent consideration for the Leased premises from 12:01 a.m. , through 11:59 p.m. , at the rate of /100 dollars (\$) per year, payable in installments of /100 dollars (\$) per month. (REV 09-96)

d) - In the event the Lessee exercises the renewal option pursuant to Article II, paragraph , the Lessee shall pay to the Lessor as rent consideration for the Leased premises from 12:01 a.m. , through 11:59 p.m. , at the rate of /100 dollars (\$) per year, payable in installments of /100 dollars (\$) per month. (REV 09-96)

5.6 **Deleted, Not Applicable**

5.7 **Deleted, Not Applicable**

5.8 **Deleted, Not Applicable**

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5.9 Deleted, Not Applicable

5.10 - Appeal, Review and Adjustments of Assessed Real Property Taxes: (REV 10-91)

a) The Lessor shall provide the Lessee with photocopies of all assessment or valuation change notices within seven (7) days of the Lessor's receipt of such notice. If the Lessor fails to submit to the Lessee, as required above, a notice reflecting an increase in the assessed, taxable, or state equalized value of the Leased premises, then the Lessee may refuse to pay the increase resulting from the change in the assessed, taxable, or state equalized value of the real property. (REV 09-96)

b) If at any time the Lessor or the Lessee believes the assessed, taxable, or state equalized value of the real property (lands and improvements thereto) is excessive, either may protest to and appear before the appropriate agency or body at the state and/or local level legally responsible for reviewing and correcting real property assessments. The Lessee may seek a corrected assessment from the agency or body and further prosecute an appeal from any decision of said agency or body. No Lessee liability arises if the Lessor fails to submit an increased assessment change notice to the Lessee for payment of the real property tax increase. (REV 09-96)

c) If either the Lessee or the Lessor appear before the agency or body, they shall give prompt written notice of their action to the other party and the results of that action. (REV 09-96)

d) If the assessment or valuation is appealed to the Michigan Tax Tribunal, or other court of competent jurisdiction, by either party, or by the _____ of _____, either the Lessor or the Lessee, shall give prompt notice of the appeal to the other party of this Lease, and the docket number assigned to the appeal when it is filed, received, or issued. (REV 09-96)

e) If the Lessor applies for or obtains an abatement of ad valorem real property taxes under any law of this state, the Lessor shall promptly notify the Lessee of the abatement. (REV 09-96)

f) If the appeal results in the real property taxes being reduced, rebated, or refunded, the real property taxes shall be adjusted and the Lessor shall be responsible to the Lessee for any refunds. (REV 09-96)

5.11 - Deleted, Not Applicable

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5.12 - Upon Substantial Completion of the remodeling or construction work found in paragraph 3.7, the Lessee shall make full or partial payment to the Lessor for said remodeling or construction in an amount not to exceed \$. The Lessor shall submit to the Real Estate Division of the Department of Management and Budget, invoices from all contractors, subcontractors, or skilled trades, to substantiate costs. Full or partial payment shall be made concurrently with the first month's rent consideration payment, or the rent consideration payment due the Lessor thirty (30) days after the remodeling or construction is completed, and proper invoices submitted, whichever is later. The amount of partial payment withheld from the total amount due will be proportional to the amount of work substantially completed. (REV 09-96)

5.13 - **Reserved**

5.14 - **Reserved**

5.15 - If the Lessor fails to provide maintenance or complete the remodeling or construction, as referenced in Article III, the Lessee may provide the required maintenance, or complete the required remodeling or construction, and deduct the costs from future rent consideration payments due the Lessor. (REV 01-97)

5.16 - If the Lessor fails to provide supporting documentation or warranties, as required by Article III, four percent (4%) of the monthly rent consideration shall be held by the Lessee, until the required documentation is provided to the Lessee. (REV 09-96)

5.17 - The Lessee shall be entitled to an abatement of rent consideration for the period during which the Leased premises are rendered untenable or incapable of the use for which the premises were leased as described in paragraph 1.10. In the event that only a part of the Leased premises are untenable or incapable of such use, the rent shall be reduced in proportion to the entire area rented by the Lessee. This covenant is cross referenced in Articles III, IV and XI. (REV 09-96)

5.18 - Any rent consideration prepaid in advance to the Lessor, shall, upon damage or destruction as identified in paragraph 3.10, be repaid by the Lessor to the Lessee, within thirty (30) days of cancellation. (REV 09-96)

RFP Sample Lease

ARTICLE VI - LESSEE OPTION TO PURCHASE

6.1 - For purposes of this Article VI only, the Lessor shall be defined as the "Seller" and the Lessee shall be defined as the "State". (REV 03-96)

6.2 - The Seller hereby grants to the State the exclusive right and option to purchase the Leased premises described in paragraphs 2.1 and 2.2 (for purposes of Article VI, referred to as the "Premises"), and all rights, title, and interest presently held and subsequently acquired therein. (REV 09-96)

(Legal Description)

6.3 - This option to purchase may be exercised by the State only: (New 09-91)

- a) During the first days of possession, or
- b) During the days following the start of the sixth, eleventh, sixteenth or twentieth years of possession, or
- c) Anytime after the first full year of possession.

6.4 - Written notice of the exercise of this option to purchase shall be made by the State, as found in paragraph 12.1. (New 09-91)

6.5 - The total purchase price shall be the fair market value of the land, structures and improvements thereto, as described in paragraphs 2.1 and 2.2. (New 09-91)

6.6 - Fair market value shall be determined by an independent fee appraiser who is licensed by the State of Michigan as a State Certified Real Estate Appraiser, under the authority of 1980 PA 299, as amended, MCL 339.101 et seq. (Occupational Code). (REV 09-96)

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6.7 - The State shall contract and pay for an independent fee appraisal to determine fair market value. However, if the Seller does not agree with the fair market value established by the State's appraisal, the Seller shall, at the Seller's expense, contract for a second fair market value appraisal by an independent fee appraiser who is licensed by the State of Michigan as a State Certified Real Estate Appraiser, under the authority of 1980 PA 299, as amended, MCL 339.101 et seq (Occupational Code). The State and the Seller shall promptly notify each other of the estimated time to obtain an appraisal. The State and the Seller shall promptly submit their respective appraisals to each other, but in no event later than thirty (30) days after receipt of the appraisal. If there is a difference between the first and second appraisal of ten percent (10%) or less, the State and the Seller shall split the difference in value. If there is a difference between the first and second appraisals of more than ten percent (10%), the State shall contract for a review appraisal, of the first and second appraisals. The review appraisal determination shall be binding upon the State and the Seller. The cost of the review appraisal shall be split equally by the State and the Seller. (REV 01-97)

6.8 - All fee appraisers, whether under contract to the State or the Seller, shall take into consideration this Lease between the State and the Seller, including all of the Lease covenants, as an encumbrance to the Premises identified in paragraphs 2.1 and 2.2. (New 09-91)

6.9 - If the State exercises its option to purchase the Premises, the Seller shall, within ten (10) days thereafter, furnish and deliver to the State's attorney a commitment for title insurance with coverage in an amount at least equal to the amount of the taxable value. The commitment for title insurance shall evidence good and marketable title in fee simple absolute to the Premises to be vested in the State and shall be conditioned only upon delivery of a sufficient warranty deed from the Seller to the State. The Seller shall take all actions required by such commitment for title insurance to remove exceptions to coverage for liens, mortgages, and all other similar encumbrances prior to closing. The Seller shall update the amount of coverage to the fair market value as determined in paragraph 6.7 prior to closing. (REV 09-96)

6.10 - If objection to the title is made, based upon a written opinion of the State's attorney that the title is not in the condition as required for performance hereunder, the Seller shall have thirty (30) days from the date they are notified in writing of the particular defects claimed to remedy the title to the satisfaction of the State's attorney. If the Seller fails to remedy the defect within said thirty (30) days, this option, in the discretion of the State, may be considered null and void and the parties relieved from any and all liability thereunder or the State may proceed to have such defect remedied or removed. The Seller shall use its best efforts and shall cooperate with the State to remove any and all title defects so identified. (REV 01-97)

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6.11 - In the event that examination of the title by the State's attorney discloses any easements or restrictions on use of the Premises which would prevent the State from using the Premises for the purposes for which they were to be acquired, the State may at its sole discretion terminate this option and the parties will be thereupon relieved from any and all liability hereunder or the State may proceed to have any easements or restrictions on the use of the Premises removed. If the State is unsuccessful in removing such easements or restrictions, the State may, at its option, terminate this option and the parties will be thereupon relieved from any and all liability hereunder. The Seller shall use its best efforts and shall cooperate with the State to remove any and all restrictions on the use of the Premises. (REV 01-97)

6.12 - If the Premises are not free and clear of and from all defects, liens and encumbrances, the Seller shall remove all defects, liens and encumbrances on or before the date that the warranty deed is to be delivered. The documents referred to above shall collectively demonstrate no unpaid delinquent taxes assessed against the Premises in question or against the Seller. The Seller shall also furnish to the State's attorney, if the Premises are being sold on a land contract, a copy of the land contract, or assignment of land contract, with payment record showing all interest and principal paid to date with a clearly stated outstanding principal balance thereon. (New 09-91)

6.13 - Transfer of title to the Premises described in paragraphs 2.1 and 2.2 shall be effected by warranty deed conveying a good and marketable title in fee simple absolute to the Premises, including title to all fluid, mineral and gas rights, buildings, structures, trees and other improvements thereon. The title is to be free and clear from all liens and encumbrances. The warranty deed shall be delivered to the State upon payment of the full purchase price. (REV 09-96)

6.14 - Unless instructed to do otherwise by the Seller, the State shall deliver to the Seller, at the time set for delivery of the warranty deed, a State warrant payable to the Seller. (New 09-91)

6.15 - If this option is exercised, the Seller shall deliver possession of the Premises in vacant condition and free of all possessory interests (except this Lease), including tenancies, licenses, and others lawfully or unlawfully upon the Premises, in as good condition as it now is, reasonable wear and tear excepted, upon execution and delivery of the warranty deed. Warranties for structural systems, materials, and equipment received by the Seller, whether expressed or implied, including but not limited to warranties of merchantability and fitness for a particular purpose, shall be assigned to the State by the Seller upon delivery of possession to the State. (REV 01-97)

6.16 - The Seller acknowledges responsibility for payment of any state or local real estate transfer taxes. Such obligation shall be discharged no later than the time of delivery of the warranty deed to the State. The warranty deed shall be delivered to the State of Michigan either with stamps affixed or accompanied by a check(s) payable to the County Register of Deeds in the amount of such taxes. (REV 09-96)

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6.17 - The Seller shall be responsible for paying the cost of recording discharges of mortgages, documents terminating liens, quit-claim deeds, or other documents required by law or requested by the State's attorney to clear defects in the title. The State shall be responsible for paying the cost of recording the warranty deed delivered by the Seller. (New 09-91)

6.18 - Real property taxes shall be pro-rated as provided in 1893 PA 206, as amended, MCL 211.2 et seq. (General Property Tax Act). The Seller shall further be responsible for any other real property taxes which become a lien upon the property in any year prior to the calendar year in which title passes to the State. Should any special assessments be made against the property, the Seller shall be responsible for the payment of all assessments or installments of assessments which become due before the day title passes to the State. (REV 01-97)

6.19 - The Seller agrees not to do, or suffer others to do, any act by which the value or title to the Premises may be diminished or encumbered. The Seller further covenants and binds itself, its successors, and assigns to carry out the terms of this option. (New 09-91)

6.20 - Reserved

6.21 - If this option is exercised, the State may, at its sole discretion, require the Seller to undertake an environmental assessment of the Leased premises, satisfactory to and for the benefit of the State, that is adequate to establish the liability exemption and defenses available in Sections 20126 (1)(c) and 20126 (3)(h) of the Natural Resources and Environmental Protection Act (NREPA), MCL 324.20126(1)(c) and 324.20126(3)(h) and Section 107(b)(3) of the Comprehensive Environmental Response Compensation Liability Act, 42 USC 9607(b)(3), that the Leased premises, and the property on which the Leased premises is located, do not contain a concentration of any hazardous substance above applicable criteria. The environmental assessment shall be in addition to the environmental assessment referenced in paragraph 3.3(a) of this Lease. If, based upon the environmental assessment undertaken as a part of this option, a release or threat of a release is discovered, the State may, at its sole discretion, terminate this option and be relieved of any liability under Article VI. Nothing in this paragraph shall relieve the Lessor/Seller of its obligations under paragraph 3.3 of this Lease. (REV 09-96)

ARTICLE VII - EMINENT DOMAIN/CONDEMNATION

7.1 - The Lessor shall notify the Lessee within ten (10) days of the commencement of eminent domain/condemnation proceedings against the Leased premises described in paragraphs 2.1 and 2.2 by a public agency authorized by law to condemn property. The Lessor shall timely notify the Lessee of the Lessor's intent to contest eminent domain/condemnation proceedings. The Lessor shall notify the Lessee within ten (10) days of acquisition by eminent domain/condemnation of the Leased premises described in paragraphs 2.1 and 2.2 by a public agency. (REV 09-96)

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7.2 - If a total taking of the Leased premises by any public authority under the power of eminent domain/condemnation occurs, then the term of this Lease shall cease as of the day of possession and the rent shall be paid up to that day with a proportionate refund by the Lessor of such rent as may have been paid in advance for a period subsequent to the date of the taking. This covenant is cross referenced in Article XI. (REV 09-96)

7.3 - If a partial taking of the Leased premises by any public authority under eminent domain/condemnation occurs, the Lessee shall have the right either to terminate this Lease and declare same null and void, or, subject to the Lessor's right of termination as set forth below, to continue in possession of the remainder of the Leased premises, and shall notify the Lessor in writing within ten (10) days after such taking of the Lessee's intention. In the event the Lessee elects to remain in possession, all of the terms herein provided shall continue in effect, except that the fixed annual rental shall be reduced in proportion to the amount of the Leased premises taken and the Lessor shall, at its own cost and expense, make all the necessary repairs or alterations to the building, as originally installed by the Lessor, so as to constitute the remaining Leased premises a complete architectural unit. (REV 01-97)

7.4 - If more than fifty (50%) percent of the Leased premises are taken under the power of eminent domain/condemnation, the Lessor may, by written notice to the Lessee delivered on or before the date of surrendering possession to the public authority, terminate this Lease. (REV 09-96)

7.5 - All damages awarded for either a total or partial taking under the power of eminent domain/condemnation, of the Leased premises, including fee title, described in paragraphs 2.1 and 2.2 shall belong to and be the property of the Lessor, except damages awarded as compensation for diminution in value to the leasehold interest which shall belong to and be the property of the Lessee. The Lessee shall be entitled to all damages and costs flowing from its loss of the leasehold interest including, but not limited to, loss of the value of the remaining terms of the Lease, the economic value of the Lease, depreciation and cost of removal of the Lessee's supplies and fixtures, and relocation cost. (REV 09-96)

ARTICLE VIII - ESTOPPEL

8.1 - The Lessee shall, within fourteen (14) days of receipt of a request by the Lessor, pursuant to paragraph 12.1, certify, to the extent the Lessee believes the information to be true and deliver to the Lessor an executed estoppel certificate (Enclosure "D"). The Lessee's failure to deliver such statement shall be conclusive upon the Lessee that: (REV 09-96)

a) This Lease is in full force and effect without modification except as may be represented by the Lessor, (New 09-91)

b) There are no uncured defaults in the Lessor's performance, (New 09-91)

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c) Not more than one (1) month's rent has been paid in advance. (New 09-91)

ARTICLE IX - Deleted, Not Applicable

ARTICLE X - LESSOR'S MORTGAGEE

10.1 - For purposes of this Article, the term "Lessor's mortgagee" means any party of record holding a mortgage or deed of trust on the Leased premises described in paragraphs 2.1 and 2.2, or any part thereof. The Lessor shall give the Lessee written notice that such party holds such lien or deed of trust, and written evidence of the date the mortgage or deed of trust was executed, together with notice of the address of Lessor's mortgagee. A lien held by a Lessor's mortgagee on the Leased premises, or any portion thereof, is herein referred to as a "Lessor's mortgage". (REV 09-96)

10.2 - Pursuant to paragraph 10.1, the Lessor has disclosed all mortgages or deeds of trust affecting the Leased premises set forth in paragraphs 2.1 and 2.2 which exist as of the execution date of this Lease. If a mortgage or deed of trust exists or existed, as of the execution date of the original Lease, the Lessor shall cause each mortgagee to execute in favor of the Lessee the Nondisturbance Agreement, attached as Enclosure "E", whereby said mortgagee agrees that it will not disturb the Lessee's tenancy in the event of foreclosure or other succession to the interest of the Lessor. Enclosure "E" shall be executed before this Lease becomes effective. Any mortgage is to be subordinate to this Lease, and any future amendment thereto unless specifically provided otherwise in writing. (REV 09-96)

10.3 - If the Leased premises are at any time during the term of this Lease subject to a Lessor's mortgage, then, whenever the Lessee gives notice to the Lessor alleging default by the Lessor in performance of any covenant or obligation under this Lease, the Lessee shall simultaneously give a copy of such notice to the Lessor's mortgagee (at the address of the Lessor's mortgagee provided pursuant to paragraph 10.1). Lessor's mortgagee shall have the right (but not the obligation) to cure or remedy Lessor's default during the same time period that is permitted to the Lessor hereunder for the remedying or curing of such default. Lessee will accept such curative or remedial action taken by a Lessor's mortgagee with the same effect as if such action had been taken by the Lessor. Any claims for damages by the Lessee shall not be waived by the Lessor's mortgagee's corrective or remedial action. (REV 01-97)

10.4 - In the event that the Lessor's mortgagee of record (or any other party) shall acquire title to the Leased premises or shall succeed to the Lessor's interest in this Lease, whether through foreclosure of the Lessor's mortgage, conveyance in lieu of foreclosure, or otherwise (collectively, a "foreclosure"), the Lessor's mortgagee (or other such party) shall thereupon, and without the necessity of attornment or other act or agreement, be substituted as the Lessee's landlord under this Lease, and shall be subject to the obligations thereof. The rights acquired by the Lessor's mortgagee are subordinate to this Lease and all of the Lessee's rights under the Lease continue undisturbed. (REV 09-96)

RFP Sample Lease

ARTICLE XI - CANCELLATION

11.1 - [Notwithstanding Paragraph 11.3,] this Lease may be cancelled by the Lessee (during any period of possession) during the initial period of possession of _____, through _____, if: (REV 09-96)

a) The Lessor is notified in writing at least _____ () days prior to the effective date of cancellation. (New 09-91)

b) The Lessor is notified in writing at least _____ () days prior to the effective date of cancellation and any one of the following occur: (New 09-91)

1) **Deleted, Not Applicable**

2) Space is provided in state government owned or managed facilities. (New 09-91)

11.2 - [Notwithstanding Paragraph 11.3,] this Lease may be cancelled by the Lessee during any subsequent renewal option periods of _____, through _____, if: (REV 09-96)

a) The Lessor is notified in writing at least _____ () days prior to the effective date of cancellation. (REV 02-92)

b) The Lessor is notified in writing at least _____ () days prior to the effective date of cancellation and any one of the following occur: (REV 02-92)

1) **Deleted, Not Applicable**

2) Space is provided in state government owned or managed facilities. (REV 09-96)

11.3 - This Lease may be cancelled by the Lessee provided the Lessor is notified in writing at least thirty (30) days prior to the effective date of cancellation and any one of the following occur: (REV 01-97)

a) The Lessor or any subcontractor, manufacturer or supplier of the Lessor appears in the register compiled by the Michigan Department of Labor pursuant to 1980 PA 278, as amended, MCL 423.321 et seq. (Employers Engaging in Unfair Labor Practices Act). (REV 01-92)

b) The Lessor or any subcontractor, manufacturer or supplier of the Lessor is found guilty of discrimination, pursuant to 1976 PA 453, as amended, MCL 37.2101 et seq. (Elliott-Larsen Civil Rights Act); or 1976 PA 220, as amended, MCL 37.1101 et seq. (Persons with Disabilities Civil Rights Act). This covenant is cross referenced in Article III. (REV 07-98)

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c) The Leased premises do not comply with the barrier free design requirements of 1966 PA 1, as amended, MCL 125.1351 et seq. (Utilization of Public Facilities by Physically Handicapped Act). This covenant is cross referenced in Article III. (REV 01-92)

d) The Leased premises are taken for a public purpose by eminent domain/condemnation proceedings by a governmental unit. This covenant is cross referenced in Article VII. (REV 09-96)

e) The Lessee's use of the Leased premises is in violation of local adopted ordinance, or recorded deed restrictions. (REV 09-96)

f) The Lessee acquires fee title to the Leased premises in paragraphs 2.1 and 2.2. This covenant is cross referenced in Article VI. (REV 09-96)

g) The Lessor fails to maintain the Leased premises in a tenantable condition, described in and subject to the notice provision in paragraph 3.1(s). The Lessee shall provide detailed written notice to the Lessor, of not less than thirty (30) days, to correct defaults. (REV 09-96)

h) The Lessor fails to repair or restore the Leased premises for damage specified in paragraph 3.10. This covenant is cross referenced in Articles III, IV, and V. (REV 01-92)

i) The Lessor fails to deliver the Leased premises, according to the plans, specifications, and timeframe for remodeling or construction, found in paragraph 3.6. (REV 01-92)

j) Damage or destruction, specified in paragraph 3.10, is so extensive as to constitute a total destruction of the Leased premises. This covenant is cross referenced in Articles III, IV and V. (REV 01-92)

11.4 - This Lease may be cancelled by the Lessor if the Lessee is notified in writing at least sixty (60) days prior to the effective date of cancellation and any one of the following occur: (REV 09-96)

a) Damage or destruction to the Leased premises exceeds fifty percent (50%) of the replacement value of the Leased premises, as referenced in paragraph 3.10. This covenant is cross referenced in Articles III, IV and V. (REV 10-91)

b) The Leased premises are taken by eminent domain/condemnation proceedings, as referenced in Article VII. (REV 10-91)

RFP Sample Lease

ARTICLE XII - NOTICE, APPLICATION, AND APPROVALS

12.1 - Any notice to Lessee required by this Lease shall be complete if submitted in writing and transmitted by personal delivery (with signed delivery receipt), or certified or registered mail return receipt requested. Unless either party notifies the other in writing of a different mailing address, notice to the Lessor shall be transmitted to the address noted in this Lease, and notices to the Lessee shall be transmitted to: (REV 09-96)

State of Michigan
Department of Management and Budget
Real Estate Division
530 W. Allegan Street
P.O. Box 30026
Lansing, Michigan 48909 (REV 05-97)

The notice shall be deemed effective as of Noon, Eastern Time on the third business day following the date of mailing, if transmitted by mail. Business day is defined as any day other than a Saturday, Sunday, legal holiday, or day preceding a legal holiday. A receipt from a U.S. Postal Service, or successor agency, performing such function shall be conclusive evidence of the date of mailing. (New 09-91)

12.2 - This Lease shall be interpreted in accordance with the laws of the State of Michigan. (New 09-91)

12.3 - This Lease shall be binding upon and to the benefit of the heirs, executors, administrators, and assigns of the Lessor; and upon and to the benefit of the assignees and sublessees of the Lessee. (REV 09-96)

12.4 - This Lease shall not be binding or effective on either party until approved (and witnessed and notarized as necessary) by the Lessor, Lessee, Department of the Attorney General, Department of Management and Budget, Building Committee of the State Administrative Board, and the State Administrative Board. If this Lease or any subsequent amendments to it fall within the requirements of 1984 PA 431, as amended, MCL 18.1101 et seq. (Management and Budget Act), this Lease and any subsequent amendments to it shall also require approval of the Joint Capital Outlay Subcommittee of the Legislature. (New 09-91)

12.5 - Deleted, Not Applicable

12.6 - Should any provision of this Lease or any addenda thereto be found to be illegal or otherwise unenforceable by a court of law, such provision shall be severed from the remainder of the Lease, and such action shall not affect the enforceability of the remaining provisions of the Lease. (New 04-92)

RFP Sample Lease

12.7 - This Lease, with all enclosures and attachments as listed below, constitutes the entire agreement between the parties with regard to this transaction and may be amended only in writing and executed in the same manner as this Lease was originally executed, as under paragraph 12.4. (REV 09-96)

- Enclosure "A" - page(s), floor plan(s)/site plan
- Enclosure "B" - page(s), legal description
- Enclosure "C" - page(s), remodeling/construction specifications
- Enclosure "C-1" - page(s), final detailed construction plans and specifications
- Enclosure "D" - 1 page, estoppel
- Enclosure "E" - 2 pages, Nondisturbance Agreement
- Enclosure "F" - page(s)

RFP Sample Lease

Individual

IN WITNESS WHEREOF, the parties to this Lease subscribe their names on the date set forth below:

Witness:

Signature

Print Name:

Lessor:

_____ Date: _____

Signature

Print Name:

Title:

Federal ID #:

Witness:

Signature

Print Name:

State of Michigan, County of _____.

The foregoing instrument was acknowledged before me on this _____ day of _____,

2005 by _____.

Type or print name(s) of person(s) signing this document

_____, Notary Public in the County of _____.

Acting in the County of _____, State of Michigan.

My commission expires _____.

RFP Sample Lease

Partnership

IN WITNESS WHEREOF, the parties to this Lease subscribe their names on the date set forth below:

Witness:

Signature

Print Name:

Lessor:

Signature

Date: _____

Print Name:

Title:

Federal ID #:

Witness:

Signature

Print Name:

State of Michigan, County of _____.

The foregoing instrument was acknowledged before me on this _____ day of _____,

2005 by _____,
Type or print name(s) of person(s) signing this document

the _____ of _____,

a _____, partnership, on behalf of the partnership.

_____, Notary Public in the County of _____.

Acting in the County of _____, State of Michigan.

My commission expires _____.

RFP Sample Lease

Company

IN WITNESS WHEREOF, the parties to this Lease subscribe their names on the date set forth below:

Witness:

Signature

Print Name:

Lessor:

Signature Date: _____

Print Name:

Title:

Federal ID #:

Witness:

Signature

Print Name:

State of Michigan, County of _____.

The foregoing instrument was acknowledged before me on this _____ day of _____,

2005 by _____,
Type or print name(s) of person(s) signing this document

the _____ of _____,

a _____, company, on behalf of the company.

_____, Notary Public in the County of _____.

Acting in the County of _____, State of Michigan.

My commission expires _____.

RFP Sample Lease

Corporation

IN WITNESS WHEREOF, the parties to this Lease subscribe their names on the date set forth below:

Witness:

Signature

Print Name:

Lessor:

Signature

Print Name:

Title:

Federal ID #:

Date: _____

Witness:

Signature

Print Name:

State of Michigan, County of _____.

The foregoing instrument was acknowledged before me on this _____ day of _____,

2005 by _____,
Type or print name(s) of person(s) signing this document

the _____ of _____,

a _____, corporation, on behalf of the corporation.

_____, Notary Public in the County of _____.

Acting in the County of _____, State of Michigan.

My commission expires _____.

RFP Sample Lease

Individual acting as principal by an attorney in fact

IN WITNESS WHEREOF, the parties to this Lease subscribe their names on the date set forth below:

Witness:

Signature

Print Name:

Lessor:

Signature Date: _____

Print Name:

Title:

Federal ID #:

Witness:

Signature

Print Name:

State of Michigan, County of _____.

The foregoing instrument was acknowledged before me on this _____ day of _____,

2005 by _____,
Type or print name(s) of person(s) signing this document

as attorney in fact on behalf of _____.

_____, Notary Public in the County of _____.

Acting in the County of _____, State of Michigan.

My commission expires _____.

RFP Sample Lease

Public Officer for city, village, township or county government

IN WITNESS WHEREOF, the parties to this Lease subscribe their names on the date set forth below:

Witness:

Signature

Print Name:

Lessor:

Signature

Date: _____

Print Name:

Title:

Federal ID #:

Witness:

Signature

Print Name:

State of Michigan, County of _____.

The foregoing instrument was acknowledged before me on this _____ day of _____,

2005 by _____,
Type or print name(s) of person(s) signing this document

the _____ for the _____,

of _____, Michigan Municipal Corporation.

_____, Notary Public in the County of _____.

Acting in the County of _____, State of Michigan.

My commission expires _____.

RFP Sample Lease

Trust

IN WITNESS WHEREOF, the parties to this Lease subscribe their names on the date set forth below:

Witness:

Signature

Print Name:

Lessor:

Signature

Date: _____

Print Name:

Title:

Federal ID #:

Witness:

Signature

Print Name:

State of Michigan, County of _____.

The foregoing instrument was acknowledged before me on this _____ day of _____,

2005 by _____,
Type or print name(s) of person(s) signing this document

trustee on behalf of _____.

_____, Notary Public in the County of _____.

Acting in the County of _____, State of Michigan.

My commission expires _____.

RFP Sample Lease

Estates

IN WITNESS WHEREOF, the parties to this Lease subscribe their names on the date set forth below:

Witness:

Signature

Print Name:

Lessor:

Signature

Date: _____

Print Name:

Title:

Federal ID #:

Witness:

Signature

Print Name:

State of Michigan, County of _____.

The foregoing instrument was acknowledged before me on this _____ day of _____,

2005 by _____,
Type or print name(s) of person(s) signing this document

personal representative for the estate of _____.

_____, Notary Public in the County of _____.

Acting in the County of _____, State of Michigan.

My commission expires _____.

RFP Sample Lease

Department _____

IN WITNESS WHEREOF, the parties to this Lease subscribe their names on the date set forth below:

Witness:

Signature

Print Name:

Lessee:

Signature

Print Name:

Title:

Date: _____

Witness:

Signature

Print Name:

State of Michigan, County of _____.

The foregoing instrument was acknowledged before me on this _____ day of _____,

2005 by _____,
Type or print name(s) of person(s) signing this document

the _____, for the Michigan Department of _____.

_____, Notary Public in the County of _____.

Acting in the County of _____, State of Michigan.

My commission expires _____.

This Lease has been approved as to legal form by the Michigan Attorney General _____

RFP Sample Lease

IN WITNESS WHEREOF, the parties to this Lease subscribe their names on the date set forth below:

Witness:

Signature

Print Name:

Lessee:

Signature

Date: _____

Joseph D. Chin, Jr.
Director, Real Estate Division
For: Mitch Irwin
Director, Department of Management and Budget

Witness:

Signature

Print Name:

State of Michigan, County of Ingham

The foregoing instrument was acknowledged before me on this ____ day of _____, 2005 by Joseph D. Chin, Jr., Director of the Real Estate Division of the Michigan Department of Management and Budget.

_____, Notary Public in the County of _____.

Acting in the County of _____, State of Michigan.

My commission expires _____.

Document Prepared For The Parties By: Maureen Bailey
Real Estate Division, DMB
Mason Building, 1st Floor
PO Box 30026
Lansing MI 48909

This Lease was approved by the Michigan State Administrative Board on

RFP Sample Lease

RFP Sample Lease

Enclosure "D", one (1) page, to Lease # _____ by and between _____, and the State of Michigan for the Department of _____.

S A M P L E

Date _____

Lessor Name/Mailing Address _____

Attn: Name of Lessor _____

Subject: Department of XXXXXXXXXXXX, Located at 1445 XXXXXXXXXXXX Avenue, Anytown, Michigan (#1234)

A review of the lease between XXXXXXXXXXXXXXXXXXXX and the State of Michigan for the above facility has been requested. Information obtained from this review might be used in negotiations for a possible change in ownership or financing of the facility.

The undersigned [is/is not] in possession as a tenant of certain rental space situated at [address of premises], Michigan, consisting of x,xxx square feet of [office/ warehouse/ residential/ (other)] space with a monthly rental of \$xx,xxx.xx. In connection therewith, the undersigned represents as follows:

The Leased premises [are/ will be] occupied pursuant to a certain written Lease dated [month/ day/ year] between the State of Michigan, as Lessee and [Lessor's name], a [corporation/ partnership/ trust/ estate etc.] as Lessor. Such Lease is presently in full force and effect [and has been amended "x" times].

The term of possession provided in the Lease [commenced/ commences] on [month/ day/ year] and expires on [month/ day/ year]. Renewal options are provided which can be exercised to extend possession to [month/ day/ year]. [Actual possession took place on [month/ day/ year] at which time rental payments started]. [An agreement [was/ was not] written to change the Lease dates to coincide with the date of possession].

This Lease [may] contain(s) a [lump-sum/ rental rate] adjustment clause for [liability insurance/ real property taxes/ other].

The undersigned [has/ has not] accepted possession of the Leased premises. Obligations or improvements required by the terms of said Lease, to be furnished or made by the Lessor to the premises, have been completed to date to the satisfaction of the undersigned with the exception of the following items:

1. [items listed here], 2. etc., and 3., etc.

The most recent rent paid to the Lessor or Lessor's agent was for the month of XXXXXX; no rent has been paid more than thirty days in advance of its due date. There is no security deposit. The last payment of its proportionate share of real property taxes and insurance was made by the undersigned to the Lessor on [month/ day/ year] as a part of the regular monthly rental payment; no such payment has been made more than thirty days in advance of its due date.

The State [pays utilities directly with the exception of water and sewer service; proportional payment for water and sewer service made directly to the Lessor upon presentation of a billing document from the city. Common area expenses are paid as a part of the monthly rental].

The undersigned knows of no default or breach of the Lease by either the Lessor or State except obligations or improvements listed above - if any. The Lessor holds no deposit or other property of the State. There are no offsets, claims, or rent deductions except those which might be made by the State by its Department of XXXXXXXXXXXX. The Lessor should contact [name of State agency contact person] for information about rent deductions. The Lease (as amended) represents the entire agreement between the parties as to the Leased premises.

Sincerely,
Joseph D. Chin, Jr., CPPB
Director, Real Estate Division
Strategic Asset Management

XXX:xxx

cc: Department contact person

RFP Sample Lease

Enclosure "E" to Lease # _____ by and between _____, as Lessor and the State of Michigan for the Department of _____

S A M P L E

NONDISTURBANCE AGREEMENT

This Agreement between _____, hereinafter called "Mortgagee," the State of Michigan by the Department of Management and Budget for the Department of _____, hereinafter called "Lessee," and _____, hereinafter called "Lessor," which terms "Lessor," "Lessee," and "Mortgagee" shall include the successors and assigns of the respective parties.

THE FOLLOWING is a recital of facts underlying this Agreement:

By State Lease #*****, [as amended], which is by reference made a part of this Agreement (hereinafter the Lease), Lessor in consideration of the rents reserved therein, and of the terms, covenants, conditions, and agreements set forth in the Lease, has demised and let to Lessee, and Lessee has leased from Lessor, certain premises described in Lease paragraphs 2.1 and 2.2, located in _____, for an original term extending until (date), and for any exercised extensions.

Mortgagee is the holder of a mortgage made by (name of Lessor), dated _____ which mortgage covers the real property described in Lease paragraphs 2.1 and 2.2 and buildings thereon, and other property, rights, franchises and privileges more particularly described in the Mortgage (which collectively are herein called the "Mortgaged Property").

Lessor is the owner and holder of title to the Mortgaged Property.

Mortgagee shall recognize Lessee's rights under the Lease in the event of a foreclosure of Mortgagee's lien.

The parties agree as follow:

So long as Lessee is not in default (beyond any period given Lessee to cure such default) in the payment of rent or additional rent, or the performance of any other terms, covenants, or conditions of the Lease, Lessee's possession under the Lease and Lessee's rights and privileges thereunder, or under any extensions or renewals thereof that may be affected in accordance with any option contained in the Lease, shall not be diminished or interfered with by Mortgagee. (The term "Mortgagee" shall include any purchaser at a foreclosure sale). Lessee's occupancy shall not be disturbed by Mortgagee during the term of this Lease or any extensions or renewals thereof.

As indicated in Lease Article X, when Mortgagee is substituted as the Lessee's Lessor, Mortgagee is subject to the obligation of the Lease including any amendments to the Lease. It is the intention of the parties hereto to incorporate the Lease into this Agreement by reference with the same force and effect as if set forth fully verbatim herein.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement the day and year first above written.

Witnesses:

Lessee:
State of Michigan

By: _____
1st witness:
Print name of witness
Title: _____

(name typed)

Date:

2nd witness:
Print name of witness

*State of Michigan, County of _____.

| Acknowledged before me this _____ day of _____, 20_____, by _____
| the _____ of _____,
|

RFP Sample Lease

*State of Michigan.

* _____, Notary Public in the County of _____,

| Notary signature

* Acting in the County of _____, State of Michigan. My Commission expires:_____.

Enclosure "E" page 2 of 2

Witnesses:

Lessor:

(name of Lessor)

By:_____

1st witness:

Print name of witness

Title:_____

(name typed)

Date:

2nd witness:

Print name of witness

*State of Michigan, County of _____.

*

* Acknowledged before me this _____ day of _____, 20_____, by _____
Name of Lessor

| the _____ of _____,

*

* _____, Notary Public in the County of _____,

* Notary signature

* Acting in the County of _____, State of Michigan.

|

My Commission expires:_____.

Witnesses:

Mortgagee:

(name of mortgagee)

By:_____

1st witness:

Print name of witness

Title:_____

(name typed)

Date:

2nd witness:

Print name of witness

*State of Michigan, County of _____.

*

* Acknowledged before me this _____ day of _____, 20_____, by _____
Name of Mortgagee

| the _____ of _____,

*

* _____, Notary Public in the County of _____,

* Notary signature

* Acting in the County of _____, State of Michigan.

|

My Commission expires:_____.

OUTLINE SPECIFICATIONS FOR DEPARTMENT OF STATE OFFICE SPACE

Outline specifications, pages 1 through 12, are attached. These outline specifications as provided herein are to establish the minimum requirements.

MISCELLANEOUS DEFINITIONS

State - Refers to the Michigan Department of State, Occupancy Services Division
Lessor- Refers to the Owner or the agent assigned as Landlord, Developer or General Contractor.
D.M.B.- Refers to the Real Estate Division, Department of Management and Budget.
B.F.D. - Refers to the Barrier Free Design code.
I.T. - Refers to the Intelligent Terminal system, for data communications.
HVAC - Means the Heating, Ventilation and Air Conditioning system.
N/C - New Construction

CONSTRUCTION DRAWINGS AND SPECIFICATIONS

The Lessor shall in cases of new construction of a facility built for sole occupancy of the State, submit to D.M.B., and the State complete construction drawings and specifications, bearing the seal of an architect or engineer who is licensed in the State of Michigan, for review and approval of compliance with the terms of the lease. These approved drawings and specifications shall become an integral part of the lease.

If construction drawings are required by local codes, copies of the drawing shall be forwarded to D.M.B. and to the State for review for compliance with the approved floor plan and other lease requirements.

Drawings shall be submitted to and approved by the State agencies prior to the start of construction.

CONSTRUCTION CHANGE ORDERS *****

Changes, deletions, or additions may be made after the "final construction" documents are approved.

The State recognizes that requests for deviation from final documents may involve additional cost (or credit). All costs or credits under the construction change order process are to be made in a one transaction settlement to be incorporated into the first monthly rental payment. (Note: Cost adjustments for changes too substantial for a one-transaction settlement must be made by an addendum to the lease and be approved by the State Administrative Board.)

All requests for deviation initiated by the State must be submitted to D.M.B. with drawings and other supporting documentation.

D.M.B. then submits the request to the Lessor and asks for a cost estimate (increase, credit or no change) for the request and the effect of the deviation on the completion date of the facility.

The State then considers the reply given to D.M.B. and approves the issuance of a "construction change order" within 14 days.

All change orders shall be issued in writing by D.M.B. on a construction change order notice. No changes will be made until D.M.B. approves.

All such changes are to be sequentially numbered and become an official part of the final construction documents, as well as, become the official notice to the State to authorize additional payment (or take credit) with the issuance of the first monthly rental payment.

It is understood that no verbal change orders are binding, and D.M.B. is to notify the Lessor at the construction meeting that neither additional payments nor relief for deviations from final construction drawings may be granted on the basis of any change order either verbally or in writing other than a "Construction Change Order."

THE LESSOR WILL BE RESPONSIBLE FOR THE COST OF ANY UNAUTHORIZED CHANGES.

All changes or deletions that result in a change of construction expense shall be provided on the basis of an itemized breakdown of the actual cost plus not-to-exceed 15% for Lessor's or General Contractor's overhead and profit.

PHYSICAL ACCESSIBILITY TO HANDICAPPED

The State recognizes its responsibility to provide facilities that are accessible by persons with disabilities. The entire leased premises must comply with B.F.D. In some areas these specifications go beyond B.F.D. requirements. All parking, building entrances, and restrooms will be accessible accordingly.

GENERAL REQUIREMENTS

Construct this project in accordance with all Federal laws, State, and Local Building Codes that includes BOCA or U.B.C., BFD, MIOSHA, and Life Safety Codes.

The Lessor shall obtain all necessary building, zoning, and other permits as required for the complete construction of the project.

The Lessor shall assure that any mechanical and electrical equipment and controls, including fire suppressant and or alarms, and security lighting systems, installed by the Lessor or Lessor's contractor, and having date processing logic (computer chip) shall be "year 2000 compliant". The Lessor shall confirm this compliance in writing to the State at the completion of construction.

The Lessor shall remove from the premises all surplus building material and rubbish. All vertical and horizontal surfaces (inside and out) must be clean and free of construction dust, etc. prior to possession by the State.

All workmanship and materials shall be guaranteed for a minimum of one year from completion of the project. Lessor will provide copies of any manuals and warranties related to equipment installed for use of the State.

Lessor shall provide to the State at the pre-occupancy (punchlist) inspection the Material Safety Data Sheets for all construction materials such as adhesives, paint, stains and chemicals used in this construction project.

SITE REQUIREMENTS

Utilities must be separately metered if required under this lease. If this is not possible, the State must be made aware when the Lessor submits the proposal is submitted to the State.

Provide a hard surfaced bituminous and striped parking area for a minimum of _____ cars including _____ reserved spaces for physically handicapped persons. Where site dictates, guardrails and bumper stops, and any other parking control signs shall be provided.

The reserved for handicapped space(s) shall be located as close to the building (leased space)entrance as possible. This shall apply to the secondary exit/entrance also if parking is provided there. Each parking space shall be at least 96" wide and 20' deep with an access aisle of the same measurements. The pavement slope at the space and aisle can be no greater than 1:50. At least one such space shall be signed 'Van Accessible', along with the standard Reserved for Handicapped parking sign. The bottom of the reserved signs is to be at least 80" above grade if on a post, and at least 60" above grade when on a wall.

Downspouts shall be routed so as not to direct water onto walkways or parking areas.

Provide adequate concrete sidewalks from the parking area for easy access to the building. The slope of curb ramps (cuts) can be no greater than 1:12. Curb ramps shall not be constructed to extend into the parking lot. Sloped or ramped sidewalks are considered RAMPS if slope is greater than 1:20, and would then be required to meet the specifications for ramps. A copy of those specifications will be supplied if requested. The sidewalk directly in front of both primary and secondary entrance/exits must have a level area measuring at least 6' wide parallel to building and 5' deep perpendicular to building.

Designate an outside area on site for accommodation of trash pick-up dumpster.

Address numbers, and suite numbers or letters if applicable, shall be provided and installed on the front entry door.

SIGNAGE INFORMATION AND REQUIREMENTS

Secretary of State identification signs are required on the exterior of the building and elsewhere on the grounds near entrances to parking areas.

Installation of standard exterior building signs supplied by the State shall be the Lessor's responsibility.

When zoning or other restrictions prohibit the installation of State supplied signs the lessor shall be responsible for the manufacture and installation of required exterior signing that conforms to the zoning requirements or restrictions. (Costs incurred by the Lessor in complying with this paragraph shall be reimbursed to the Lessor by the State). Lessor must submit cost estimate to DMB for approval prior to awarding contract.

The State requires the following exterior signing in connection with this lease:

<u>Number of Signs</u>	<u>Size</u>	<u>Location</u>
1	10'	Face of building
2	8'	B/B at roadside

WALLS, PARTITIONS AND CEILINGS

All perimeter masonry walls that are exposed to the exterior are to be furred. Provide rigid insulation between the furring strips.

All perimeter walls that abut an adjacent tenant must be from floor to deck above. Sound transmission coefficient class must equal 40 or more.

All interior walls are to be covered with ½" or thicker gypsum board prior to installation of paneling or other approved wall covering.

Ceilings in vestibule and security room shall be gypsum board construction or walls in rooms must go to the deck and be enclosed to the deck.

Blocking shall be provided behind finished walls at all locations calling for installation of work surfaces.

Carpentry contractor will install one TV/VCR unit (furnished by State) in the lobby area. Two foot high backing (either multi-layered plywood or 2-2"X12") shall be installed between two studs at a height of 8'-6" o.c. above finished floor (for ceilings 10' and higher) (6'-6" o.c. for 8' ceiling). Exact location will be designated by the State at the pre-lease meeting.

Haworth Furniture System to be installed by State personnel and wired by Lessor's electrician.

Door stops or bumpers shall be installed on all walls behind interior doors.

Ceiling height shall be 8' minimum, 10' maximum.

Select materials for ceilings with careful consideration for incombustibility, acoustical value, light reflection, durability, cleanliness, and repair or replacement.

Provide sound attenuation blanket insulation in walls of all interior rooms to provide a minimum sound transmission coefficient class of 40 or more.

Roofing and flashing shall be in good repair prior to occupancy.

WINDOWS AND DOORS

Where outside windows and glazing are indicated or present the framing shall be aluminum or wood and glass shall be double-glazed. The glass shall be tempered plate where required by code. Security shall be provided for openings where illegal entry could be forced.

All exterior windows are to be covered with either an insulated lined drapery, with traverse rods, or horizontal or vertical Venetian blinds. Material, color, type, and style of window coverings shall be approved by the State.

Where possible, provide operable windows with storm/screen attachments.

The 4' wide x 3' high glass window(s) between the manager's office and the lobby shall be two-way tempered plate glass. Sill height to be 45" above finished floor. Also install a pass-through window in the manager's office at location(s) designated on the floor plan. **DO NOT INSTALL ONE-WAY GLASS.**

The manager's office window(s) is to be covered with horizontal "mini" blinds. Material, color, type, and style shall be approved by the State.

All exterior doors shall be 3'0" x 6'8" x 1 3/4" minimum.

All exterior doors and frames, except at main entrances, shall be insulated heavy-duty metal construction with heavy duty commercial grade hardware. The interior side is to have a panic type (push bar) assembly rather than a standard passage set. The exterior side is to have only a vertical pull, with a flush lock cylinder for key entry, and a "striker plate" to cover the latch area to deter forced entry. A heavy-duty door closer, and a security peephole are required.

Outside hinges on all exterior doors must include an interior hinge, offset hinge or tamper proof hinge with non-removable pins.

All exterior doors shall be weatherstripped and have commercial quality aluminum thresholds of low profile (beveled) design not-to-exceed 1/2" high, and shall be protected from water by a canopy or shield.

Construct a tempered glass/aluminum framed entry vestibule as shown on floor plans. Vestibule will be glass from ceiling to floor with aluminum cross members (non-door areas) to deter customers from walking into glass surface.

The main entry door and vestibule door(s) shall be commercial quality safety glass mounted in heavy-duty aluminum framing with closer.

The lock on main entry door (not vestibule door) is to be single cylinder deadbolt with one-inch throw of hardened material.

In addition, the main entry door shall include an Adams-Rite Lock and Lever, or equivalent.

Front and rear entrance door locks shall be keyed alike and employ a master/subordinate style lock system where possible. Notification shall be provided when use of this format is not possible. Lessor shall re-key all cylinders at the time of possession of space, and provide the State with three (3) sets of keys.

Push bars shall be provided on the inside of exit only and outside of entrance only vestibule doors.

Remove handles from the outside of exit only and inside of entrance only vestibule doors.

All interior doors shall be 3'-0" x 6'-8" x 1-3/4" minimum, solid core wood. Hardware shall be commercial grade or better. Passage sets must be lever type. Doorframes shall be metal or wood.

All interior doors requiring locks shall have cylinder in the lever. **The interior side of the lever system shall have a push button lock/release mechanism. A thumb turn arrangement is not acceptable.** Keying scheme is to be provided by the State (district manager). Doors to the following interior rooms require locks: manager's office and security room.

FINISHES

A high quality non-skid vinyl flooring (Armstrong, Step Master Excelon or equivalent) is to be installed in janitor room(if applicable). Selection shall be approved by the State.

All **toilet room** floors shall be slip resistant ceramic mosaic tile with sanitary cove base. Provide all special shapes required for 1 piece inside and outside corners. Tile shall be applied using the "mud-set" method. Tile shall meet ANSI 137.1

Vestibule floors at main entrances or employee entrances shall be slip resistant quarry tile pavers. Tile shall be product of "American Olean" or "Summitville Quarry Tile", sized 6" x 6" with a 4" base.

Walk off area, an area of 10' x 10' within the office waiting area adjacent to the vestibule shall be carpeted with 18" x 18" Interface walk off floor tiles, in the charcoal grey color. Adhesive is as specified below.

Carpeting is to be used throughout except as otherwise identified (walk off area). All carpet shall be "Guardian Plus" by Collins and Aikman, or "Discovery" by Lees, anti-static, commercial grade carpet tile in 18" x 18" modules. Adhesive shall be C-14 pressure sensitive by Collins and Aikman, or equal. Carpeting shall be supplied by the State to meet the following minimums:

1)	Construction	Level Loop
2)	Pitch	351
3)	Pile units per inch	10
4)	Pile units per sq. inch	130
5)	Pile height average	.135"
6)	Face yarn weight	20 oz.
7)	Yarn size	1245/2
8)	Fiber content	100% CF Antron nylon with static control

Carpet tiles are to be installed in a "checkerboard" fashion (alternate weave direction).

The State requests adhesive be installed using the "5 SPOT" system.

Prior to the installation of the carpet tiles, the surface is to be properly prepared to avoid seepage of glue or other foreign matter onto the carpet tiles; THE SURFACE MUST BE VOID OF ADHESIVE OR OTHER RESIDUE FROM PREVIOUS FLOOR COVERING.

Interior finishes and color selection shall be approved by the State.

All exterior materials requiring paint shall be prime coated plus two finish coats.

All finishes must meet code fire resistance classification.

All walls in the office (except restrooms & janitor room) are to be painted. (chair rail on center).

Walls are to have 4" wide Plexiglas chair rail installed 30-3/4" on center above finished floor.

Restroom shall be finished with glazed wall tile extending from floor to 6' – 0" AFF. Tile shall be standard grade meeting ANSI 137.1

Janitor room (if applicable) walls are to be covered with a plastic laminate wall covering; Abitibi Silvermist or Desertmist. If a substitution is necessary it must be approved by the State.

All interior doors and wood trim, including the chair rail, are to be stained to match as closely as possible the paneling chosen and then varnished two (2) coats. **All trim is to be wood (vinyl is not acceptable).**

The entire leased area shall have a suspended ceiling with white acoustical panels.

Baseboards are to be 4" minimum height vinyl cove base. Color selection by State.

Note: Electrical panel(s) and conduits should be enclosed and wall(s) finished to comply with

standard office decor.

MISCELLANEOUS

Provide and install grab bars in each restroom. Mounting heights shall be 33"-36" on center A.F.F. Install one grab bar (36" minimum length) behind the water closet (install the bar so there is a distance of 6" from the leading edge of the bar to the closest side wall) and install one grab bar (42" minimum length) on the closest side wall (install the bar so there is a distance of 12" from the leading edge of the bar to the wall behind the water closet).

Provide and install a roll type toilet paper dispenser in each restroom. The toilet paper dispenser is to be installed 7" - 9" in front of the stool at a minimum height of 19" and a maximum of 42" (preferably 5" below the grab bar).

Provide and install a paper towel dispenser (C-Fold, multi-fold, stainless steel finish 15 7/8" x 11" x 4 1/8") in each restroom. The paper towel dispenser shall be installed so that the operable part is no higher than 40 A.F.F.

Provide and install a mirror in each restroom. The mirror shall be installed so that its bottom edge is no higher than 40" A.F.F. and the top edge is no less than 74" A.F.F.

Provide a 24"W x 30"H x 9"D Oak Vanity Wall cabinet (with doors) in each restroom. To be installed above the water closet. Height to base of cabinet should not exceed 48" A.F.F.

Provide and install a minimum of 6'-0" of counter in the employee break room. Counter space shall include base cabinets above and below and a sink with garbage disposal.

Provide and install signs for both restroom doors to indicate Men's and Women's as well as handicapped accessible. These signs must include the Braille lettering at the bottom. Signs are to be installed adjacent to the latch side of the door at 60" on center A.F.F.

At least one high quality name brand fire extinguisher shall be provided within the leased space. Additional units as required by codes.

Provide and install a handicapped accessible sign, with Braille lettering, on the customer's side of the handicapped counter.

Provide and install a handicapped accessible decal on or adjacent to the front entrance door.

The counters (and work surfaces) which are provided by the State are to be installed per instructions from the State and are to be shimmed at the floor line, if necessary, to level them. When counters are properly aligned, they may be secured to each other with 1/4" x 2" round head bolts and nuts, using the pre-drilled holes (2) on each end of the unit. Units are not to be secured using wood screws.

A gate kit shall be provided by the State and installed by Lessor. Any other hardware and materials will be provided and installed by the Lessor.

Some offices will have designated dealer areas (noted on floor plan) that require dealer "drop boxes". State will identify and make arrangements with outside vendor to provide, deliver and install pre-finished boxes and requests the lessor to pay vendor and state will reimburse lessor actual cost with first month's rent. Rough openings may vary, however, standard opening is 6'-8" X 7'-0".

HEATING, VENTILATING & AIR-CONDITIONING

NOTE: Between 60 and 90 days from date of possession of leased premises by the State the Lessor must provide the State a report from a certified industrial hygienist, or other consultant approved by the State, certifying the performance of the HVAC system. This report shall include, but not be limited to, relative humidity, outside air intake, ventilation rates, exhaust, and compliance with the following specifications. The cost for this inspection and certification may be considerable, and should be considered in any proposal submitted on these specifications.

Electricity is not an acceptable energy source for the heating plant.

Overall system design shall provide for even temperature distribution within the zones served by an HVAC unit. Variation is not to exceed four degrees Fahrenheit, with temperature measured from a reference point to one foot inside of any exterior wall to the center of the building nor to exceed four degrees Fahrenheit from the top of a typical employee work surface to the building floor, for any employee work station (either conventional desk or open space modular furniture). Tests shall be made when exterior temperature has been twenty degrees Fahrenheit or colder for 48 hours or more. Corresponding uniformity shall be maintained under summer cooling conditions.

Selection of Materials and Design Criteria Shall Include Consideration of the Following Computer Heat Disbursement And Customer And Employee Volumes.

- One printer station system 1600 BTU/Hr.
- Two printer station system 2300 BTU/Hr.
- Three printer station system 3000 BTU/Hr.
- Four printer station system 3700 BTU/Hr.
- Five printer station system 4400 BTU/Hr.
- Six printer station system 5100 BTU/Hr.
- Seven printer station system 5800 BTU/Hr.

<u>Volume In:</u>	<u>Number</u>	<u>Number</u>
Waiting Area:	_____ Visitors/Day (Avg.)	_____ Visitors/Hr. (Peak).
General Office Area:	_____ Employees	

The building heating system shall be designed with the capability to maintain 72 degrees F room temperature when the outside temperature is -10 degrees F. All new equipment shall have an 80%+ energy efficiency rating.

The heating system shall be zoned for the leased area with a forced air heating, ventilating, air conditioning unit with a thermostat.

Provide programmable thermostats for lowering the temperature when the leased space is not being utilized. The thermostats must have lockable plastic covers.

When two (2) HVAC units are being used, one must be zoned for the vestibule, customer lobby and employee work area and the second unit would handle the balance of the office (manager's office, break, storage, janitor, security and restrooms). Individual thermostats would be required, with one placed in the work area, and the other in the storage area. Thermostats should not be located in an office or break room. **Mounting heights must comply with BFD code.**

Humidification is required and shall be designed with the capability to maintain a minimum of 30-50% relative humidity, referenced to 20 degrees Fahrenheit outside temperature regardless of the number of successive days where outside temperature has been below 32 degrees Fahrenheit. Maximum inside relative humidity during cooling season shall be 50% in occupied areas.

Humidification is to be integrated into the HVAC system.

Provide a forced air diffuser (for heat) in the entry vestibule.

Separate mechanical exhaust systems, each vented to the outside and each with separate control switching, with automatic back draft dampers shall be provided for:

- a. Toilet rooms (100 CFM minimum)
- b. Employee/Break Room (100 CFM minimum)
(low noise)

Make-up air shall maintain balanced air pressure in building and the system must comply with code. Make-up outside air systems shall provide a minimum of 20 CFM of properly conditioned (warmed or cooled) air per occupant throughout the building.

Return air shall be taken from the area supplied or adjacent connected areas in the same unit zone. Outside air induction rate and exhaust rate shall be regulated or adjustable to maintain balanced air pressure in the building. A slight positive pressure of 0.01 to 0.02 inches of water column is desirable to minimize drafts due to infiltration. **Continuous air circulation is to be provided during occupied hours, including continuous outside air induction.**

Provide 0.15 CFM of ventilation per square foot throughout.

Buildings shall be air-conditioned based on 95 degrees F dry bulb and 75 degrees F wet bulb outside conditions. The air-conditioning system shall be designed with the capability to maintain 74 degrees F in the occupied areas.

All supply ductwork is to be equipped with balancing dampers and is to be insulated.

All enclosed habitable spaces shall be provided with a DUCTED supply and return mechanically operated ventilating system.

PLUMBING

Provide "Barrier Free Design" plumbing fixtures per code. **NOTE: The State requires the positioning of the toilet at 18" from the closest wall.**

State does not require a drinking fountain unless code requires that one be provided.

All restrooms and janitor rooms to have floor drains.

The State requires a means to obtain hot and cold water for janitorial purposes. In some localities the building code may require that a service sink be installed in the storage or janitor room. In lieu of the sink, if code will allow, the State requires that hot and cold water taps be installed beneath the sink in one (1) restroom. Another acceptable alternative would be an arrangement whereby a hose can be connected to the restroom faucet to obtain water for janitorial purposes. (State prefers the alternative of having hot and cold water taps installed beneath the sink in one (1)

restroom.)

All pipes under the restroom sink(s) are to be wrapped with insulation. Water heaters are to be concealed from view (above ceiling or enclosed in cabinet or closet).

If a water meter or other utility meter must remain inside it shall be enclosed, with an access door, with material to blend and match room decor.

ELECTRICAL

Lighting levels shall be in accordance with the latest recommendations of the Society of Illuminating Engineers except that the work area, employee room and all offices shall have a minimum maintained lighting intensity of 70 ft. candles at desk level. All interior lighting fixtures shall be four (4) tube recessed fluorescent type with prismatic lens. The light fixtures shall have the equivalent of Sylvania brand T-8 type electronic ballast and T-8, 26.5 watt tubes.

Light switching shall be locally at room entries except that lobby lighting shall be controlled from switches located behind the counter.

Dedicated circuits and special receptacles shall be provided for special purpose equipment as required by the state agency. Provide ___ dedicated circuits as follows for the Intelligent Terminal (I.T.):

1. Circuit Breaker Size:
 - a. One (1) 20 ampere single phase for 1, 2, or 3 printer station branch office.
 - b. Two (2) 20 ampere single phase for 1, 2, or 3 printer stations and a Haworth "powered panel" system.
 - c. Three (3) 20 ampere single phase for 4 or more printer stations and a Haworth "powered panel" system.
2. The breaker can be a standard variety but must be equipped with a locking device to prevent manual turnoff. (Breaker trips only in case of overload. The janitor cannot turn it off inadvertently.)
3. The directory on the power panel must clearly identify the breaker(s) serving the I.T. system (label the breaker).
4. The Line/Neutral/Ground wires must be individually insulated and of equal size sufficient to carry the rated load.
5. The Neutral line must be isolated from Safety Ground at the receptacles.
6. The Neutral/Ground wires must be connected at only one point to prevent ground current loops. The connection is to be made at the distribution panel. (Ground wire runs from receptacles directly back to the distribution panel.)
 - a. The use of a dedicated grounding scheme via split ground busbars is preferred whenever practical.
7. The conduit for the power line must not be used as the ground line. (Insulated direct wire ground is required.)

8. Each specified outlet location (for computer circuit) whether in the counter area or in the wall, is to contain a double duplex receptacle arrangement (4 places to plug in) in a 4" junction box. When the receptacles will be placed under specific counters as marked on a floor plan, each will be fastened so as to be reasonably accessible. The conduit is to be under the kick toe (behind the kickboard) area of the counters (see drawing attached).
 - a. Receptacles must be attached to the right hand side of the counter (see drawing attached).
9. The receptacles are to be standard, UL-approved NEMA 5-20R. (Isolated Ground) (This is an orange colored receptacle.)
10. The wiring is to be enclosed in ½" electrical metallic tubing (EMT) in the counter area. EMT is to be used from the distribution panel up to the counter also. Route EMT behind kickboards.

Provide battery operated rechargeable automatic emergency lighting in interior of building to adequately light the way to exits should a power outage occur. State requires emergency lighting when natural light is not present in the leased area (no windows) and/or when local code requires.

Location and number of all electrical receptacles and telephone outlets (including power poles) which are required by the State are designated on the floor plan. Additional electrical receptacles may be required to comply with code.

One duplex electrical receptacle shall be provided for each 12 linear feet of wall with a minimum of four (4) receptacles for rooms of 100 square feet and larger. All exterior walls shall have power outlets at 12'-0" o.c.

An empty PVC conduit system (3" ID min.) shall be supplied and installed complete with a suitable "pull wire" for computer cable (cable by the State). Outlets shown (to include all Driver Assessment Offices) shall terminate at base plate, flush with the finished wall. **As alternative, carpentry contractor can place two studs minimum 4" apart to create chase required with opening through top plate and top of base plate.**

Telephone outlets in masonry walls and fixed partitions shall be in 3/4" conduit bushed at the top and terminated in a 4" square box with a single gang plaster ring. Supply and install suitable cover plates.

All lobbies shall have two duplex outlets positioned 18" below the ceiling (one for the "take-a-number" display and one for a TV/VCR, both supplied by State). Locations will be designated by State at pre-lease meeting. Take-a-number will be installed by State.

Provide security flood lighting around perimeter of building. Parking lot shall be illuminated to 2 foot candle at 30 inches above surface.

All exterior lighting shall be vandal resistant.

All exterior lighting to be controlled by timing- or light-sensing devices.

Provide emergency exit lighting as required by code.

Counters in general office area are provided by the State, and electrically wired and installed by the Lessor. See attached drawing for details on the positioning of electrical tubing and outlets.

One fluorescent light fixture located over the counters will serve as a nightlight and it shall be wired in the constant "on" position.

The electrical service panel, wherever practical, must be located in the storage room. The service panel must contain room for at least two (2) additional circuits that may be required in the future.

The Lessor shall provide street access conduits, plywood equipment mounting boards (stained), and internal conduits, electrical power, and further provide for other reasonable requirements for the telephone installation as specified by the local telephone company and/or other designated vendor. **Note: An electrical outlet is required adjacent to the telephone equipment mounting board. This circuit MUST BE DEDICATED TO ONLY THE PHONE SYSTEM.**

JANITORIAL SERVICE SPECIFICATIONS

A. SCOPE OF SERVICE

The janitorial service provider shall provide all personnel, equipment, tools, materials, supervision, and other items and services necessary to perform the janitorial (housekeeping) services as described in the specifications detailed herein. The required result is to maintain the facility(s) in such a manner as to provide a clean, healthy and safe work environment for occupants of state lease office building(s).

The specifications have been developed to establish the minimum level of janitorial (housekeeping) services required by the Department of State (DOS).

JANITORIAL SPECIFICATIONS

Services to be performed five (5) days a week (Monday thru Friday) unless otherwise prior approved by office manager/supervisor.

I. DAILY SERVICES: MONDAY THRU FRIDAY

A. ROOM CLEANING

Office Areas, File Rooms, Libraries, Conference Rooms, etc.

1. Empty waste receptacles and remove waste to designated area.
2. Wash or damp wipe, inside and outside, all waste receptacles presenting a soiled or odorous condition.
3. Replace liners when torn or soiled.
4. Dust mop all non-carpeted floors. Damp mop all spills.
5. Thoroughly vacuum all carpeted floors including corners, and underneath partitions each and every day. (Refer to Section VII - "General Definitions" for quality of care expected.)
6. Spot clean all carpeted areas.
7. Remove all mats and runners and clean floor area underneath. Clean all mats and runners by best means. Replace all mats and runners.
8. Clean and disinfect drinking fountains.
9. Clean and polish all entrance glass.
10. Move all lobby chairs and clean floor area underneath and replace chairs in proper place.

B. RESTROOMS

1. Clean and sanitize all units. Clean pipes beneath all sinks.
2. Clean mirrors and counters and polish chrome.
- **3. Refill dispensers. (See below Section VI – "Responsibility for Replenishable Supplies").

4. Empty and disinfect all sanitary napkin receptacles.
5. Sweep and damp mop floors with a germicidal solution paying special attention around washbowls, toilets and urinals.
6. Empty waste receptacles.
7. Clean switch, door and kick plates.
8. Maintain floor traps free of odor.

II. WEEKLY SERVICE

A. ROOM CLEANING

Office Areas, File Rooms, Libraries, Conference Rooms, etc.

1. Dust high and low, including clocks, all surfaces on which dust gathers.
2. Clean all cleared desk and counter top areas with approved desk/counter cleaner.
3. Remove all cobwebs, clean baseboards.
4. Clean and buff all hard surfaced floors.
5. Clean by most appropriate means all lobby furniture. Wash thoroughly all children's furniture and fiberglass/vinyl furniture.

B. RESTROOMS

1. Clean partition walls and doors with germicidal solution, making sure to thoroughly rinse.
2. Clean and buff floors, with special attention to grouting, corners of floor, baseboards, and stalls.
3. Spot clean walls around sinks, waste receptacles, behind urinals and toilets.
4. Dust radiators, grills, ledges, etc.

III. MONTHLY SERVICE

A. ROOM CLEANING

Office Areas, File Rooms, Libraries, Conference Rooms, etc.

1. Dust/vacuum window hangings and upholstered furniture.
2. Clean all carpeted areas of heavy traffic showing noticeably greater soil than general area.

3. Spot clean walls, doors, etc., removing all cobwebs, fingerprints, smears and stains.
4. Clean partition glass.
5. Vacuum exposed air bars and heating outlets.
6. Vacuum all upholstered chairs and fabric partitions.

B. RESTROOMS

1. Wash with germicidal solution entrance doorways, ledges, etc.

C. WINDOWS - MONTHLY

Wash all exterior windows inside and outside (weather permitting).

Note: Window cleaning which requires the erection of scaffolding must be contracted separately and is not made part of this specification; however, windows reachable by stepladder are included.

V. SEMI-ANNUAL SERVICE

Schedule to be set up with office manager/supervisor at beginning of a service period. Any deviation from established schedule must be pre-approved by office manager/supervisor.

A. ROOM CLEANING

Office Areas, File Rooms, Libraries, Conference Rooms, etc.

1. Shampoo or steam clean carpets
2. Clean light fixtures lens.

VI. SUPPLEMENTARY TASKS

-----NONE-----

****RESPONSIBILITY FOR REPLENISHABLE SUPPLIES:**

- | | | |
|---------------------|-----------|---|
| a. Paper towels | ___by DOS | <u> X </u> by janitorial service provider |
| b. Toilet tissue | ___by DOS | <u> X </u> by janitorial service provider |
| c. Hand soap | ___by DOS | <u> X </u> by janitorial service provider |
| d. Plastic liners | ___by DOS | <u> X </u> by janitorial service provider |
| e. Sanitary napkins | ___by DOS | <u> X </u> by janitorial service provider |

*****ALL CLEANING SUPPLIES ARE TO BE PROVIDED BY THE JANITORIAL SERVICE PROVIDER.**

VII. GENERAL DEFINITIONS

The following definitions outline minimum acceptable standards for the activity to be performed.

- A. Sweeping and Damp Mopping
 - 1. Dust mopping must be performed with a treated mop. After sweeping and damp mopping operation, all floors must be clean and free from strings, bristles and dirt streaks.
 - 2. Leave no dirt in corners, behind radiators, under furniture, behind doors, on stairs or landings. Leave no dirt where sweepings were picked up.
 - 3. Leave no dirt, trash, or foreign matter under desks, tables or chairs.
- B. Wet Mopping and Scrubbing
 - 1. The floors must be properly prepared, thoroughly swept to remove visible dirt and debris, wads of gum, tar and foreign substances from the floor surfaces.
 - 2. Upon completion of the wet mopping or scrubbing, the floor must be clean and free of dirt, water streaks, mop marks, strings; properly rinsed and dry mopped to present an overall appearance of cleanliness.
 - 3. All surfaces must be dry and corners and cracks clean after the wet mopping or scrubbing.
 - 4. Chairs, wastebaskets and other similar items must not be stacked on desks, tables or windowsills, nor used in place of stepladder.
 - 5. All furniture readily movable by one person and intended to be moved frequently must be moved during all floor cleaning operations and replaced in original positions upon completion.
 - 6. Baseboards, walls, furniture and equipment must in no way be splashed, disfigured or damaged during these operations, but rather left in a clean condition.
- C. Wet Mopping
 - 1. At the stated frequencies, floors must be damp mopped and buffed between regular waxing operations. Prepare the floor by sweeping to remove all visible dirt and debris.
 - 2. The floor area will then be damp mopped and machine buffed to a polished appearance with a high-speed buffer.
- D. Rugs and Carpeting
 - 1. After vacuuming, leave all rugs clean, free from dust balls, dirt and other debris. Prior to vacuuming, broom all edges not reached by vacuum. Leave nap on all carpeting lying in one direction.
 - 2. Perform vacuuming, steam cleaning and shampooing with commercial grade equipment only.

E. Dusting

1. Do not move dusting residue from spot to spot, but remove directly from the areas in which dirt lies by the most effective means appropriate; treated dusting cloths or vacuum tools.
 - a. Leave no dust streaks.
 - b. Leave corners, crevices, molding and ledges free of dust and cobwebs.
 - c. Leave no oil spots or smudges on dusted surfaces caused by dusting tools.
2. Horizontal surfaces include, but are not limited to, counter tops, file cabinets, tables, coat racks, etc. Telephones, etc., must be lifted and dusted under. Do not disturb work papers.
3. Dusting high and low includes, but is not be limited to, partition tops, pictures, chair rungs, etc.
4. Window hangings are either Venetian blinds or drapes. Dust Venetian blinds. Lightly vacuum drapes.

F. Damp Wiping

This task consists of using a clean damp cloth or sponge to remove all dirt spots, streaks, from walls, glass and other specified surfaces and then drying to provide a polished appearance.

1. The wetting solution must contain an appropriate cleaning agent.
2. When damp wiping in toilet areas, use a multi-purpose disinfectant/deodorizer.

G. Miscellaneous

1. Ash receptacles are either ashtrays, sand or dry receptacles. Contents of ash receptacles must be disposed of in a safe manner. Clean sand by sifting out and disposing of debris and replacing and replenishing sand in urns.
2. Rubbish removal from a central location is the responsibility of the Lessor. Janitorial service provider must bag all waste material and place inside containers provided for that purpose.
3. Restroom units consist of washbowls, toilets and urinals. Clean and sanitize each unit by washing, inside and outside, with a germicidal solution. Leave seats in a raised position.
4. IF SO MARKED ON PAGE 4, the janitorial service provider is responsible for the purchase and supply of sanitary napkins and dispensers. All profits from the sale of such items would belong to the janitorial service provider.

- H. All hazardous conditions, such as burned out lights, loose railings, etc., must be reported by janitorial staff to the office manager/supervisor.

VIII. GENERAL PROVISIONS

A. MATERIALS, TREATMENTS, ETC.

1. The janitorial service provider must supply all cleaning supplies needed in fulfilling this contract. This includes cleaners, finishes, etc., for the treatment of the various types of flooring (see attached "Maintenance Recommendations for Armstrong Step-Master Flooring"), carpeting, furniture, etc. Use only such materials as are recommended and approved by the appropriate manufacturer.
2. The janitorial service provider's prime responsibility is to protect owner's property at all times, and to use only such materials and treatments as will enhance appearance of flooring, etc., and preserve the surface against deterioration.
3. The janitorial service provider must submit a complete list by brand names and product numbers of all supplies to be used in fulfilling these services. An acceptable substitute must be immediately furnished for any rejected item.

B. MECHANICAL AND OTHER EQUIPMENT

1. All power equipment used such as floor machines, vacuum systems and all other equipment must be commercial grade. Right is reserved by the Department of State to accept or reject these items.
2. The Department of State will furnish an area when necessary, for storage of janitorial service provider's equipment and supplies.
3. The janitorial service provider will be held solely responsible for all items stored on the premises.

IX. SPECIAL PROVISIONS

- A. Keys to the building will be furnished by the Department of State. Any such keys must not be duplicated.
- B. The janitorial service provider must maintain a secure environment while cleaning the facility. No one is allowed into the facility other than those individuals responsible for performing janitorial services. The contractor must lock the building when leaving (see "D" below).

C. HEALTH, SAFETY, AND ENVIRONMENTAL PROTECTION

The janitorial service provider shall conform to all applicable Federal, State and local laws, and to the requirements of these specifications. In performing janitorial work in a Department of State facility, the janitorial service provider shall:

Take all reasonable steps and precautions to prevent accidents and to preserve the health and safety of visitors, contractor personnel, and State personnel performing or in any way coming into contact with the performance of this contract;

Take all reasonable precautions to prevent the release of hazardous chemicals into the environment; and

Take such additional precautions as the office manager/supervisor may reasonably require for health, safety, and environmental protection.

1. Damage Reports. In all instances where State property or equipment is damaged, the janitorial service provider shall submit to the office manager/supervisor a full report of the facts and extent of such damage--verbally and in writing within 24 hours of the occurrence.
2. Accident Reports. The janitorial service provider shall comply with State of Michigan, OSHA and other regulatory agency requirements for record keeping and reporting of all accidents resulting in death, trauma, or occupational illness. The janitorial service provider shall provide a verbal report to the office manager/supervisor and a written follow-up report to the office manager/supervisor within 24 hours of occurrence.
3. Chemical Spills. The janitorial service provider shall maintain an established plan that addresses incidental and emergency spills of any chemicals brought on-site.
4. Hazard Communications. The janitorial service provider must maintain two, update Material Safety Data Sheet (MSDS) files on-site; one placed in the office manager/supervisors office and the second in the janitorial service providers Janitor's Closet. Refer to Section I – "Right to Know (Act 80 of 1986)" of these specifications.

D. BUILDING LOCK UP

The janitorial service provider must lock and secure the building each night when leaving. Lock up procedures before leaving building, consist of:

1. Turn off bathroom exhaust fan
2. Turn off all interior lights
3. Check and lock all entrance doors, gates or any other excess to the building.
4. Properly set security alarm system (where applicable)

In locations that include a security alarm system, the janitorial service provider must also properly set the security alarm when leaving the building. Any cost incurred from a security service or local police for false alarms caused by failure of the janitorial service provider to properly set the security alarm will be the responsibility of the owner/lessor.

Fees charged to respond to a false alarm or because the security alarms were not set will be charged to the owner/lessor and deducted from the next month's rent payment.

E. HOURS OF WORK

Work hours of janitorial service provider must be between the hours of **6:30 P.M.** and **7:30 A.M.**, except **Wednesdays, hours after 8:00 P.M.**

The facility will be cleaned each state working day. One year equals 249 state workdays.

Disruptive activities such as carpet extraction, floor stripping and waxing, etc. shall be done as scheduled in agreement with the office manager/supervisor.

The janitorial service provider will not be required to perform janitorial services on State Holidays unless requested by the office manager/supervisor to perform such services. State Holidays include but not limited to: New Year's Day, Martin Luther King Jr. Birthday, Presidents' Day, Memorial Day, Independence Day, Labor Day, Veterans Day, Thanksgiving Day (2 days) Christmas Eve, Christmas Day and New Year's Eve. For specific dates, contact the office manager/supervisor.

F. INSPECTION AND CORRECTION OF DEFICIENCIES

1. Performance evaluations will be given to the Lessor noting exception in performance to the required janitorial specifications. The Lessor will immediately notify the janitorial service provider of the reported performance exception(s).
2. The janitorial service provider must correct these deficiencies as follows:
 - a. Within 24 hours for any daily, weekly or monthly activity;
 - b. Within 48 hours for any activity listed as quarterly or semi-annual.
3. In the event the janitorial service provided by the Lessor is not satisfactory to the Department of State, the Department of State may provide janitorial service as described in these specifications and the Department of State rent will then be reduced by the actual cost of such replacement service.

G. CONFIDENTIALITY

The janitorial service provider shall be bound to confidentiality of any information its employees may become aware of during the course of performance of janitorial tasks.

H. LEIN AND OTHER SECURITY CHECKS

Upon request of the Department of State:

1. The janitorial service provider shall only appoint employees or prospective employees to work at the location if they have cleared the LEIN and other security checks, and do not have a felony conviction or misdemeanor drug offense.

2. The janitorial service provider shall obtain permission for LEIN checks of all prospective workers for the location. The permission slip is to include:
 - a) Employees Full Name
 - b) Social Security Number
 - c) Date of Birth
 - d) Michigan Drivers License Number or State ID Number
 - e) Employee Signature
3. The janitorial service provider shall replace the janitorial worker assigned immediately at the Department of State's request if the janitorial worker is found with contraband in his/her possession.
4. The janitorial service provider shall maintain an adequate pool of trained and LEIN cleared relief personnel to substitute for absent regular employees.

I. RIGHT TO KNOW ACT (ACT 80 of 1986)

The "Right to Know Act" is intended to provide protection and information to employees who encounter hazardous substances at the workplace. To comply with this act it is necessary that you fulfill the following:

Labels

Labels on all incoming containers of hazardous chemicals must (1) clearly state the identity of the contents, (2) display appropriate hazard warning(s), (3) include first aid information, and (4) list the name and address of the chemical manufacturer, importer, or other responsible party.

Responsibility of Janitorial Service Provider

The janitorial service provider must comply with the requirements of Act 80 of 1986 with respect to the labeling of hazardous chemicals and the provision of Material Safety Data Sheets before such materials are introduced into the workplace. Otherwise, such materials will not be allowed on the premises.

Material Safety Data Sheets

Material Safety Data Sheets related to hazardous chemicals must be presented to the appropriate Department of State office manager/supervisor prior to the introduction of such substances into buildings housing agencies of the State of Michigan. It is recommended that the format of OSHA Form 174, dated September 1985, be used as a standard for Material Safety Data sheets.

Maintenance Recommendations for Armstrong Step-Master Flooring

Maintenance

Smart maintenance programs consist of thorough dirt and grit control, removal of spills and stains and protection of the floor surface

Walk-Off mats, sweeping, mopping and vacuuming all help in the control of loose dirt and grit. Damp-Mopping, spot-cleaning and washing will remove most spills and stains.

Proactive sealers, polishes/finishes are not recommended for Step Master. They will fill the textured areas and cause a reduction in slip retardancy.

A recommended maintenance program is outlined below.

Initial Maintenance After Installation

1. Sweep (with a broom) or vacuum thoroughly.
2. Damp-Mop with a dilute-neutral detergent solution, carefully removing black heel marks and excessive soil.
3. DO NOT scrub or wash floor for at least five (5) days after installation.

WASHING OR SCRUBBING BEFORE FIVE (5) DAYS COULD CAUSE ADHESIVE BOND PROBLEMS IF WATER PENETRATES THE TILE JOINTS.

NOTE: Over time, Step Master's gloss will dull to an even matte finish. This is perfectly normal.

Continuing Regular Maintenance

1. Sweep (with a broom) or vacuum as necessary.
2. Damp-Mop as needed with a dilute neutral detergent solution. This will pick up the fine dirt that sweeping misses, as well as assorted spills and wet footprints. A light scrubbing with an automatic floor machine may also be performed.
3. When needed, wash or scrub with a neutral-detergent solution using an automatic floor machine (equipped with scrub brushes) or a single-disc floor machine (170 to 250 rpm) equipped with a scrub brush.

DO NOT USE FLOOR MAINTENANCE PADS ON THIS PRODUCT.

NOTE: The use of maintenance pads may reduce Step Master's slip-retardant features.

If cleaning manually, apply the cleaning and rinse water with nylon/rayon mops. These mops minimize lint deposits. A stiff broom or deck brush will help to dislodge ground-in dirt.

Maintenance Recommendations for Armstrong Step-Master Flooring
HEAVY-DUTY CLEANING

1. Since floor sealers, polishes/finishes are not used on Step Master, stripping will not be required.

NOTE: High solvent content strippers (no-rinse and/or no-scrub) should not be used on Step Master.

2. Periodically, a heavy-duty cleaning/scrubbing may be performed using heavy-duty cleaners and a stiffer scrub brush. Rinsing is recommended after the use of heavy-duty cleaners.

Regular adherence to this type of maintenance program will assure a longer, more attractive life for the floor. Recognized quality name products should be used to ensure consistency of performance.

PROTECTION

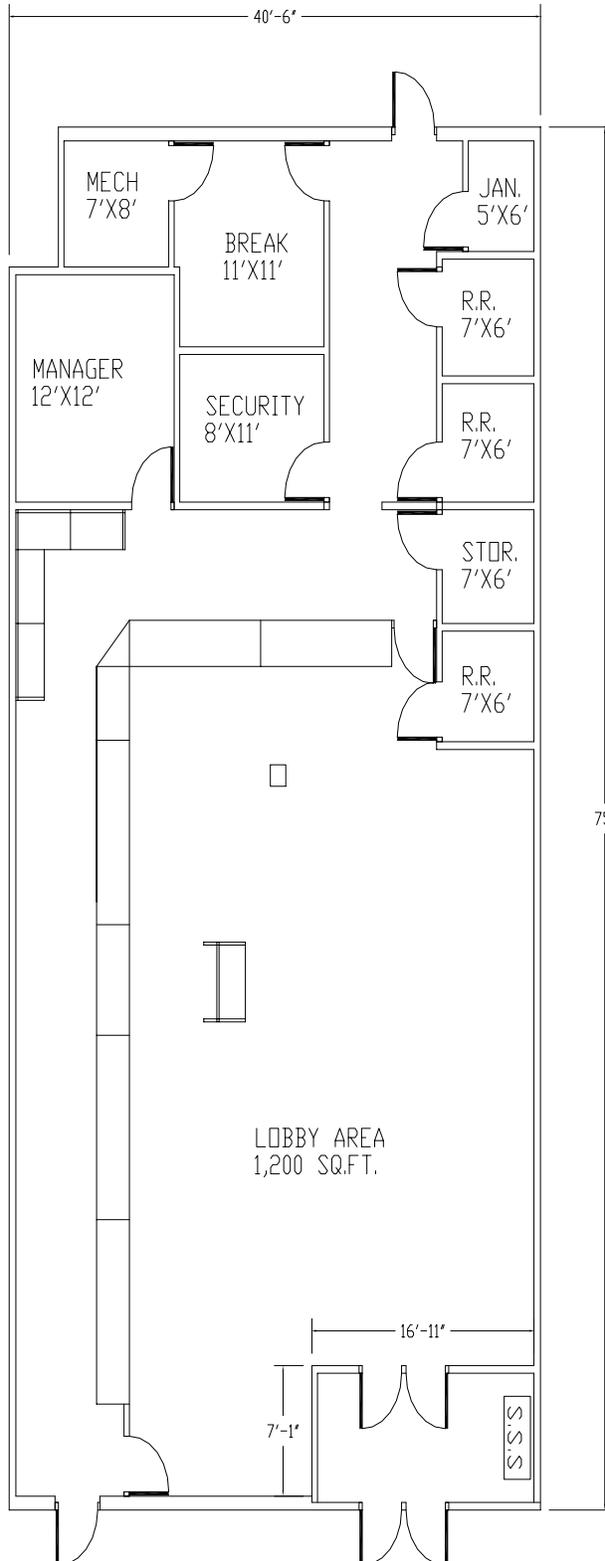
Static load limit is 125 psi. Floors should be protected from sharp-point loads. Recommendations for the selection of Armstrong Floor Protectors may be found in **ARMSTRONG ENGINEERED INSTALLATION SYSTEM, F-5081, Chapter X.**

NOTE: The extremely high forces exerted by stiletto or high-heeled traffic (dynamic loads of 1,000 psi or more) may visibly damage wood floors, resilient flooring and other commercial floor coverings. Armstrong will not accept claims for damage caused by stiletto or high-heeled traffic.

DO NOT SAND, DRY SCRAPE, BEADBLAST OR MECHANICALLY PULVERIZE EXISTING RESILIENT FLOORING, BACKING OR LINING FELT.

These products may contain either asbestos fibers or crystalline silica, possible cancer and respiratory tract hazards by inhalation. Avoid creating dust. Smoking by individuals who have been exposed to asbestos fibers greatly increases the risk of serious bodily harm. Armstrong's Recommended Work Protection for the removal of Resilient Floor Coverings are a defined set of instructions addressed to the task of removing all resilient floor covering structures.

For detailed information on the removal of resilient flooring, please refer to **ARMSTRONG RECOMMENDED WORK PRACTICES FOR THE REMOVAL OF RESILIENT FLOOR COVERINGS, F-2822**



TOTAL OFFICE AREA
3,000 SQ. FT.

SPACE AVAILABLE PROPOSAL

Issued by Authority of Act 431 OF 1984

Department of Management and Budget
State of Michigan, Real Estate Division
P.O. Box 30026
Lansing, Michigan 48909

*This form is a **proposal only** to serve notification that the property noted below, with the building construction/remodeling, as per prints and specifications, is available for lease to the State of Michigan.*

NAME		ADDRESS OF PROPOSER (STREET)		
LEGAL ENTITY (i. e., HUSBAND/WIFE, CORP., PARTNERSHIP, LLC)		CITY	STATE	ZIP CODE
TELEPHONE NUMBER () --		FAX NUMBER : () --		
		EMAIL ADDRESS:		
BUILDING ADDRESS AND/OR LEGAL DESCRIPTION		TOTAL BUILDING SQ. FT. (PROVIDE DOCUMENTATION)	USABLE SQ. FT.	
		PERCENT OF BUILDING TO BE LEASED TO THE STATE? ____%		
INITIAL LEASE TERM Five Years	MONTHLY BASE RENTAL RATE (A) \$	MONTHLY OPERATING COST (B) \$	MONTHLY RENT (A+B) \$	SQ. FT. RATE \$
RENEWAL OPTION TERM One 5-year	MONTHLY BASE RENTAL RATE (A) \$	MONTHLY OPERATING COST (B) \$	MONTHLY RENT (A+B) \$	SQ. FT. RATE \$
PLEASE DESCRIBE PARKING:			CURRENT STATE EQUALIZED VALUE (SUBMIT COPY OF LATEST TAX BILL FOR VERIFICATION) \$	
If applicable, indicate any of the following: <input type="checkbox"/> Moving Allowance (per square foot) \$ _____ <input type="checkbox"/> Free Rent for _____ months/years (circle one)				
<i>This is a full service lease with a standard cancellation. See the detailed Specifications included in the solicitation.</i>				
FAILURE TO RETURN THIS FORM WILL EXCLUDE YOU FROM CONSIDERATION AS A PROPOSER ON THIS PROJECT. YOUR NAME WILL REMAIN ON THE BIDDERS LIST FOR FUTURE PROJECTS.				
The State reserves the right to accept any proposal, to reject any or all proposals, and/or to waive any defects in proposals, and to award a contract, if applicable, to the proposer that will be in the best interest of the State. I/We have confirmed financing arrangements if I/we are selected by the State of Michigan to construct and/or remodel and lease to the State this Building for possession by the State of Michigan and are prepared to submit written evidence of such funding arrangements within 15 days of being selected as the successful proposer.				
THIS FORM MUST BE COMPLETELY FILLED OUT, SIGNED AND RETURNED TO THE FOLLOWING ADDRESS: Maureen S. Bailey DMB Real Estate Division 530 West Allegan St Lansing MI 48909		PROPOSAL TO BE RECEIVED IN THIS OFFICE ON OR BEFORE: January 30, 2006		
		POSSESSION TO TAKE PLACE ON OR BEFORE: June 1, 2006		
		WHAT IS THE CURRENT ZONING?		
		DO YOU HAVE LEGAL TITLE TO PROPERTY? (circle one) YES NO (Enclose copy of Recorded Deed)		
SIGNATURE(S) OF PROPOSER		DATE		

DEFINITIONS OF TERMS FROM SPACE AVAILABLE PROPOSAL FORM

USABLE SQUARE FEET –

Measured in accordance with the most recent method of ANSI/BOMA measurement. See the American National Standards Institute, Inc., Building Owners and Managers Association Standard Method of Measuring Floor Areas (ANSI / BOMA Z65.1-1996).

MONTHLY BASE RENTAL RATE –

The portion of the monthly rental payment which is attributable to debt service and return on equity (excluding operating costs).

MONTHLY OPERATING COST –

The portion of the monthly rental payment which is attributable to operation expenses, such as utilities, maintenance, real estate taxes and/or insurance.

$$\text{Monthly Base Rental Rate} + \text{Monthly Operation Cost} = \text{Monthly Rent}$$

RENEWAL OPTION –

A lease covenant giving the State the right to extend a lease for an additional period on specified terms.

POSSESSION –

Lawful availability and physical access to install the State's furnishings and compliance with submitting a certificate of occupancy and completion of remodeling standards and specifications.