SAMPLE NET LEASE

LEASE

State Lease #**11430-2009**

between

, as Lessor
and

THE STATE OF MICHIGAN, as Lessee

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LEASE

State Lease #**11430-2009**

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 State, as Lessee.

The parties, for the considerations specified in this Lease, agree to the following terms, conditions, and covenants:

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.

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

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

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.

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.

1.6 - Occupancy: Actual physical presence by the Lessee in the Leased premises.

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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.

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.

1.10 - Purpose: The purpose for this Lease is **office** space use for the department or agency mentioned in the Lease in the specific geographic location described in paragraph 2.2 of the Lease.

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.

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.

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.

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.

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1.15 - Tenantable: Habitable for the effective conduct of the Lessee's intended business.

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.

ARTICLE II - POSSESSION

2.1 - The Lessor leases to the Lessee **5,500 or 6,000 usable** square feet of space, referred to as the "Leased premises", which is outlined on a plan attached as Enclosure "A". This square footage is based upon the A.N.S.I. Z65.1 - 1996 method for calculating space.

2.2 - The Leased premises, located on the property described in Enclosure "B" also known as , in the **City** of **Jackson**, County of **Jackson**, State of Michigan.

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.

2.4 - The Lessor shall furnish the Leased premises with their appurtenances to the Lessee for a **ten**-**year** initial term of possession beginning upon actual possession or at 12:01 a.m. on **December 1, 2009**, and ending at 11:59 p.m. on **November 30, 2019**, 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.

2.5 - This Lease may, at the option of the Lessee, be extended for a **one**-**five year** term beginning at 12:01 a.m. on **December 1, 2019**, and ending at 11:59 p.m. on **November 30, 2024**, provided notice be given in writing to the Lessor **thirty** (**30**) days before this Lease or extension expires.

2.6 - **Deleted, not applicable**

2.7 - **Deleted, not applicable**

2.8 - **Deleted, not applicable**

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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.

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. **The Lessor specifically consents to the Lessee installing, or having installed through a third-party agreement, automatic teller machines (ATMs) within the Leased premises.**

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.

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.

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.

ARTICLE III - LESSOR OBLIGATIONS

3.1 - The Lessor shall furnish to the Lessee and pay the cost of the following:

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.

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

c) Natural and/or artificial interior illumination that provides a minimum **70** 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.

d) Domestic plumbing system to restrooms and break rooms 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.

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

f) **Deleted, not applicable**

g) Adequate roof, vertical, and foundation thermal insulation in accordance with applicable codes.

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

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.

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

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

l) Commercial grade, heavy-duty locking hardware.

Prior to Lessee possession, all doors providing access to the Leased premises shall be rekeyed and **five** (**5**) keys per lock combination shall be provided to the Lessee.

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

n) Trash removal from office wastebaskets, dumpsters, or equivalent containers.

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.

p) Janitorial supplies, equipment, personnel, and supervision to provide cleaning services as described in Enclosure "**F**".

q) Paved, striped, illuminated, and common motor vehicle parking on the Leased premises, for **100** motor vehicles, including overnight parking for state-owned motor vehicles. The striping on the parking lot shall be repainted **4 times** 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.

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 Limited).

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.

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.

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.

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.

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.

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.

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.

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

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.

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. The Lessor will provide, at Lessor’s sole cost, in addition to the carpet, moving or “lifting” of the existing furniture, if necessary; the adhesive for the new carpet, and the replacement of any cove base if damaged.

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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.

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.

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:

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

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.

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.

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.

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.

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.

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.

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.

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.

a) No later than **thirty** (**30**) 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.

b) Lessee will endeavor to use its best efforts to complete the review of the preliminary detailed plans and specifications within **two** (**2**) weeks of their submittal.

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.

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.

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.

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.

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.

3.6 - a) The Lessor shall complete construction in accordance with the standards and specifications found in Enclosures "C" and "C-1" by **October 30, 2009**, or **ninety** (**90**) 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 $**100.00** 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", 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.

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 - 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.

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:

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.

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.

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.

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.

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.

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.

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.

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.

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.

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.

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.

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.

3.15 – **Deleted, Not Applicable**

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.

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.

3.18 – Lessee requires that all newly constructed buildings leased by the State of Michigan shall be designed and constructed in accordance with the Leadership in Energy and Environmental Design (LEED) Green Building Rating System developed by the United States Green Building Council and complies with Energy Star® designation.

3.19 - In all contracts for the construction or renovation of the Leased Premises, the Lessor must include a provision stating that the rates of wages and fringe benefits to be paid to each class of construction mechanics by the Lessor’s General Contractor, all

of the General Contractor's Subcontractors, and all lower tier Subcontractors shall not be less than the wage and fringe benefit rates issued by the Michigan Department of Energy, Labor & Economic Growth, Wage and Hour Division in its schedule of occupational classification and wage and fringe benefit rates for the locality in which the work is to be performed. "Construction mechanic" means a skilled or unskilled mechanic, laborer, worker, helper, assistant, or apprentice working on the construction or renovation of the Leased Premises but shall not include executive, administrative, professional, office, or custodial employees. The Lessor or the Lessor's General Contractor must keep posted on the construction or renovation site, in a conspicuous place, a copy of all prevailing wage and fringe benefit rates and the address and telephone number of the Michigan Department of Energy, Labor & Economic Growth's Wage and Hour Division, currently 6546 Mercantile Way, Suite 5, P.O. Box 30476, Lansing, Michigan 48909-7976, Phone: (517) 335-0400 and a notice that as the intended beneficiaries of 1965 PS 166, as amended, MCL 408.551, et seq., construction mechanics who have not been paid in accordance with the Act may file a claim with the Department of Energy, Labor & Economic Growth. The Lessor or the Lessor's General Contractor must keep an accurate record showing the name and classification of each person performing work on the site, the dates on which work was performed, the hours each person worked on the site, and the actual hourly wages and benefits paid to each person. This record must be made available for inspection by the Department of Management and Budget and/or the Michigan Department of Energy, Labor & Economic Growth, at any time, upon request.

ARTICLE IV - LESSEE OBLIGATIONS, DUTIES, and OPTIONS

4.1 - The Lessee shall furnish:

a) 100% payment for public utilities used for heating, cooling, illumination, power, and water and/or sewer.

b) **Deleted, not applicable**

c) **Deleted, not applicable**

d) **Deleted, not applicable**

e) **Deleted, not applicable**

f) **Deleted, not applicable**

g) Telecommunications system and equipment.

h) Intrusion alarm system monitoring.

i) Reimbursement to the Lessor, for any repairs to the Leased premises, from damage that exceeds the normal wear and tear expected from the lawful and proper

use of the Lease premises, and the sole cause of which was the negligent acts or omissions of the Lessee's employees, agents, wards, clients, or customers.

j) Maintenance of: **NONE**.

k) **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.

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.

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.

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.

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.

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

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.

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.

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.

4.10 - The Lessee shall not permit:

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.

b) Any items to be attached to suspended acoustical ceiling grids.

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.

ARTICLE V - RENT CONSIDERATION

5.1 - Rent consideration installment payments shall be made during the month for which the installment applies.

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.

5.3 - The Lessee shall pay to the Lessor as annual rent consideration for the Leased premises from 12:01 a.m. **December 1, 2009**, through 11:59 p.m. **November 30, 2019**, at the rate of /100 dollars ($) per year, payable in installments of /100 dollars ($) per month.

5.3 **Deleted, not applicable**

5.4 - **Deleted, not applicable**

5.5 - In the event the Lessee exercises the renewal option pursuant to Article II, paragraph 2.5, the Lessee shall pay to the Lessor as rent consideration for the Leased premises from 12:01 a.m. **December 1, 2019**, through 11:59 p.m. **November 30, 2024**, at the rate of /100 dollars ($) per year, payable in installments of /100 dollars ($) per month.

5.6 - **Deleted, not applicable**

5.7 - **Deleted, not applicable**

5.8 - **Deleted, not applicable**

5.9 - **Deleted, not applicable**

5.10 - **Deleted, not applicable**

5.11 - **Deleted, not applicable**

5.12 - **Deleted, not applicable**

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.

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.

5.17 - The Lessee shall be entitled to an abatement of rent consideration for the period during which the Leased premises are rendered untenantable 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 untenantable 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.

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.

ARTICLE VI - LESSEE OPTION TO PURCHASE
Deleted, not applicable

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.

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.

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.

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.

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.

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:

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

b) There are no uncured defaults in the Lessor's performance,

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

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".

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. The Lessor reserves the right to subject and subordinate this Lease and any future amendment(s) thereto at all times to the lien of any mortgage now or hereafter placed upon the Lessor’s interest in the Leased premises. The Lessee covenants and agrees to execute and deliver upon demand such further instrument or instruments subordinating this Lease to the lien of any such mortgage as shall be desired by the Lessor, provided, however, that the Lessor shall furnish Lessee with the Non-disturbance Agreement in the form attached as Enclosure “E”, whereby said mortgagee agrees that the Lessee’s possession and use of the Leased premises pursuant to the terms of this Lease shall not be disturbed by reason of the subordination to the mortgage.

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.

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.

ARTICLE XI - CANCELLATION

11.1 - This Lease may be cancelled by the Lessee during any period of possession if:

a) The Lessor is notified in writing at least **ninety** (**90**) days prior to the effective date of cancellation.

11.2 - **Deleted, not applicable**

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:

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).

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.

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 Limited). This covenant is cross referenced in Article III.

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.

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

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.

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.

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.

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.

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.

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:

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.

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

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 and/or Lessee shall be transmitted to:

Lessor	**Lessee**
	Terri L. Fitzpatrick, Director
	Real Estate Division
	Michigan Department of Management and Budget
	530 West Allegan Street
E-mail:	Lansing MI 48933
Telephone:	
Fax:	

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.

12.2 - This Lease shall be interpreted in accordance with the laws of the State of Michigan.

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.

12.4 - This Lease shall not be binding or effective on either party until approved (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.

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.

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.

12.8 - Electronic Funds Transfer (EFT): Public Act 533 of 2004 requires that payments under this Lease be processed by electronic funds transfer (EFT). Lessor is required to register to receive payments by EFT at the Contract & Payment Express website (www.cpexpress.state.mi.us).

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Enclosure "A" - page(s), floor plan(s)/site plan

Enclosure "B" - page(s), legal description

Enclosure "C" - **24** pages, remodeling/construction specifications

Enclosure "C-1" - page(s), final detailed construction plans and specifications

SAMPLE NET LEASE

Enclosure "D" - 1 page, estoppel

Enclosure "E" - 2 pages, Nondisturbance Agreement

Enclosure "F" - 15 pages, janitorial schedule

SAMPLE NET LEASE

Individual

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

Lessor:

_____Date:_____
Signature

Print Name:
Title:

State of Michigan, County of _____.

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

2009, 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 _____.

SAMPLE NET LEASE

Partnership

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

Lessor:

_____Date:_____
Signature

Print Name:
Title:

State of Michigan, County of _____.

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

2009, 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 _____.

SAMPLE NET LEASE

Company

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

Lessor:

_____Date:_____
Signature

Print Name:
Title:

State of Michigan, County of _____.

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

2009, 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 _____.

SAMPLE NET LEASE

Corporation

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

Lessor:

_____Date:_____
Signature

Print Name:
Title:

State of Michigan, County of _____.

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

2009, 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 _____.

SAMPLE NET 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:

Lessor:

_____Date:_____
Signature

Print Name:
Title:

State of Michigan, County of _____.

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

2009, 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 _____.

SAMPLE NET 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:

Lessor:

_____Date:_____
Signature

Print Name:
Title:

State of Michigan, County of _____.

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

2009, 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 _____.

SAMPLE NET LEASE

Trust

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

Lessor:

_____Date:_____
Signature Signature

Print Name:
Title:

State of Michigan, County of _____.

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

2009, 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 _____.

SAMPLE NET LEASE

Estates

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

Lessor:

_____Date:_____
Signature

Print Name:
Title:

State of Michigan, County of _____.

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

2009, 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 _____.

SAMPLE NET LEASE

Department

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

Lessee:

_____Date:_____
Signature

Print Name:
Title:

State of Michigan, County of _____.

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

2009, by _____ the _____
Type or print name(s) of person(s) signing this document

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 _____

SAMPLE NET LEASE

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

Lessee:

_____Date:_____
Signature

Terri L. Fitzpatrick
Real Estate Director
Department of Management and Budget

State of Michigan, County of Ingham

The forgoing instrument was acknowledged before me on this _____ day of _____, 2009, by Terri L. Fitzpatrick, 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 _____.

This Lease was approved by the Michigan State Administrative Board on

Form Updated: 4-8-09

Item #

SAMPLE NET LEASE

Enclosure "D", to Lease # by and between , and the State of Michigan for the Department of .

SAMPLE ESTOPPEL CERTIFICATE

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 Xxxxxxxxxxx. 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,
Terri L. Fitzpatrick
Real Estate Director

XXX:xxx cc: Department contact person

SAMPLE NET LEASE

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

SAMPLE 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

_____
1st witness:
Print name of witness

By:_____
(name typed)

Title:_____

_____
2nd witness:
Print name of witness

Date: _____

*State of Michigan, County of _____.
|
| Acknowledged before me this _____day of _____, 20_____, by _____
| the_____ of _____, State of Michigan.
* _____, Notary Public in the County of _____,
| Notary signature
* Acting in the County of _____, State of Michigan. My Commission expires:_____.

SAMPLE NET LEASE

Enclosure "E" page 2 of 2

Witnesses:

Lessor:_____
(name of Lessor)

_____
1st witness:
Print name of witness

By:_____
(name typed)

Title:_____

_____
2nd witness:
Print name of witness

Date: _____

*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)

_____
1st witness:
Print name of witness

By:_____
(name typed)

Title:_____

_____
2nd witness:
Print name of witness

Date: _____

*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: _____.

SAMPLE NET LEASE

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	__X__by janitorial service provider
b. Toilet tissue	___by DOS	__X__by janitorial service provider
c. Hand soap	___by DOS	__X__by janitorial service provider
d. Plastic liners	___by DOS	__X__by janitorial service provider
e. Sanitary napkins	___by DOS	__X__ by janitorial service provider

SAMPLE NET LEASE

***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 manage/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 ENGINERERED 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**