

202

### **Parking leases**

- In January of 2008 the PPB demanded cancelation of parking leases in Chicago.
- CMS had amassed 66 separate parking leases in Chicago at anywhere from \$150 to \$225 every month per car for 517 cars.
- The Board objected on lack of standards and demanded a competitive procurement.
- When you add the leases up this is more than a \$1.1 million dollar commitment annually.
- The new competitive contract and parking requirements costs \$550,000 annually.
- Cancelation of 46 leases and attrition of 15 leases currently saves half a million dollars every year.

### **Temporary improvements-- Department of Corrections at 100 North Western in Chicago**

- In December of 2007, the Board was asked to approve a lease that included temporary improvements valued at \$ 1 million.
- It was proposed that the State would pay 9% (it was actually 10% in the lease) interest to amortize the construction over 7 years.
- The Board objected to this rate being set with no standard.
- In the course of that 1.5 hour Board meeting the lessor responded to the objection by lowering the amortization to the prime rate at the time of %7.5.
- Net savings of \$175,000.

### **Most recently 2650 West Fulton Street Chicago for Department of Human Services**

- This review is going on right now. The State has been in this 39,000 building since December 2002.
- Citing the high cost of this facility, CMS bid out 32,000 square feet to move from this facility to find efficiency.
- Occupancy is 527 square feet per employee 70% over target.
- The existing lessor qualified the bid by offering 32,000 feet at a grossed up rate and then offered the remaining 7000 square feet back for "free".
- CMS choose to negotiate for the full 39,000 square feet.
- CMS responded to the Board inquiry that had the bid been 39,000 square feet; the bid would have been disqualified.
- PPB does not accept these terms and has asked CMS to consider rebid or consolidation with another DHS office to maximize efficiency. CMS is responding to the PPB at its January meeting.

**15115 S Dixie Highway in Harvey-- Department of Children and Family Services -- April 2008**

- \$2.4 Million to build this out with temporary improvements amortized over 10 years @ \$7.76 per square foot on a five year lease.
- The lease expired and has been in holdover since June of 2004.
- The proposal to renew the lease from current is within 2 years of the temporary improvements being fully paid.
- However the proposed lease of 10 years carried the remaining 2 years of \$7.76 per square foot to full term.
- This is 8 years to the tune of a \$2.6 million overcharge.

**rptParkingCancelledThruConsolidation**

LeaseNumber	DateEntered	BuildingNumber	LeaseAddress	LeaseCity	LessorName	ParkingRatePerSpace	EndingParkingRatePerSpace	ParkingRatePerSpace	SumOfTotalDollarValue	SumOfNumberOfParkingSpaces	CountOfMainRealtE
<i>AGE-Aging</i>											
5675	12/5/2006	203	North LaSalle Street	Chicago	Interpark, Incorporated	\$170.00	Month	Month	\$6,000.00	2	1
						Agency Total			\$6,000.00	2	1
<i>CDB-Capital Development Board</i>											
5639	10/19/2006	203	North LaSalle Street	Chicago	Interpark, Incorporated	\$160.00	Month	Month	\$3,160.00	1	1
						Agency Total			\$3,160.00	1	1
<i>CEO-Commerce and Economic Opportunity</i>											
4070	4/27/2007	203	North LaSalle Street	Chicago	Interpark, Incorporated	\$185.00	Month	Month	\$80,580.00	17	1
4676	4/27/2007	203	North LaSalle Street	Chicago	Interpark, Incorporated	\$185.00	Month	Month	\$28,440.00	6	1
						Agency Total			\$109,020.00	23	2
<i>CFS-Children and Family Services</i>											
5341	4/3/2006	203	North LaSalle Street	Chicago	Interpark, Incorporated	\$150.00	Month	Month	\$750.00	1	1
5341	6/21/2007	203	North LaSalle Street	Chicago	Interpark, Incorporated	\$185.00	Month	Month	\$109,020.00	23	1
5341	7/25/2006	203	North LaSalle Street	Chicago	Interpark, Incorporated	\$160.00	Month	Month	\$32,640.00	17	1
6077	6/21/2007	17	East Adams Street	Chicago	Interpark, Incorporated	\$225.00	Month	Month	\$39,900.00	7	1
						Agency Total			\$182,310.00	48	4
<i>CMS-Central Management Services</i>											
5468	5/30/2007	203	North LaSalle Street	Chicago	Interpark, Incorporated	\$185.00	Month	Month	\$4,740.00	1	1
6004	6/7/2007	203	North LaSalle Street	Chicago	Interpark, Incorporated	\$185.00	Month	Month	\$9,480.00	2	1
6057	12/27/2006	203	North LaSalle Street	Chicago	Interpark, Incorporated	\$160.00	Month	Month	\$2,800.00	1	1
6057	6/21/2007	203	North LaSalle Street	Chicago	Interpark, Incorporated	\$185.00	Month	Month	\$14,220.00	3	1
6057	6/5/2006	203	North LaSalle Street	Chicago	Interpark, Incorporated	\$160.00	Month	Month	\$4,440.00	2	1
6102	8/28/2007	203	North LaSalle Street	Chicago	Interpark, Incorporated	\$185.00	Month	Month	\$8,370.00	2	1
6102	9/4/2007	203	North LaSalle Street	Chicago	Interpark, Incorporated	\$185.00	Month	Month	\$4,185.00	1	1
						Agency Total			\$48,235.00	12	7
<i>DES-Employment Security</i>											
6011	5/1/2006	17	East Adams Street	Chicago	Interpark, Incorporated	\$200.00	Month	Month	\$63,000.00	15	1
6011	2/28/2006		Unknown	Chicago	Interpark, Incorporated	\$200.00	Month	Month	\$81,600.00	15	1
						Agency Total			\$144,600.00	30	2
<i>DHR-Human Rights</i>											
4671	6/21/2007	203	North LaSalle Street	Chicago	Interpark, Incorporated	\$185.00	Month	Month	\$9,480.00	2	1
						Agency Total			\$9,480.00	2	1
<i>DHS-Human Services</i>											
4886	6/7/2007	203	North LaSalle Street	Chicago	Interpark, Incorporated	\$185.00	Month	Month	\$61,620.00	13	1

LeaseNumb er	DateEnter ed	BuildingNu mber	LeaseAddress	LeaseCity	LessorName	ParkingRate PerSpace	EndingParking RatePerSpace	ParkingRate PerSpace	Sum Of TotalDollarValue	Sum Of NumberOfParki ngSpaces	Count Of ibMAINRealE
<i>DNR-Natural Resources</i>											
4886	2/1/2007	203	North LaSalle Street	Chicago	Interpark, Incorporated	\$80.00	Month	\$80.00	\$5,200.00	5	1
					Agency Total				\$66,820.00	18	2
5927	5/30/2007	203	North LaSalle Street	Chicago	Interpark, Incorporated	\$185.00	Month	\$185.00	\$4,740.00	1	1
					Agency Total				\$4,740.00	1	1
<i>DOC-Corrections</i>											
5446	6/21/2007	203	North LaSalle Street	Chicago	Interpark, Incorporated	\$185.00	Month	\$185.00	\$47,400.00	10	1
					Agency Total				\$47,400.00	10	1
<i>DPH-Public Health</i>											
6232	2/1/2007	17	East Adams Street	Chicago	Interpark, Incorporated	\$220.00	Month	\$220.00	\$1,760.00	2	1
6232	6/21/2007	17	East Adams Street	Chicago	Interpark, Incorporated	\$225.00	Month	\$225.00	\$17,100.00	3	1
					Agency Total				\$18,860.00	5	2
<i>DVA-Veteran's Affairs</i>											
5939	7/25/2006	203	North LaSalle Street	Chicago	Interpark, Incorporated	\$160.00	Month	\$160.00	\$5,760.00	1	1
5939	5/1/2007	203	North LaSalle Street	Chicago	Interpark, Incorporated	\$185.00	Month	\$185.00	\$14,220.00	3	1
6007	5/30/2007	203	North LaSalle Street	Chicago	Interpark, Incorporated	\$185.00	Month	\$185.00	\$9,480.00	2	1
					Agency Total				\$29,460.00	6	3
<i>EMA-Emergency Management Agency</i>											
5941	4/27/2007	203	North LaSalle Street	Chicago	Interpark, Incorporated	\$185.00	Month	\$185.00	\$9,480.00	2	1
5941	6/7/2007	203	North LaSalle Street	Chicago	Interpark, Incorporated	\$185.00	Month	\$185.00	\$14,220.00	3	1
					Agency Total				\$23,700.00	5	2
<i>EPA-Environmental Protection Agency</i>											
5183	6/7/2007	203	North LaSalle Street	Chicago	Interpark, Incorporated	\$185.00	Month	\$185.00	\$9,480.00	2	1
					Agency Total				\$9,480.00	2	1
<i>FPR-Financial and Professional Regulation</i>											
6081	10/17/2006	203	North LaSalle Street	Chicago	Interpark, Incorporated	\$160.00	Month	\$160.00	\$55,680.00	35	1
6081	2/28/2006		Unknown	Chicago	Interpark, Incorporated	\$150.00	Month	\$150.00	\$82,770.00	31	1
6081	6/7/2007	203	North LaSalle Street	Chicago	Interpark, Incorporated	\$185.00	Month	\$185.00	\$137,460.00	29	1
6250	6/7/2007	17	East Adams Street	Chicago	Interpark, Incorporated	\$225.00	Month	\$225.00	\$34,200.00	6	1
					Agency Total				\$310,110.00	101	4
<i>GAC-Guardianship and Advocacy Commission</i>											
6123	2/28/2006		Unknown	Chicago	Interpark, Incorporated	\$150.00	Month	\$150.00	\$2,820.00	1	1
6123	5/30/2007	203	North LaSalle Street	Chicago	Interpark, Incorporated	\$185.00	Month	\$185.00	\$4,740.00	1	1
					Agency Total				\$7,560.00	2	2
<i>HFS-Healthcare and Family Services</i>											

Lease Number	Date Entered	Building Number	Lease Address	Lease City	Lessor Name	Parking Rate Per Space	Ending Parking Rate Per Space	Total Dollar Value	Sum Of Number Of Parked Vehicles	Count Of Vehicles
5793	5/30/2007	203	North LaSalle Street	Chicago	Interpark, Incorporated	\$185.00	\$210.00	\$9,480.00	2	1
Agency Total										
								\$9,480.00	2	1

ICC-Illinois Commerce Commission

4893	7/12/2006	203	North LaSalle Street	Chicago	Interpark, Incorporated	\$150.00	Month	\$8,280.00	4	1
4893	6/7/2007	203	North LaSalle Street	Chicago	Interpark, Incorporated	\$185.00	Month	\$18,960.00	4	1
Agency Total										
								\$27,240.00	8	2

ISP-Illinois State Police

5158	12/5/2006	203	North LaSalle Street	Chicago	Interpark, Incorporated	\$170.00	Month	\$6,000.00	2	1
6143	3/27/2006	203	North LaSalle Street	Chicago	Interpark, Incorporated	\$150.00	Month	\$40,290.00	17	1
6143	5/1/2007	203	North LaSalle Street	Chicago	Interpark, Incorporated	\$185.00	Month	\$80,580.00	17	1
Agency Total										
								\$126,870.00	36	3

LRB-Illinois Labor Relations Board

5634	5/30/2007	203	North LaSalle Street	Chicago	Interpark, Incorporated	\$185.00	Month	\$4,740.00	1	1
Agency Total										
								\$4,740.00	1	1

OIG-Office of Executive Inspector General

5944	6/7/2007	181	North Dearborn Street	Chicago	Interpark, Incorporated	\$185.00	Month	\$66,360.00	14	1
Agency Total										
								\$66,360.00	14	1

REV-Revenue

4770	4/27/2007	203	North LaSalle Street	Chicago	Interpark, Incorporated	\$185.00	Month	\$94,800.00	20	1
Agency Total										
								\$94,800.00	20	1

SFM-State Fire Marshall

5032	5/30/2007	203	North LaSalle Street	Chicago	Interpark, Incorporated	\$185.00	Month	\$14,220.00	3	1
Agency Total										
								\$14,220.00	3	1

<b>Grand Total</b>								<b>\$1,364,645.00</b>	<b>352</b>	<b>46</b>
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gone to  
due to  
addition

Active

Date Signed To -IPB-	IPB Reference Number	Type	Lease Number	Agency	Building Number	Lease Address	Lease City	Lessor Name	Term From	Term To	Term in Months	Number Of Parking Spaces	Sum Of Parking Rate Per Space	Sum Of Total Value Per Value Form	Delinquent
3/30/2006	22009942	Parking Lease Award	5085	CIA-Criminal Justice Information Authority	500	West Monroe Street	Chicago	Interpark, Incorporated	7/1/2005	6/30/2006	12	10	\$180.00	\$21,600.00	1
3/30/2006	22009934	Parking Lease Amendment	5513	PPR-Financial and Professional Regulation			Chicago	Interpark, Incorporated	2/1/2006	9/30/2006	8	3	\$203.75	\$4,890.00	1
4/28/2006	22010221	Parking Lease Award	6128	DOT-Transportation Authority	320	South Canal Street	Chicago	CPS Parking, Inc	3/1/2006	12/31/2006	10	14	\$200.00	\$2,800.00	1
2/15/2007	22011711	Parking Lease Amendment	5085	CIA-Criminal Justice Information Authority	525	West Monroe Street	Chicago	Interpark, Incorporated	2/1/2007	6/30/2007	5	8	\$180.00	\$0.00	1
11/9/2006	22011711	Parking Lease Amendment	5085	CIA-Criminal Justice Information Authority	525	West Monroe Street	Chicago	Interpark, Incorporated	7/1/2006	6/30/2007	12	2	\$160.00	\$0.00	1
7/20/2006	22011143	Parking Lease Amendment	5793	HFS-Healthcare and Family Services CEO-Commerce and Economic Opportunity	203	North LaSalle Street	Chicago	Interpark, Incorporated	7/1/2006	6/30/2007	12	6	\$150.00	\$0.00	1
5/30/2006	22010620	Parking Lease Amendment	4676	DHS-Human Services Authority	203	North LaSalle Street	Chicago	Interpark, Incorporated	7/1/2006	6/30/2007	12	6	\$150.00	\$11,520.00	1
7/20/2006	22011102	Parking Lease Award	5287	CIA-Criminal Justice Information Authority	203	West Monroe Street	Chicago	Interpark, Incorporated	7/1/2006	6/30/2007	12	10	\$180.00	\$21,600.00	1
7/20/2006	22011109	Parking Lease Award	5085	HFS-Healthcare and Family Services	320	South Canal Street	Chicago	Central Parking Systems d/b/a Chicago Parking System	7/1/2006	6/30/2007	12	10	\$200.00	\$24,000.00	1
7/20/2006	22011104	Parking Lease Award	5566	DHS-Human Services	320	South Canal Street	Chicago	Central Parking Systems d/b/a Chicago Parking System	7/1/2006	6/30/2007	12	19	\$200.00	\$45,600.00	1
7/20/2006	22011102	Parking Lease Award	5568	DHS-Human Services	320	South Canal Street	Chicago	Mid-City Parking Incorporated	7/1/2006	6/30/2007	12	1	\$235.00	\$5,640.00	1
3/30/2006	22009935	Parking Lease Award	5440	REV-Revenue Authority	200	North Wells Street	Chicago	Interpark, Incorporated	1/1/2006	12/31/2007	24	1	\$200.00	\$1,500.00	1
11/14/2007	22013962	Parking Lease Amendment	5085	CIA-Criminal Justice Information Authority	525	West Monroe Street	Chicago	Interpark, Incorporated	11/15/2007	6/30/2008	8	1	\$200.00	\$1,500.00	1
6/20/2007	22013258	Parking Lease Award	5085	CIA-Criminal Justice Information Authority	525	West Monroe Street	Chicago	Interpark, Incorporated Writing Paper & Envelope Company	7/1/2007	6/30/2008	12	7	\$200.00	\$16,800.00	1
8/22/2006	22011252	Parking Lease Award	3034	DHS-Human Services	11200	South Ellis Avenue	Chicago	Interpark, Incorporated	8/1/2006	7/31/2008	24	131	\$8.90	\$27,990.96	1
														\$209,140.96	15
1/25/2006	22014225	Parking Lease Amendment	5565	HFS-Healthcare and Family Services OIG-Office of Executive Inspector	310-320	South Canal Street	Chicago	Central Parking Systems d/b/a Chicago Parking System	2/1/2006	6/30/2009	17	2	\$235.00	\$0.00	1
1/25/2006	22014215	Parking Lease Amendment	5944	General	181	North Dearborn Street	Chicago	Interpark, Incorporated Central Parking Systems	7/1/2007	6/30/2009	24	2	\$185.00	\$0.00	1
6/27/2007	22013312	Parking Lease Award	6247	OMS-Central Management Services	310-320	South Canal Street	Chicago	Central Parking Systems d/b/a Chicago Parking System	7/1/2007	6/30/2009	24	1	\$210.00	\$5,160.00	1
5/31/2007	22012974	Parking Lease Award	6214	SBM-State Board of Investment	177	North Wells Street	Chicago	Interpark, Incorporated	7/1/2007	6/30/2009	24	2	\$185.00	\$9,480.00	1
5/31/2007	22012978	Parking Lease Award	5564	REV-Revenue	177	North Wells Street	Chicago	Interpark, Incorporated Central Parking Systems	7/1/2007	6/30/2009	24	10	\$185.00	\$47,400.00	1
6/27/2007	22013313	Parking Lease Award	5566	HFS-Healthcare and Family Services	310-320	South Canal Street	Chicago	Central Parking Systems d/b/a Chicago Parking System	7/1/2007	6/30/2009	24	10	\$210.00	\$51,600.00	1
5/31/2007	22012992	Parking Lease Award	5456	ISP-Illinois State Police	177	North Wells Street	Chicago	Interpark, Incorporated	7/1/2007	6/30/2009	24	19	\$185.00	\$90,060.00	1
6/27/2007	22013309	Parking Lease Award	5568	DHS-Human Services	310-320	South Canal Street	Chicago	Central Parking Systems d/b/a Chicago Parking System	7/1/2007	6/30/2009	24	21	\$210.00	\$108,360.00	1
4/28/2006	22010208	Parking Lease Award	6138	CPS-Children and Family Services	2140	West Ogden Avenue	Chicago	Joseph Koricki	4/1/2006	3/31/2016	120	24	\$90.00	\$59,200.00	1

\$571,260.00  
\$209,140.96  
\$780,400.96



ILLINOIS

Rod R. Blagojevich, Governor

DEPARTMENT OF CENTRAL MANAGEMENT SERVICES

Maureen T. O'Donnell, Acting Director

MEMORANDUM

TO: Procurement Policy Board  
c/o Matt Brown

FROM: Robert Schaaf

DATE: October 30, 2007

SUBJECT: RE: Lease No. 4847 – Department of Corrections  
100 North Western Avenue, Chicago, Illinois

Proposed Lease	
Lessor:	Chicago Title and Trust Company, as Trustee under Trust Agreement #24995
Term of Lease:	120 months - Termination after 36 <sup>th</sup> month after 120 days notice
Square Footage:	46,700
Lease Rates: Initial term	\$8.44 per sq. ft. yr. 1, \$8.78 yr. 2, \$9.13 yr. 3, \$9.50 yr. 4, \$9.88 yr. 5, \$10.18 yr. 6, \$10.49 yr. 7, \$10.80 yr. 8, \$11.12 yr. 9, and \$11.45 yr. 10.
If Renewal Option is exercised:	n/a
Total Dollar Value for Term:	\$6,055,121.76 including 7 year amortization of Tenant Improvements
Total Value for Renewal Term (if applicable):	n/a
Ownership:	Chicago Title and Trust Company, as Trustee under Trust Agreement #24995 – Edward Ross & Andrew Agostini
Holdover?	Yes
Lease Extension?	Yes
Exercising Pre-Negotiated Renewal?	No
Termination Option:	Yes – 120-days written notice after 36 <sup>th</sup> month
Purchase Option?	No
Refurbishment Allowance?	No
CDB Certification?	Yes

<p><u>Lease Rationalization</u></p>	<p>This is a lease for the Department of Corrections – Westside ATC. It is an Adult Transition Center housing 200 adult male inmates in the near center of the city of Chicago. The inmates are being transitioned back into the community as possible through work-release programs. Some fail and are then transitioned back to other correctional centers</p> <p>The facility has residence accommodations for 200. In addition to food preparation and serving/dining, there are toilet and shower facilities in four "wings".</p> <p>DOC is very satisfied with the facility.</p> <p>This is a 10-year lease. There is a Termination Clause in favor of the State upon 120-days written notice after the 36<sup>th</sup> month. The location has ample parking.</p>
<p><u>Rent Comparison</u></p>	
<p>Current (expired) Lease: \$3,400,786.68</p>	<p>Proposed Lease: \$6,055,121.76 (including amortization)</p>
<p>Sq. Ft.: 46,700 sq. ft</p>	<p>Sq. Ft.: 46,700 sq. ft.</p>
<p>Lease Rates: \$8.12 per Sq. Ft. at end of term</p>	<p>\$8.44 per sq. ft. yr. 1, \$8.78 yr. 2, \$9.13 yr. 3, \$9.50 yr. 4, \$9.88 yr. 5, \$10.18 yr. 6, \$10.49 yr. 7, \$10.80 yr. 8, \$11.12 yr. 9, and \$11.45 yr. 10.</p>
<p>Real Estate Taxes: The Using Agency pays increases in Real Estate taxes after the base year</p>	<p>Real Estate Taxes: The Using Agency pays increases in Real Estate taxes after the base year (2006 payable in 2007).</p>
<p>Utilities &amp; Services: Gas, electric, and janitor are paid by the Lessee.</p>	<p>Utilities &amp; Services: Gas, electric, and janitor are paid by the Lessee.</p>



**CMS**

**STATE OF ILLINOIS  
DEPARTMENT OF CENTRAL MANAGEMENT  
SERVICES**

**REAL ESTATE LEASE NO. 4847**

**LEASE**

**BETWEEN**

**STATE OF ILLINOIS,**

**THE DEPARTMENT OF CENTRAL MANAGEMENT SERVICES, AS LESSEE**

**AND**

**CHICAGO TITLE AND TRUST COMPANY, AS TRUSTEE UNDER TRUST AGREEMENT #24995,  
AS LESSOR**

**AT**

**100 NORTH WESTERN AVENUE**

**CHICAGO, ILLINOIS 60612**

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STATE OF ILLINOIS  
DEPARTMENT OF CENTRAL MANAGEMENT  
SERVICES

REAL ESTATE LEASE

LEASE CONTROL NO. 4847

LEASE AGREEMENT

ARTICLE I. BASIC LEASE PROVISIONS

1.01 DATE AND PARTIES

This Lease (this "Lease") entered into this 11th day of September, 2007 by and between CHICAGO TITLELAND TRUST COMPANY, AS TRUSTEE UNDER TRUST AGREEMENT #24995, (the "Lessor") and the State of Illinois, Department of Central Management Services for the use of the State entities specified herein (the "Lessee"). The using agency is:

Department of Corrections

1.02 NOTICES

All notices provided to be given under this Agreement shall be given by certified mail and shall be deemed received by the party designated to receive such notice three (3) days following the date of deposit in the United States Mail and addressed to the proper party, at the following address:

Lessor: Chicago Titleland Trust Company, as Trustee under Trust Agreement #24995  
c/o Chicago Title Land Trust Company  
181 W. Madison Street, 17<sup>th</sup> Floor  
Chicago, IL 60602

Lessee: Department of Central Management Services  
Transactions & Property Administration  
721 Stratton Office Building  
Springfield, Illinois 62706

Emergency: N/A

Telephone: 312-223-4127

Attention: Peggy O'Donnell, Trust Officer

Attention: Manager, Transactions & Property Administration

E-mail: marget.odonnell@ctt.com N/A

With a copy to: Cindy Click  
401 N. Michigan Ave., Suite 1300  
Chicago, Illinois 60611

With a copy to:  
Using Agency: Carole Chrans  
Department of Corrections  
Management and Budget  
1301 Concordia Court  
Springfield, Illinois 62794

Telephone: 312 642-6000

Telephone: 217.522.2666 ext.4113

Facsimile: 312 642-9039

Facsimile: 217.522.1508

E-mail: cclick@jupiterrealty.com

E-mail: cchrans@idoc.state.il.us

**1.03 PREMISES**

Lessor leases to Lessee upon the terms and conditions contained in this Lease, the "Premises" consisting of 46,700 rentable square feet of adult residential space on the 1<sup>st</sup> floor. The Premises are located in the building containing 457,266 rentable square feet and further identified as the "Building":

100 North Western Avenue

Chicago, Illinois

Cook County

Lessor shall provide \_\_\_\_\_ useable square feet of dry, lockable storage space as shown in Exhibit A-2.

Using Agency shall have the right, in common with others, to use the "Common Area Facilities" of the Building which may include, but are not limited to, passenger and freight elevators, loading docks, sidewalks, parking areas, driveways, hallways, stairways, public restrooms, common entrances, lobby, emergency systems, and other similar public areas and access ways of the Building and the Land.

Lessee's percentage of Net Building Rentable Area: 10.21%

**1.04 AREA MEASUREMENT**

For purposes of this Lease, the Premises and the Building shall be based on Area Measurement Rules, Section 5000.310, Illinois Administrative Code derived from "Standard Method of Measuring Floor Area in Office Buildings," Building Owners and Management Association (BOMA), International.

**1.05 LEASE TERM**

The initial term of this Lease is for 120 months and shall begin on December 1, 2007 (the "Lease Commencement Date"), and shall expire on November 30, 2017 (the "Lease Expiration Date"). The term of this Lease shall be referred to as the "Lease Term."

**1.06 EARLY TERMINATION**

Lessee shall have the option to terminate this Lease upon the end of the thirtieth (36<sup>th</sup>) lease month by providing one hundred twenty (120) days' prior written notice to the Lessor.

**1.07 IMPROVEMENTS**

The parties agree that the "Improvements" including the Tenant Improvement Work contained in the attached Exhibit B (the "Improvements") shall be the full scope and definition of work required to be made by the Lessor at his or her sole cost and expense under the terms of this Lease. Improvements shall be completed within 18 months of Lease Commencement Date. The Construction Documents (design, drawings, and specifications) necessary for the Lessor to obtain all applicable building permits and certifications of occupancy, as determined by the local building permit issuing authority, prepared by the Lessor pursuant to the Architecture Practice Act of 1989 [225 ILCS 305] for the Improvements defined by Exhibit B, shall become a portion of Exhibit B by reference upon written approval by the Lessee. All costs expended by the Lessor and all contracts entered into by the Lessor for the performance of the Improvements on behalf of the Using Agency shall be subject to review by Using Agency upon written notice.

Lessor shall, at the request of Using Agency, provide certain tenant improvements, special to the needs of the tenant agency. Lessor shall, in providing these tenant improvements, utilize the contractor identified by Lessee. Lessor shall obtain no less than three bids for each trade necessary to furnish work on the project or from no less than three general contractors. Lessor shall utilize the services of the lowest priced unless there is justification for refusing such bid. If Lessor requires use of in-house crew those services may be utilized if prices do not exceed the higher of price allowances, Capital Development Board, Department of Central Management Services estimates or GSA guidelines, if applicable. Lessor shall bill Using Agency for the improvements as additional rent payable as a lump sum. Any and all improvements done under this paragraph shall be limited to repairing damage caused to the facility by Department of Corrections inmates living at the facility.

Lessor shall, as requested by the Using Agency, provide certain tenant improvements referenced in the paragraph above at a cost not to exceed \$10,000.00 for each State Fiscal Year and same shall be paid for by the Using Agency pursuant to the paragraph above.

## ARTICLE II. LESSEE'S OBLIGATION TO PAY RENT

### 2.01 RENT

Using Agency shall pay Rent to Lessor (the "Rent"), in accordance with the Rent Schedule attached as Exhibit C. Using Agency shall pay the monthly Rent, in arrears, subject to legislative appropriation, by State warrant. The Rent shall be prorated on a per diem basis based on 365 days for the first month or the last month of the Lease Term if the Lease Commencement Date is not the first day of a calendar month, or the Lease Expiration Date is not the last day of a calendar month. Send payment to: 100 North Western Avenue L.P., c/o Cindy Click, Jupiter Realty, 401 North Michigan Avenue, Suite 1300, Chicago, Illinois 60611.

### 2.02 REFURBISHMENT ALLOWANCE

~~The Lessor will provide a cash refurbishment allowance in the amount of \$\_\_\_\_\_/RSF at the beginning of the thirty-sixth (36<sup>th</sup>) month and in the amount of \$\_\_\_\_\_/RSF at the beginning of the sixtieth (60<sup>th</sup>) month during the initial term and at the beginning of the thirtieth (30<sup>th</sup>) month of any renewal term (if applicable), to be used at the sole discretion of the Lessee.~~

## ARTICLE III. LESSOR'S OBLIGATIONS

### 3.01 CARE AND MAINTENANCE

Lessee accepts the Premises as presently constituted except for non-compliance by Lessor with all applicable building, fire, and life safety codes and latent defects, and further subject to the completion of Improvements required to be made by Lessor, if any, in strict conformity with the provision of Article 1.07 (IMPROVEMENTS) herein.

Lessor shall provide Lessee with the services stated below at Lessor's sole cost and expense and in a manner consistent with those services provided by other lessors of similar buildings of comparable age, condition, character, size, and lessee composition in the same geographic market sector.

- ~~A. Power as required to supply heating, cooling, and ventilation to maintain the Premises at or below 78 degrees Fahrenheit during cooling season and at or above 68 degrees Fahrenheit during heating season.~~
- ~~B. Power as required by Lessee for all necessary fixtures and equipment.~~
- C. Necessary commercial grade fixtures for heating, cooling, water, electricity, plumbing, and all maintenance and repairs.
- D. Installation and maintenance of an adequate ventilating system to maintain air exchange levels in conformance with all applicable codes.
- ~~E. Fluorescent lamps, ballasts, and all necessary repair or replacement expenses related to such lighting.~~
- ~~F. Hot and cold potable water and sewer as required by Lessee.~~
- ~~G. Cleaning service and scavenger service to keep Premises clean, healthful, and sightly as per attached Janitorial Services (Exhibit D).~~
- H. Comprehensive exterminating service to ensure Premises are pest and rodent free.
- ~~I. Elevator service where applicable, shall be provided twenty four (24) hours/day, seven (7) days/week, including Holidays and the period during which Lessee moves into and out of the Premises.~~
- ~~J. Service and maintenance of fire extinguishers.~~
- K. Snow and ice removal from sidewalks and parking areas adjacent to the Premises.
- ~~L. Maintenance of lawn and shrubs.~~
- M. Parking for 50 vehicles. General maintenance of parking lot.  
Address of parking lot: 100 North Western Avenue, Chicago, Illinois. Parking shall be available and accessible to Using Agency for Using Agency's use twenty-four (24) hours per day, seven (7) days per week.

- ~~N. Provide for surface mounted raceways or wall cavity conduit that allows Using Agency to install computer and telecommunications wiring.~~
- O. All general maintenance and repairs not caused by Lessee Using Agency's negligence, or negligence of invitees or occupants.
- ~~P. Maintenance of and service to all Common Area Facilities, which shall include cleaning, HVAC, electrical current and illumination, repairs, replacement, and trash disposal.~~
- ~~Q. Operation, maintenance and monitoring of all security systems and life safety systems.~~
- R. The Lessor shall provide the above services during the Business Hours specified in Exhibit C.
- ~~S. Operating Expenses will exclude the items listed in Exhibit E, Operating Expense Exclusions.~~
- ~~T. Other (Strike if not applicable).~~

Using Agency shall provide and pay all costs for the following:

- A. Janitorial, cleaning, and scavenger services for the Leased Premises sufficient to keep such premises clean healthful and sightly.
- B. Hot and cold running water and sewer as required by Lessee.
- C. All necessary incandescent and fluorescent bulbs and ballasts and labor costs to install same.
- D. Service and maintenance of fire extinguishers within the Leased Premises.
- E. All cleaning, painting, and decorating of the Leased Premises.
- F. Operation, maintenance and monitoring of all security systems and life safety systems.
- G. Using Agency shall reimburse the Lessor for their proportionate share of metered electricity, and gas used in Leased Premises upon receipt of the actual billing or copies of same from the Lessor. The Using Agency's proportionate share is 10.21%.
- H. During the term of the Using Agency's occupancy of the Leased Premises, compliance with all applicable building, fire, and safety codes related to the Using Agency's use of the premises is the responsibility of the Using Agency. The Using Agency shall provide written notification to the owners of any local or State code violations within four business days after receiving such notice.
- I. The Using Agency shall, at its expense, repair all damage caused by the negligence of the Using Agency, it's invitees, and those occupying the Leased Premises.

### 3.02 ELECTRICITY

Electricity shall be paid for by the Using Agency.

### 3.03 LIFE SAFETY AND SECURITY REQUIREMENTS

Using Agency shall maintain the Life Safety and Security systems and shall comply with all requirements of all prevailing governmental authorities having or claiming jurisdiction over the Building.

### 3.04 ACCESSIBILITY

Lessor acknowledges that compliance with the Environmental Barriers Act and the Illinois Accessibility Code is a continuing obligation of Lessor requiring any and all elements and space altered improved, or newly constructed to conform to the applicable technical standard described in the Code. Lessor further acknowledges sole responsibility for the obligations of an owner under the Americans with Disabilities Act of 1990 and all relevant regulations promulgated thereunder.

## ARTICLE IV. LESSEE'S RIGHTS AND OPTIONS

### 4.01 SUBLEASING AND ASSIGNMENT

Lessee may sublease all or any part of the Premises or assign this Lease upon the prior written consent of Lessor, which consent shall not be unreasonably withheld, conditioned, or delayed.

### 4.02 SUBSTITUTION

Lessee may substitute using agencies in the Premises upon thirty (30) days' written notice to the Lessor.

### 4.03 ALTERATIONS

Using Agency may make improvements, additions, installations, decorations, and changes ("Alterations") of a non-structural nature to the Premises without Lessor's prior written approval. Non-structural Alterations means any Alterations which do not affect any of the major Building systems or structural components. Using Agency may make any other alterations to the Premises with the prior written consent of the Lessor, which consent shall not be unreasonably withheld, conditioned, or delayed.

### 4.04 LESSEE SIGNAGE

~~Lessor, at its sole cost and expense, shall provide Lessee with identification and signage in accordance with Lessee's specifications as shown in Exhibit B.~~

### 4.05 RENEWAL OPTION

~~The Lessee has the right to renew the Lease for a further period of 60 months at the rate in effect during the final month of the Lease Term, subject to the following modifications: 1) Rent payments representing the value of fully amortized Lessee Improvements shall be deducted from Rent; 2) Lessee may request and negotiate with the Lessor for additional Rent concessions, subject to the maximum renewal rental rates and concessions specified in Exhibit C, provided Lessee gives ninety (90) days' written notice to Lessor of its intention to exercise such option.~~

### 4.06 EXPANSION OPTION

~~Insert negotiated expansion options specific to transaction, if applicable.~~

### 4.07 PURCHASE OPTION (IF APPLICABLE)

~~Lessor grants to Lessee a purchase option (see attached Exhibit J, Purchase Option) at the then fair market value less the value of improvements paid for by the Lessee in accordance with Section 5000.380 Improvements of the Illinois Administrative Code.~~

### 4.08 TELECOMMUNICATIONS

Lessor shall impose no fee on Lessee's telecommunications line, including fees on the vendor of telecommunication services. Additionally, Lessee's choice of telecommunications vendor shall not be unreasonably restricted by Lessor.

## ARTICLE V. LIABILITY

### 5.01 INSURANCE AND INDEMNITY

#### A. Lessor's Insurance

Lessor shall maintain in full force and effect during the Lease Term all-risk property damage insurance for the Building and the Common Area Facilities and all improvements on the Land and the Lessee Improvements described in Exhibit B (Improvements), in the amounts of the full replacement values thereof, as the values may exist from time to time. Boiler and Machinery Insurance; Comprehensive General Liability Insurance, including Contractual Liability, on an occurrence basis with limits of not less than \$5,000,000 per occurrence (this may be accomplished in the form of one policy and/or a combination of a primary policy and umbrella excess totaling \$5,000,000); Worker's Compensation and Employer's Liability Insurance for all of Lessor's agents, employees, and contractors; Automobile Liability Insurance for any automobiles or vehicles operated by Lessor, its agents, employees, or contractors in connection with the operation or maintenance of the Building and the Common Area Facilities, with limits of not less than \$1,000,000. Lessor's insurance shall be issued by insurance companies licensed to do business in the state.

where the Building is situated, with a general policyholder rating of at least A-and a financial rating of at least V in the most current Best Insurance Report available at the time of execution of this Lease. If the Best's ratings are changed or discontinued, Lessor and Lessee shall agree to an equivalent method of rating insurance companies. Lessor shall annually provide a Certificate of Insurance that meets these specifications to CMS upon request.

#### B. Lessee's Insurance

Lessee is self-insuring. A Certificate of Insurance of the Lessee's self-insurance coverage will be provided upon request. Limits of coverage are in accordance with existing State of Illinois statutes.

### 5.02 ENVIRONMENTAL ASSESSMENT

Lessor acknowledges that compliance with the National Emission Standard for Hazardous Air Pollutants promulgated by the United States Environmental Protection Agency pursuant to Section 112 of the Clean Air Act is a continuing obligation of the Lessor requiring any demolition or renovation activity completed on behalf of the State of Illinois to comply with the standards set forth in 40 CFR 61.145.

Lessor agrees to indemnify, defend, and hold Lessee harmless from any costs and expenses, including attorney fees, incurred by Lessee, due to any liability arising from mold, asbestos claims or from any liability arising from any claims due to the presence of Hazardous Materials in the Building.

### 5.03 HOLDOVER

If, after the expiration of the Lease, the Lessee retains possession of the Premises, the Lease shall continue in full force and effect on the same terms and conditions except the Lease shall be on a month-to-month basis until terminated by either party with a 30 day written notice, which must be provided on or before the first day of a calendar month. Rent shall be paid monthly in arrears on a prorated basis at the rate paid during the last month of the expired Lease Term less any funds being paid by the Lessee during the term towards fully amortized Lessee Improvement costs. Refer to Exhibit C for Holdover Rent amount.

## ARTICLE VI. STANDARD TERMS AND CONDITIONS

### 6.01 REQUIREMENTS OF LAW

Lessor shall be responsible for compliance, at Lessor's sole cost and expense, with all statutes, rules, ordinances, orders, codes and regulations, and legal requirements and standards issued thereunder, as the same may be enacted and amended from time to time (collectively referred to in this Lease as the "Laws"), which are applicable to all or any part of the physical condition and occupancy of the Building, ~~the Common Area Facilities~~, or the Land or additions thereto.

Lessor represents and warrants that the Building, ~~the Common Area Facilities~~, and the Premises are in compliance with the Laws as of the Lease Commencement Date.

Lessor shall also obtain, at Lessor's sole cost and expense, any permit, license, certificate, or other authorization required for the lawful and proper use and occupancy by Lessee or any other party of all or any part of the Premises, and shall exhibit the same to Lessee upon Lessee's request.

Lessor acknowledges that compliance with the Environmental Barriers Act and the Illinois Accessibility Code is a continuing obligation of Lessor requiring any and all elements and space altered, improved, or newly constructed to conform to the applicable technical standard described in the Code. For facilities carrying out programs funded in whole or in part by Federal funds, the Lessor shall comply with the requirements of Section 504 of the Rehabilitation Act of 1973.

Using Agency shall notify Lessor of any violation notices or waivers of building, OSHA or life safety codes, local or state codes, or outstanding insurance carrier recommendations that Lessor receives, with respect to the Building ~~and the Common Area Facilities~~. Using Agency shall notify Lessor of any OSHA violation notices with respect to the Premises. Lessor shall be responsible for the compliance of the Building with applicable laws relating to architectural barriers to the disabled, including but not limited to the law commonly known as the "Americans with Disabilities Act of 1990" (the "ADA") and all relevant regulations promulgated thereunder. Lessor hereby agrees to indemnify, defend, and hold Lessee and Using Agency harmless from all loss, cost, liability, or expense, including reasonable attorney fees, resulting from its failure to comply with all laws relating to the Premises ~~and condition of the Common Area Facilities~~, including but not limited to the ADA.



**6.02 PREVAILING WAGE**

All Lessee Improvement work completed on behalf or for the use of the Using Agency shall be performed at not less than the prevailing hourly wage rate as determined by the Illinois Department of Labor.

**6.03 FISCAL FUNDING**

This Lease shall be subject to termination and cancellation without penalty in any year for which the General Assembly fails to make an appropriation to pay the Rent or other obligations of Lessee hereunder. Lessor acknowledges that all obligations of the Lessee shall also immediately terminate in the event any Federal funding source, upon which the Lessee is dependent to pay Rent or other charges under the terms of this Lease, fails to appropriate or otherwise make available the funds required.

**ARTICLE VII. LOSS OF PREMISES**

**7.01 DAMAGES/UNTENANTABILITY**

If the Premises or the Building are totally destroyed by fire or any other casualty, this Lease shall automatically terminate as of the date of such destruction. If any portion of the Building, the Common Area Facilities, or the Premises are damaged to the extent that Lessee cannot use any portion of the Building, or Common Area Facilities, or the Premises to conduct its business for at least ninety (90) days, Lessee may terminate this Lease as of the date of damage by notice to Lessor within thirty (30) days after such date. If the Building or any portion of the Common Area Facilities or the Premises are damaged by fire, casualty, or any other cause then, except as provided below, the damage shall be promptly repaired by and at the sole cost and expense of Lessor. Until such repairs and restoration are completed, the rent shall be abated in proportion to the portion of the Premises or Common Area Facilities that are unusable or inaccessible by Lessee in the conduct of its business by virtue of such casualty.

**7.02 CONDEMNATION**

If, during the term of this Lease or any renewal, the whole or part of the Premises is condemned so as to make the Premises unusable or a considerable loss of utility results, the Lessee may terminate the Lease by giving at least thirty (30) days' written notice. Lessee will be entitled to a portion of any award to the extent of any unamortized improvement costs paid for directly or indirectly by Lessee.

**ARTICLE VIII. ESTOPPEL**

**8.01 ESTOPPEL CERTIFICATE**

Lessee shall, upon written request from Lessor, execute, acknowledge, and deliver to Lessor a written statement certifying that the Lease is unmodified and in full force and effect, or that the Lease is in full force and effect as modified and listing the instruments of modification; the dates to which the Rents and other charges have been paid; and whether or not to the best of Lessee's knowledge Lessor is in default hereunder and, if so, specifying the nature of the default.

**ARTICLE IX. NON-DISTURBANCE AND QUIET ENJOYMENT**

**9.01 NON-DISTURBANCE**

This Lease and any extensions of the term hereof shall be subordinate, at the option of Lessor, to any and all encumbrances given by Lessor on the Premises or to secure funds for any building to be constructed by Lessor or the completion of other renovations or improvements to the existing structures located on the Premises to be performed by Lessor. Lessee agrees to enter into and execute a written Agreement of Subordination, Non-Disturbance and Attornment in the form provided in Exhibit F attached hereto provided, however, that such agreement previously executed by the Lender specified therein shall be tendered to Lessee simultaneously with this Lease following execution of this Lease by Lessor.

**9.02 QUIET ENJOYMENT**

Using Agency shall have the peaceful and quiet enjoyment and possession of the Premises without any interference from Lessor or any person claiming by, through, or under Lessor.

## ARTICLE X. DISPUTES

### 10.01 DEFAULT BY LESSOR

If Lessor fails to perform any of its obligations under this Lease (a "Lessor Default"), Lessee may give Lessor notice specifying the Lessor Default. If a cure is not accomplished within fifteen (15) days after receiving notice from Lessee or within a reasonable period of time thereafter or if the Lessor Default cannot be cured within fifteen (15) days and Lessor is not pursuing a cure with due diligence, then in addition to all rights, powers, or remedies permitted by Law, Lessee may (i) correct the Lessor default and deduct the cost from the Rent; or (ii) withhold the payment of Rent and any other sums due hereunder until Lessor has corrected the specified Lessor Default; or (iii) upon the failure of Lessor to cure any Lessor Default within thirty (30) days of receipt of notice thereof, Lessee shall have the right to seek the judicial remedy of specific performance, or to terminate this Lease by providing Lessor with notice of such termination.

Pursuant to the State Prompt Payment Act (30 ILCS 540/et seq.), if Lessee fails to issue rent within 60 days, pursuant to Section 2.01, an interest payment of 1% of any amount approved and unpaid shall be added for each month or fraction thereof after the end of this 60 day period, until final payment is made.

### 10.02 REDUCTION OF SERVICES

The Rent is based in part upon services that Lessor shall provide as described in Section 3.01 (CARE AND MAINTENANCE). If, for any reason, Lessor does not provide any or all of these services in the manner described in Section 3.01 for more than five (5) consecutive days following notice of such failure from Lessee, the Rent shall be abated on a per diem basis for the period of interruption beginning with the date the interruption in services began and ending when the services are fully restored.

### 10.03 SELF HELP

In the event that the Lessor has failed to perform any of its services or maintenance within the Premises, then Lessee shall have the right to perform such maintenance or service and charge Lessor. Lessee may offset the associated costs against rent if Lessor does not pay Lessee's invoices.

### 10.04 GOVERNING LAW

This Lease, and the rights and obligations of the parties hereto, shall be construed and enforced in accordance with the laws of the State of Illinois.

## ARTICLE XI. MISCELLANEOUS

### 11.01 FORCE MAJEURE

After the Lease Commencement Date, or after Using Agency takes occupancy of the Premises neither party shall be responsible to the other for any losses resulting from the failure to perform any terms or provisions of this Lease if the party's failure to perform is attributable to war, riot, acts of God, or the elements or any other unavoidable act not within the control of the party whose performance is interfered with and that by reasonable diligence such party is unable to prevent. However, neither party shall be excused from the timely performance of its obligations under this Lease for a period of time greater than ninety (90) days on account of force majeure.

### 11.02 OCCUPANCY AND SURRENDER

~~A using agency will be entitled to occupancy on the Lease Commencement Date. If for any reason occupancy is delayed, Lessee will not be liable for Rent until it has taken occupancy, and rental will be prorated from date of occupancy. If occupancy is not given within \_\_\_\_\_ days of the Lease Commencement Date for reasons other than the delay by causes beyond the reasonable control of the Lessor, then Lessee at its own option may terminate the Lease.~~

~~Cause for delay beyond the reasonable control of the Lessor shall be the result of strikes, lockouts, or causes that could not have been reasonably foreseen by Lessor. It is understood and agreed by parties hereto that the inability of Lessor to acquire mortgage or other financing, for whatever reason, shall not constitute unforeseeable cause for delay.~~

All improvements including but not limited to systems furniture and Using Agency trade fixtures, including moveable partitions, panels, screens, and HVAC systems provided by Using Agency, are Using Agency's property and shall remain Using Agency's property at the expiration of the Lease Term, unless otherwise so elected by Using Agency.

Upon the termination of this Lease, Lessee will return the premises in the same condition as existed at the beginning of the tenancy, reasonable wear and tear; repairs and replacements; loss by fire; casualty and other causes beyond Lessee's control, improvements permitted or required excepted. All State property is subject to provisions of the Property Control Act and may not be retained by the Lessor for any reason.

#### **11.03 BINDING ON SUCCESSORS**

This Lease shall bind the parties, their heirs, successors, representatives, and permitted assigns.

#### **11.04 PARTIAL INVALIDITY**

If any provision of this Lease, or the application thereof to any person or circumstance, shall to any extent be invalid or unenforceable, the remainder of this Lease and the application of such provision to all other persons and circumstances shall not be affected and shall be valid and enforceable to the fullest extent of the law; provided, however, if the provisions of this Lease relating to Lessee's stated use of the Premises shall be determined by any government agency having jurisdiction to be invalid or unenforceable, this Lease, effective as of the date of such determination, shall be, and shall be deemed to be, void and of no further force or effect, and Lessee shall have no further obligations hereunder.

#### **11.05 WAIVER**

The failure of either party to exercise any of its right is not a waiver of those rights. A party waives only those rights specified in writing and signed by the party waiving its rights.

#### **11.06 BREACH**

Failure of the Lessor to comply with this Lease, including but not limited to the failure to complete Improvements in accordance with Section 1.07 herein or within the time as agreed upon in this Lease, or failure to make or complete in a reasonable time necessary repairs is a breach of this Lease. In the event Lessee is in possession or elects to take possession of the premises prior to completion of Improvements, Lessee shall have the option of curing the breach by reducing lease payments equal to the corresponding percentage of the improvement value to the lease value until the Lessor complies with the Lease and Improvements are certified as complying with Section 1.07 herein by the Lessee as Chief Procurement Officer and the leasing State agency. Lessee shall have the option of curing the breach by having the work done and deducting actual costs plus a reasonable administrative fee from rental payments or terminating the Lease. If the Lease is terminated, Lessee may take, or remain in, possession, making lease payments at the reduced monthly rate until suitable substitute premises are available. Rental periods less than one full month shall be prorated on a daily basis.

#### **11.07 COVENANTS BINDING**

All covenants and representations made in this Lease are dependent, and will be binding upon, apply to, and be for the benefit of any successor in interest to the parties. No provision of this Lease may be modified or additional requirements established without the express written approval of the Lessor.

#### **11.08 EXAMINATION OF RECORDS**

Lessor agrees to allow Lessee to examine all records pertaining to this Lease, to verify compliance with this Lease and costs associated with this Lease.

#### **11.09 OWNERSHIP**

Lessor covenants and warrants that record title to the Premises is held by the Lessor or that Lessor has lawful authority and the requisite site control to enter into this Lease by virtue of other contractual agreements with the record title owner or subsequent transferees, assigns, or successors in interest (i.e., Lessee, Sub-Lessee, Contract Purchaser, Optionee, etc.). Failure by the Lessor to fully and accurately complete the provisions of Exhibit G, the Disclosure Statement, attached hereto and incorporated by reference herein, shall constitute a material breach of this Lease.

It is acknowledged that in the event of such a material breach by the Lessor, its assigns, transferees, or other successors in interest, Lessee shall be entitled to immediately terminate this Lease and vacate the Premises. In the alternative, Lessee may elect to declare the material breach but retain possession for the balance of any term remaining, and as liquidated damages and not as a penalty, to

reduce rental payments and other charges due hereunder by twenty-five percent (25%) for the entire term of this Lease, including any extensions thereto or periods of holdover, or until the material breach is cured by full and complete disclosure, whichever occurs first. The foregoing reductions represent a reasonable endeavor by the parties hereto to estimate a fair compensation for the foreseeable losses to Lessee that might result from such breach.

#### **11.10 CHANGE OF OWNERSHIP OR BENEFICIAL INTEREST**

Lessee and Using Agency must be notified in writing by Lessor of any change in ownership and/or beneficial interest of a trust within thirty (30) days of the event. All assigns, transferees, or other successors in interest to Lessor shall be required to comply with any and all disclosure requirements of applicable Illinois law, administrative rule, or regulation governing real estate transactions. It is understood and agreed by the parties that any subsequent assigns, transferees, and other successors in interest to the Lessor shall be specifically subject to the liquidated damages provisions of the preceding Article for material breach in failing to comply with disclosure requirements.

#### **11.11 GOVERNING LAW AND JURISDICTION**

Illinois law shall be used in interpreting this Lease and in determining the rights of the parties under its terms and conditions. Jurisdiction shall be in the State of Illinois Court of Claims as to any legal action or proceeding filed by Lessor for litigation of rights or claims against the Lessee.

#### **11.12 NON-DISCRIMINATION**

Lessor, its employees, and subcontractors agree not to commit unlawful discrimination and agree to comply with applicable provisions of the Illinois Human Rights Act, the U.S. Civil Rights Act, and Section 504 of the Federal Rehabilitation Act, the Americans with Disabilities Act of 1990, and rules applicable to each. The Department of Human Rights Equal Employment Opportunity clause is incorporated by reference.

#### **11.13 TIME IS OF THE ESSENCE**

Time is of the essence of this Lease, and of each and every covenant, term, condition, and provision hereof.

#### **11.14 REMEDIES CUMULATIVE**

All remedies provided for the benefit of the Lessee under this Lease are cumulative. Lessee's selection and imposition of a particular remedy shall not be deemed an election of remedies under this Lease.

#### **11.15 ENTIRE AGREEMENT**

This Lease and all of its written and attached Exhibits, riders, addendums, modifications, and amendments constitutes the entire agreement between Lessor and Lessee with respect to the Premises and the Common Area Facilities and may be amended or altered only by written agreement executed by both parties. Lessor warrants that it owns the Building as described herein, and each party warrants that it is authorized to enter into this Lease.

#### **11.16 ATTACHMENTS**

The following exhibits are part of this Lease and were attached before this Lease was signed by the parties:

- |           |    |                                                          |
|-----------|----|----------------------------------------------------------|
| Exhibits: | B. | Improvements                                             |
|           | C. | Base Rent Schedule (including amortization)              |
|           | D. | Janitorial Acknowledgement                               |
|           | F. | Subordination, Non-Disturbance, and Attornment Agreement |
|           | G. | Real Estate Disclosure Statement                         |
|           | H. | Lessor Certification                                     |
|           | I. | Federal Tax Identification Number                        |

11.17 AUTHORITY TO EXECUTE

Parties signing this Lease on behalf of the Lessor certify that they have authority to execute the Lease and to commit to all described covenants.

LESSOR: CHICAGO TITLE <sup>UP</sup> AND TRUST COMPANY, AS TRUSTEE UNDER TRUST AGREEMENT #24995

BY *Carolyn Pamparella* DATE OCT 30 2007

PRINTED NAME CAROLYN PAMPARELLA

TITLE ASST. VICE PRESIDENT

ATTEST Attestation not required pursuant to corporate by-laws.

STATE OF ILLINOIS, USING AGENCY ILLINOIS DEPARTMENT OF CORRECTIONS

BY *Roger E. Walter Jr.* DATE 10-31-07

PRINTED NAME ROGER E. WALTER JR.

TITLE Director

STATE OF ILLINOIS, LESSEE, BY DEPARTMENT OF CENTRAL MANAGEMENT SERVICES

BY \_\_\_\_\_ DATE \_\_\_\_\_

PRINTED NAME Maureen T. O'Donnell

TITLE Acting Director

Negotiated By: James Adams October 3, 2007  
Leasing Representative Date

It is expressly understood and agreed by and between the parties hereto, anything to the contrary notwithstanding, that each and all of the warranties, indemnities, representations, covenants, undertakings and agreements herein made on the part of the Trustee while in form purporting to be the warranties, indemnities, representations, covenants, undertakings and agreements of said Trustee are nevertheless each and every one of them, made and intended not as personal warranties, indemnities, representations, covenants, undertakings and agreements by the Trustee or for the purpose or with the intention of binding said Trustee personally but are made and intended for the purpose of binding only that portion of the trust property specifically described herein, and this instrument is executed and delivered by said Trustee not in its own right, but solely in the exercise of the powers conferred upon it as such Trustee; and that no personal liability or personal responsibility is assumed by nor shall at any time be asserted or enforceable against the undersigned land trustee, on account of this instrument or on account of any warranty, indemnity, representation, covenant or agreement of the said Trustee in this instrument contained, either expressed or implied, all such personal liability, if any, being expressly waived and released.

## EXHIBIT B – IMPROVEMENTS

### Lease #4847

As requested by the Using Agency, and as a condition of the Lease, the following work is to be performed to renovate the listed areas of the Westside ATC.

1. Toilet Rooms including showers, Janitor closets, and laundry rooms in each of four wings will be demolished and reconstructed. The renovation will include removal of concrete floors, plumbing, walls, ceilings and replacement of lighting and ventilation. Work is to be completed one wing at a time.
2. Seal Coating.
3. Remove and replace stained/damaged ceiling tile.
4. Remove and replace missing/damaged VCT and base.
5. Replace missing corner protectors.
6. Remove and replace damaged/inoperable drinking fountains.
7. Remove and replace sprinkler heads/escutcheons.
8. Remove and replace faucets and spout in dietary prep area.
9. Remove and replace tile and base in dietary prep area.
10. Remove and replace counters in serving area.
11. Convert dining area restroom into storage room.
12. Replace carpet/base in videoconference room.
13. Replace carpet/base in conference room, classroom, and administrative offices.
14. Install wall padding in weight room.

The Lessor shall issue, or cause to be issued, construction documents based upon the programmatic information provided herein with the input of the Using Agency for design decision-making. The Using Agency reserves the right to review and approve all design, construction documents and related drawings prior to beginning construction of the tenant build-out for general conformity with this Exhibit B (see Appendix I). Such approval will incorporate the construction documents into the lease as a portion of the improvement exhibit, Exhibit B. Record drawings indicating the conditions of the tenant space upon occupancy, including location of walls, electrical devices, mechanical equipment and devices, and all major components of the facility, shall be provided to the Using Agency upon occupancy of the tenant space.

Lessor, Lessee and the Using Agency acknowledge that time is of the essence in completing the improvements listed above. Therefore, the Using Agency agrees to complete the review of design and construction documents and provide improvement specifications to the Lessee, or the Lessee's representative in a timely manner and approvals will not be unreasonably withheld.

The Lessor shall provide IDOC with a construction schedule detailing the sequence of work by trade and probable dates of completion of work performed by each trade. The schedule shall also provide the expected completion date of all work. The Lessor shall be responsible for notifying IDOC of any changes to the schedule and date of completion.

The Lessor shall provide all necessary Construction Documents, permits, certificates, and other documents as may be required for the purpose of any construction relating to this property in accordance with all governing federal, state and local codes, laws, regulations, standards and policies. In the absence of specific seismic design and construction standards in the local building code, the standards of the latest edition of the Uniform Building Code shall be met.

Lessor shall conform to the requirements of the Architecture Practice Act of 1989 [225 ILCS 305], which requires an Illinois Licensed Architect complete the project and seal Construction Documents unless interior alterations do not involve life safety or structural changes. Interior alterations which result in life safety or structural changes are subject to the requirements of the Act.

All construction must be done by mechanics or workmen skilled in their respective trades must be done in a workmanlike manner and present an industry standard appearance acceptable to the Using Agency.

Prevailing wages shall be included in the contracts and advertised specifications to which any public body, as defined in the Prevailing Wage Act [820 ILCS 130 et seq], is a party, for the construction, reconstruction, maintenance and/or repair of public buildings or public works within the State of Illinois which requires or involves the employment of laborers, workers, mechanics and owner/operators. Minimum wages, overtime rate and fringe benefits certified by the Illinois Department of Labor shall be paid.

Furthermore, the scale of prevailing wages to be paid shall be posted by the contractor in a prominent and easily accessible place at the site of work.

All work must comply with the Illinois Accessibility Code, Capital Development Board, April 1997, and the Environmental Barriers Act [410 ILCS 25]. All work must comply with the Americans with Disabilities Act of 1990 and all regulations promulgated pursuant thereto by the U.S. Department of Justice.

**EXHIBIT C – PAYMENT OF RENT**

**IMPROVEMENT ALLOWANCE (\$1,000,000.00)**

Improvement Allowance in the amount of \$1,000,000.00 has been incorporated in the Lease and is included in the rental payment. The Improvement Allowance shall only be utilized for work requested at the sole discretion and benefit of the Department of Corrections during the tenant improvement phase of the project. Any additions to the work and associated cost shall be authorized by the Using Agency prior to commencement of the additional work in the form of a fully executed Allowance Authorization Form. The State shall at its sole discretion determine the use of any unused portion of the Improvement Allowance at the completion of the build-out of the space. All parties acknowledge that the Improvement Allowance is an estimate. If the fair and reasonable costs of the improvements exceed \$1,000,000.00, the parties agree to execute an amendment to the Lease within 60 days for the work.

**EARLY TERMINATION**

If the Lessee elects to terminate this Lease upon the 36<sup>th</sup> lease month as provided in Article 1.06, the Lessee will repay the unamortized portion of the Tenant Improvements in the amount of \$654,554.30 to the Lessor upon termination. If the Lessee elects to terminate this Lease at any time prior to the 85th lease month, the Lessee will repay the unamortized portion of the Tenant Improvements Lessor upon termination. [Tenant Improvements/Improvement Allowance not to exceed \$1,000,000.00 to be amortized at 10% interest over 7 years.]

**RENT SCHEDULE**

Year	Net Base Rent/RSF	TI Amort/RSF	Rent/RSF	Monthly Rent	Annual Rent
Year 1 (12/1/07 – 11/30/08)	\$8.44	\$4.27	\$12.71	\$49,463.08	\$593,556.96
Year 2 (12/1/08 – 11/30/09)	\$8.78	\$4.27	\$13.05	\$50,786.25	\$609,435.00
Year 3 (12/1/09 – 11/30/10)	\$9.13	\$4.27	\$13.40	\$52,148.33	\$625,779.96
Year 4 (12/1/10 – 11/30/11)	\$9.50	\$4.27	\$13.77	\$53,588.25	\$643,059.00
Year 5 (12/1/11 – 11/30/12)	\$9.88	\$4.27	\$14.15	\$55,067.08	\$660,804.96
Year 6 (12/1/12 – 11/30/13)	\$10.18	\$4.27	\$14.45	\$56,234.58	\$674,814.96
Year 7 (12/1/13 – 11/30/14)	\$10.49	\$4.27	\$14.76	\$57,441.00	\$689,292.00
Year 8 (12/1/14 – 11/30/15)	\$10.80	0	\$10.80	\$42,030.00	\$504,360.00
Year 9 (12/1/15 – 11/30/16)	\$11.12	0	\$11.12	\$43,275.33	\$519,303.96
Year 10 (12/1/16 – 11/30/17)	\$11.45	0	\$11.45	\$44,559.58	\$534,714.96
<b>Term Total:</b>					<b>\$6,055,121.76</b>

The Lessee expressly reserves the right granted in Article 4.05 to make proposals and negotiate for a (i) reduction in base rent, (ii) an increase in the rent concessions, (iii) additional Improvements, or (iv) additional refurbishment allowances in connection with exercising the renewal option stated in the Lease. The Lessor is under no obligation to agree to such proposals, in which event, upon notification of the exercise of the lease renewal option by the Lessee, the rates set forth in this Exhibit C will take effect.

**HOLDOVER RENT**

If, after the expiration of the Lease at the one hundred twentieth month, Using Agency retains possession of the Premises, monthly Holdover Rent, paid in arrears, will be \$11.68/RSF.



**EXHIBIT C – PAYMENT OF RENT (continued)**

**PREPAYMENT**

If this lease provides for amortized costs of any kind including but not limited to tenant improvements, which are paid for by the Using Agency as a portion of rent payable to the Lessor, the Using Agency shall have the option to prepay the principal amount without penalty at any time during the lease. Lessor shall within 10 days of written notice of Lessee's intent to prepay such amounts, provide the current principal balance.

For State of Illinois Use Only – 1 <sup>st</sup> Year of Term Only	
<u>\$8.44</u>	Annual Sq. Ft./Base Rent
<u>\$ .40</u> est.	Gas *
<u>\$1.40</u> est.	Electric *
<u>\$ .09</u> est.	Water *
<u>\$1.50</u> est.	Janitor *
-	Other Costs
<u>\$4.27</u>	Tenant Improvement Cost
<b>\$16.10</b>	<b>Estimated Full Service Cost</b>

\* The above-referenced costs are to be paid by the Using Agency.

**BUSINESS HOURS**

Using Agency may request the services specified in Article 3.01 during regular "Business Hours" (defined as from 6:00 a.m. through 6:00 p.m. Monday through Friday and from        a.m. to        p.m. on Saturday). Using Agency may request the services specified in Article 3.01 outside of "Business Hours" or on Holidays and the same shall be supplied to Using Agency upon Using Agency's advance notice. The cost for building maintenance shall be charged to the Using Agency based on the current local 399 union contract pay rate (this will include salary and benefits). The costs of these additional services shall in no event exceed the Lessor's actual costs for supplying the services.

**TAX EQUITY**

If during the term of the lease, the General Assembly, or any other governmental body enacts legislation the effect of which is to reduce the property taxes on the leased property, then if landlord is responsible for paying such taxes under the lease, tenant shall be entitled to a reduction in base rent proportional to any such reduction of taxes.

**TAX ESCALATIONS**

If this Lease provides for reimbursement of increases in Property Taxes to Lessor, the increases paid by the State shall not exceed three (3%) percent per year from the Base Year when the leased property becomes fully assessed after completion of all tenant improvements.

This Lease provides for reimbursement of increases in Property Taxes to Lessor; the increases paid by the State shall not exceed three (3%) percent per year from the Base Year when the leased property becomes fully assessed after completion of all tenant improvements.

Lessee shall pay additional rental equal to the increase for the Lessee's proportionate share of the cost of real estate taxes for each comparable year over and above the real estate tax for the base year. The base year shall be defined as tax for the year 2006 payable in 2007. The Lessee's proportionate share is defined as that portion of the net rentable space leased by the Lessee compared to the total amount of net building rentable area. Lessee's percentage of net building rentable area is 10.21%.

Lessor shall submit to the Department of Central Management Services, a written request for additional rental due under this exhibit within 60 days after receipt of the tax bill for the second installment of taxes due on said property for each lease year. Said request must include copies of actual paid tax billings, both the base year and the current year supporting the amount requested.

**PPB****STATE OF ILLINOIS  
PROCUREMENT POLICY BOARD**

Terrence Healy, Chairman

Members: Michael Bass, Ed Bedore, Ricardo Morales, Carmen Triche-Colvin

December 8, 2008

Ms. Gwyn Gurgens  
State Purchasing Officer  
Illinois Department of Central Management Services  
405 Stratton Office Building  
Springfield, IL 62702

Pursuant to section 5-30 of the Illinois Procurement Code regarding review of State contracts, the Procurement Policy Board is requesting documentation regarding the proposed contract with reference number 22016094 – 6269 – *Notice of Lease Award – DHS – Chicago*. The Board is requesting the following documents:

- Copies of the proposed contract for the supplies or services related to this request
- Copies of the procurement business cases that relate to the proposed contract
- Copies of any form or decision memo that relates to the consideration and approval of the proposed contract
- A copy of all evaluation documents used to determine the award
- A copy of applicable policy permitting the issuance of the proposed contract

**POLICY CONCERN:**

The concern revolves around the Agency's policy that allows the eventual acceptance of a space larger than what was specified in the solicitation and the lessor's effort to assign "free space" and higher rent on the specified size in order to maintain current income levels. This response to a competitive solicitation should also create concern for CMS and the using agency that sought a space reduction when deciding what is or is not a responsive proposal and application of policy that defines such criteria. While the resultant negotiated rate is lower than current levels, the solicitation process was clearly unsuccessful in delivering alternatives. Also of concern is whether the geographic boundary established in the solicitation became a restrictive rather than descriptive specification.

**REVIEW:**

This is an initial request for documentation. The staff of the Procurement Policy Board will be reviewing the proposed contract for presentation to the Board. The Board may elect to hold a hearing or suggest additional data collection. If this becomes necessary you will be promptly notified.

Please respond to the Procurement Policy Board at 511 West Capitol, Suite 102, Springfield IL 62704.

Thank you for your cooperation.



Matt Brown  
Executive Director



RFI

## MEMORANDUM

TO: Procurement Policy Board  
 c/o Matt Brown

FROM: Marcia Armstrong

DATE: November 12, 2008

SUBJECT: Lease No. 6269  
 Department of Human Services -- 2650 W. Fulton St., Chicago

Proposed Transaction:	New Lease via RFI (Replaces L5715)
Leasing Representative:	Nick Kanellopoulos
<b>Current Lease (#5715)</b>	
Term	60 mo: December 16, 2002 – December 15, 2007
Square Footage	39,000
<b>Proposed Lease (#6269)</b>	
Headcount:	Actual: 72 Budgeted: 74
Square Footage:	39,000
Term of Lease:	60 mo: January 1, 2009 – December 31, 2013
Lease Rates/Base Rent:	\$19.75; \$20.14; \$20.54; \$20.95; \$21.37
Total Rent Value for Term:	\$4,007,250.00
Total Rent for Renewal Term (if applicable):	\$4,424,160.00
Improvements:	At Lessor's sole cost: Repair roof leakage and replace all damaged/stained ceiling tiles; clean HVAC vents; replace flood-damaged carpet with tile and shampoo all remaining carpet; strip and re-wax all tile flooring; paint entire interior; other misc. repairs.
General Allowance:	No
Lessor:	2650, LLC
Ownership:	Laurence Weiner, Gerald Nudo, Dennis Flaum, Lyle Peterson, Elliot Weiner
Holdover?	New Lease, replaces a Holdover

Extension?	No
Exercising Pre-Negotiated Renewal?	No
Termination Option:	After 36 <sup>th</sup> month with 180 day notice
Purchase Option?	N/A
CDB Certification?	Yes
<u>Lease Rationalization</u>	<p>The agency has been in this facility since December 16, 2002. This facility houses Human Capital Development, which administers all aspects of public assistance to a large geographic area. This office serves between 250-300 clients daily. This space meets the agency's programmatic needs.</p> <p>The existing lease contained a pre-negotiated renewal option which we opted not to exercise as we felt that the renewal rate, at \$23.89, was too high. This project was bid via RFI for, among other things, 32,000 square feet of office space with boundaries that were approved by DHS. Only the incumbent Lessor submitted a responsive proposal. The proposal was for 32,000 square feet of office space at \$25.00, plus 7,000 square feet of free space (the agency is currently using 39,000 square feet at the facility). After BAFO and additional negotiations, we were able to lower the base rent to \$19.75. The proposed new lease is for the full 39,000 square feet at the significantly reduced rate.</p>

<u>Rent Comparison</u>			
Current Lease:			
Sq. Ft. 39,000			
<b>Current Lease Rates</b>		<b>Proposed Lease Rates</b>	
Base Rent: \$23.42		Base Rent: \$19.75, \$20.14, \$20.54, \$20.95, \$21.37 % Increase per Year: 15.7 % decrease year 1 2% annual increases years 2-5	
		Base Rent, Ren Term: \$21.80, \$22.24, \$22.68, \$23.13, \$23.59 % Increase per Year: 2% annual	
Base Rent	\$23.42	Base Rent	\$19.75
Operating Expenses	Included	Operating Expenses	Included
Taxes	\$0.55	Taxes	\$0.56
Gas	\$0.45	Gas	\$0.46
Electric	\$1.45	Electric	\$1.49
Water/Sewer	Included	Water/Sewer	Included
Lamps/Ballasts	Included	Lamps/Ballasts	Included
Janitorial	\$0.86	Janitorial	\$0.88
Garbage	\$0.09	Garbage	\$0.10
Pest Control	Included	Pest Control	Included
Fire Extinguishers	Included	Fire Extinguishers	Included
Snow/Ice Removal	Included	Snow/Ice Removal	Included
Landscaping	Included	Landscaping	Included
Mat Service	\$0.04	Mat Service	\$0.05
Air Freshening	Included	Air Freshening	Included
Security	\$1.91	Security	\$1.95
Alarms	\$0.03	Alarms	\$0.04
<b>Total Direct Costs</b>	<b>\$28.80</b>	<b>Total Est. Direct Costs</b>	<b>\$25.34</b>
CMS Indirect Costs	\$0.82	Est. CMS Indirect Costs	\$0.84
<b>TCO</b>	<b>\$29.62</b>	<b>Yr 1 Estimated TCO</b>	<b>\$26.18</b>
<b>Total Annual Cost</b>	<b>\$1,155,180.00</b>	<b>Yr 1 Est. Total Annual Cost</b>	<b>\$1,021,020.00</b>
<b>Real Estate Taxes:</b> Using Agency pays tax escalation over base year of 2003 payable 2004. \$21,364.28 paid in FY08		<b>Real Estate Taxes:</b> Using Agency pays tax escalation over base year of 2007 payable 2008.	

The base lease rates are within the market range adjusted for the area, which according to current market data is \$15.94 to \$24.47 per square foot.

**CMS**

STATE OF ILLINOIS  
DEPARTMENT OF CENTRAL MANAGEMENT  
SERVICES

REAL ESTATE LEASE NO. 6269

LEASE

BETWEEN

STATE OF ILLINOIS,

THE DEPARTMENT OF CENTRAL MANAGEMENT SERVICES, AS LESSEE

AND

2650, LLC, AS LESSOR

AT

2650 W. FULTON

CHICAGO, ILLINOIS 60612

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STATE OF ILLINOIS  
DEPARTMENT OF CENTRAL MANAGEMENT  
SERVICES

REAL ESTATE LEASE

LEASE CONTROL NO. 6269

LEASE AGREEMENT

ARTICLE I. BASIC LEASE PROVISIONS

1.01 DATE AND PARTIES

This Lease (this "Lease") entered into this 25th day of September, 2008 by and between 2650, LLC, (the "Lessor") and the State of Illinois, Department of Central Management Services for the use of the State entities specified herein (the "Lessee"). The using agency is: Department of Human Services

**This Lease supersedes and declares null and void Lease No. 5715**

1.02 NOTICES

All notices provided to be given under this Agreement shall be given by certified mail and shall be deemed received by the party designated to receive such notice three (3) days following the date of deposit in the United States Mail and addressed to the proper party, at the following address:

Lessor: 2650, LLC  
55 E. Jackson Boulevard  
Suite 500  
Chicago, Illinois 60604

Lessee: Department of Central Management Services  
Transactions & Property Administration  
721 Stratton Office Building  
Springfield, Illinois 62706

Emergency: N/A  
Telephone: 313.884.5400

Attention: N/A

Attention: Manager, Transactions & Property Administration

With a copy to: Aja Bracey  
Marc Realty  
300 N. Elizabeth, 1<sup>st</sup> Floor  
Chicago, Illinois 60607

Telephone: 312.243.8000

Facsimile: 312.666.7459

E-mail: abraacey@marcrealty.com

With a copy to: Henry Johnson  
Department of Human Services  
Bureau of Administrative Services  
401 S. Clinton, 4<sup>th</sup> Floor  
Chicago, Illinois 60607

Telephone: 312.793.4312

Facsimile: 312.793.8356

E-mail: henry.p.johnson@illinois.gov



**1.03 PREMISES**

Lessor leases to Lessee upon the terms and conditions contained in this Lease, the "Premises" consisting of 39,000 rentable square feet of office space on the Ground floor. The Premises are located in the building containing 49,682 rentable square feet and further identified as the "Building":

2650 W. Fulton

Chicago, Illinois

County of Cook

~~Lessor shall provide \_\_\_\_\_ useable square feet of dry, lockable storage space as shown in Exhibit A-2. [INTENTIONALLY OMITTED]~~

Lessee shall have the right, in common with others, to use the "Common Area Facilities" of the Building which may include, but are not limited to, passenger and freight elevators, loading docks, sidewalks, parking areas, driveways, hallways, stairways, public restrooms, common entrances, lobby, emergency systems, and other similar public areas and access ways of the Building and the Land.

Lessee's percentage of Net Building Rentable Area: 78.5%

**1.04 AREA MEASUREMENT**

For purposes of this Lease, the Premises and the Building shall be based on Area Measurement Rules, Section 5000.310, Illinois Administrative Code derived from "Standard Method of Measuring Floor Area in Office Buildings," Building Owners and Management Association (BOMA), International.

**1.05 LEASE TERM**

The initial term of this Lease is for 60 months and shall begin on January 1, 2009 (the "Lease Commencement Date"), and shall expire on December 31, 2013 (the "Lease Expiration Date"). The term of this Lease shall be referred to as the "Lease Term."

**1.06 EARLY TERMINATION**

Lessee shall have the option to terminate this Lease upon the end of the thirty - sixth (36th) month by providing one hundred eighty (180) days' prior written notice to the Lessor.

**1.07 IMPROVEMENTS**

The parties agree that the "Improvements" in the attached Exhibit B (the "Improvements") shall be the full scope and definition of work required to be made by the Lessor at his or her sole cost and expense under the terms of this Lease. Improvements shall be completed 180 days after the Lease Execution Date. All costs expended by the Lessor and all contracts entered into by the Lessor for the performance of the Improvements on behalf of the Lessee shall be subject to review by Lessee upon written notice.

Lessor shall, at the request of Using Agency, Department of Human Services, provide certain tenant improvements, special to the needs of the Agency, associated with general work relating to electrical, telephone outlets and cabling. Lessor shall, in providing these tenant improvements utilize the electrical contractor identified by the Department. This contractor may change from time to time as the result of the open competitive bid process. Lessor shall bill, as additional rent payable as a lump sum, the Department for said services at rates established in the referenced electrical contract and the Department will cause to be issued State Warrants in amounts equaling said rates of additional rent, at a cost not to exceed \$10,000.00 for each State Fiscal Year.

**ARTICLE II. LESSEE'S OBLIGATION TO PAY RENT**

**2.01 RENT**

Lessee shall pay Rent to Lessor (the "Rent"), in accordance with the Rent Schedule attached as Exhibit C. Lessee shall pay the monthly Rent, in arrears, subject to legislative appropriation, by State warrant. The Rent shall be prorated on a per diem basis based on 365 days for the first month or the last month of the Lease Term if the Lease Commencement Date is not the first day of a calendar month, or the Lease Expiration Date is not the last day of a calendar month. Send payment to: 2650, LLC c/o Marc Realty 55 E. Jackson, Suite 500 Chicago, Illinois 60604 Attn: Accounting Department.

## ARTICLE III. LESSOR'S OBLIGATIONS

### 3.01 CARE AND MAINTENANCE

Lessee accepts the Premises as presently constituted except for non-compliance by Lessor with all applicable building, fire, and life safety codes and latent defects, and further subject to the completion of Improvements required to be made by Lessor, if any, in strict conformity with the provision of Article 1.07 (IMPROVEMENTS) herein.

Lessor shall provide Lessee with the services stated below at Lessor's sole cost and expense and in a manner consistent with those services provided by other lessors of similar buildings of comparable age, condition, character, size, and lessee composition in the same geographic market sector.

- A. ~~Power as required to supply heating, cooling, and ventilation to maintain the Premises at or below 78 degrees Fahrenheit during cooling season and at or above 68 degrees Fahrenheit during heating season.~~ [INTENTIONALLY OMITTED]
- B. ~~Power as required by Lessee for all necessary fixtures and equipment.~~ [INTENTIONALLY OMITTED]
- C. Necessary commercial grade fixtures for heating, cooling, water, electricity, plumbing, and all maintenance and repairs.
- D. Installation and maintenance of an adequate ventilating system to maintain air exchange levels in conformance with all applicable codes.
- E. Fluorescent lamps, ballasts, and all necessary repair or replacement expenses related to such lighting.
- F. Hot and cold potable water and sewer as required by Lessee.
- G. ~~Cleaning service and scavenger service to keep Premises clean, healthful, and sightly as per attached Janitorial Services (Exhibit D).~~ [INTENTIONALLY OMITTED]
- H. Comprehensive exterminating service to ensure Premises are pest and rodent free.
- I. ~~Elevator service where applicable, shall be provided twenty-four (24) hours/day, seven (7) days/week, including Holidays and the period during which Lessee moves into and out of the Premises.~~ N/A
- J. Service and maintenance of fire extinguishers.
- K. Snow and ice removal from sidewalks and parking areas adjacent to the Premises.
- L. Maintenance of lawn and shrubs.
- M. Parking for 150 vehicles. General maintenance of parking lot.  
Address of parking lot: Two lots: 1.) East of Building 2) 2731 W. Fulton. Parking shall be available and accessible to Lessee for Lessee's use twenty-four (24) hours per day, seven (7) days per week.
- N. Provide for surface mounted raceways or wall cavity conduit that allows Lessee to install computer and telecommunications wiring.
- O. All general maintenance and repairs not caused by Lessee's negligence.
- P. Maintenance of and service to all Common Area Facilities, which shall include cleaning, HVAC, electrical current and illumination, repairs, replacement, and trash disposal.
- Q. Operation, maintenance and monitoring of all security systems and life safety systems.
- R. The Lessor shall provide the above services during the Business Hours specified in Exhibit C.
- S. ~~Operating Expenses will exclude the items listed in Exhibit E, Operating Expense Exclusions.~~ [INTENTIONALLY OMITTED]
- T. ~~Other (Strike if not applicable).~~ [INTENTIONALLY OMITTED]

### **3.02 ELECTRICITY**

Electricity shall be paid for by the Lessee.

### **3.03 LIFE SAFETY AND SECURITY REQUIREMENTS**

Lessor shall maintain the Life Safety and Security systems and shall comply with all requirements of all prevailing governmental authorities having or claiming jurisdiction over the Building and the Common Area Facilities.

### **3.04 ACCESSIBILITY**

Lessor acknowledges that compliance with the Environmental Barriers Act and the Illinois Accessibility Code is a continuing obligation of Lessor requiring any and all elements and space altered improved, or newly constructed to conform to the applicable technical standard described in the Code. Lessor further acknowledges sole responsibility for the obligations of an owner under the Americans with Disabilities Act of 1990 and all relevant regulations promulgated thereunder.

## **ARTICLE IV. LESSEE'S RIGHTS AND OPTIONS**

### **4.01 SUBLEASING AND ASSIGNMENT**

Lessee may sublease all or any part of the Premises or assign this Lease upon the prior written consent of Lessor, which consent shall not be unreasonably withheld, conditioned, or delayed.

### **4.02 SUBSTITUTION**

Lessee may substitute using agencies in the Premises upon thirty (30) days' written notice to the Lessor.

### **4.03 ALTERATIONS**

Lessee may make improvements, additions, installations, decorations, and changes ("Alterations") of a non-structural nature to the Premises without Lessor's prior written approval. Non-structural Alterations means any Alterations which do not affect any of the major Building systems or structural components. Lessee may make any other alterations to the Premises with the prior written consent of the Lessor, which consent shall not be unreasonably withheld, conditioned, or delayed.

### **4.04 LESSEE SIGNAGE**

Lessor, at its sole cost and expense, shall provide Lessee with identification and signage in accordance with Lessee's specifications as shown in Exhibit B.

### **4.05 RENEWAL OPTION**

The Lessee has the right to renew the Lease for a further period of 60 months at the rate(s) shown in Exhibit C Renewal Option, subject to the following modifications: 1) Rent payments representing the value of any fully amortized Lessee Improvements shall be deducted from Rent; 2) Lessee may request and negotiate with the Lessor for additional Rent concessions, subject to the maximum renewal rental rates and concessions specified in Exhibit C, provided Lessee gives ninety (90) days' written notice to Lessor of its intention to exercise such option.

### **4.06 EXPANSION OPTION**

### **4.07 PURCHASE OPTION [INTENTIONALLY OMITTED]**

~~Lessor grants to Lessee a purchase option (see attached Exhibit J, Purchase Option) at the then fair market value less the value of improvements paid for by the Lessee in accordance with Section 5000.380 Improvements of the Illinois Administrative Code.~~

### **4.08 TELECOMMUNICATIONS**

Lessor shall impose no fee on Lessee's telecommunications line, including fees on the vendor of telecommunication services. Additionally, Lessee's choice of telecommunications vendor shall not be unreasonably restricted by Lessor.

## ARTICLE V. LIABILITY

### 5.01 INSURANCE AND INDEMNITY

#### A. Lessor's Insurance

Lessor shall maintain in full force and effect during the Lease Term all-risk property damage insurance for the Building and the Common Area Facilities and all improvements on the Land and the Lessee Improvements described in Exhibit B (Improvements), in the amounts of the full replacement values thereof, as the values may exist from time to time. Boiler and Machinery Insurance; Comprehensive General Liability Insurance, including Contractual Liability, on an occurrence basis with limits of not less than \$5,000,000 per occurrence (this may be accomplished in the form of one policy and/or a combination of a primary policy and umbrella excess totaling \$5,000,000); Worker's Compensation and Employer's Liability Insurance for all of Lessor's agents, employees, and contractors; Automobile Liability Insurance for any automobiles or vehicles operated by Lessor, its agents, employees, or contractors in connection with the operation or maintenance of the Building and the Common Area Facilities, with limits of not less than \$1,000,000. Lessor's insurance shall be issued by insurance companies licensed to do business in the state where the Building is situated, with a general policyholder rating of at least A-and a financial rating of at least V in the most current Best Insurance Report available at the time of execution of this Lease. If the Best's ratings are changed or discontinued, Lessor and Lessee shall agree to an equivalent method of rating insurance companies. Lessor shall annually provide a Certificate of Insurance that meets these specifications to CMS upon request.

#### B. Lessee's Insurance

Lessee is self-insuring. A Certificate of Insurance of the Lessee's self-insurance coverage will be provided upon request. Limits of coverage are in accordance with existing State of Illinois statutes.

### 5.02 ENVIRONMENTAL ASSESSMENT

Lessor acknowledges that compliance with the National Emission Standard for Hazardous Air Pollutants promulgated by the United States Environmental Protection Agency pursuant to Section 112 of the Clean Air Act is a continuing obligation of the Lessor requiring any demolition or renovation activity completed on behalf of the State of Illinois to comply with the standards set forth in 40 CFR 61.145.

Lessor agrees to indemnify, defend, and hold Lessee harmless from any costs and expenses, including attorney fees, incurred by Lessee, due to any liability arising from mold, asbestos claims or from any liability arising from any claims due to the presence of Hazardous Materials in the Building.

### 5.03 HOLDOVER

If, after the expiration of the Lease, the Lessee retains possession of the Premises, the Lease shall continue in full force and effect on the same terms and conditions except the Lease shall be on a month-to-month basis until terminated. Rent shall be paid monthly in arrears on a prorated basis at the rate paid during the last month of the expired Lease Term less any funds being paid by the Lessee during the term towards fully amortized Lessee Improvement costs. Refer to Exhibit C for Holdover Rent amount.

## ARTICLE VI. STANDARD TERMS AND CONDITIONS

### 6.01 REQUIREMENTS OF LAW

Lessor shall be responsible for compliance, at Lessor's sole cost and expense, with all statutes, rules, ordinances, orders, codes and regulations, and legal requirements and standards issued thereunder, as the same may be enacted and amended from time to time (collectively referred to in this Lease as the "Laws"), which are applicable to all or any part of the physical condition and occupancy of the Building, the Common Area Facilities, or the Land or additions thereto.

Lessor represents and warrants that the Building, the Common Area Facilities, and the Premises are in compliance with the Laws as of the Lease Commencement Date.

Lessor shall also obtain, at Lessor's sole cost and expense, any permit, license, certificate, or other authorization required for the lawful and proper use and occupancy by Lessee or any other party of all or any part of the Premises, and shall exhibit the same to Lessee upon Lessee's request.

Lessor acknowledges that compliance with the Environmental Barriers Act and the Illinois Accessibility Code is a continuing obligation of Lessor requiring any and all elements and space altered, improved, or newly constructed to conform to the applicable

technical standard described in the Code. For facilities carrying out programs funded in whole or in part by Federal funds, the Lessor shall comply with the requirements of Section 504 of the Rehabilitation Act of 1973.

Lessor shall notify Lessee of any violation notices or waivers of building, OSHA or life safety codes, or outstanding insurance carrier recommendations that Lessor receives, with respect to the Building and the Common Area Facilities. Lessee shall notify Lessor of any OSHA violation notices with respect to the Premises. Lessor shall be responsible for the compliance of the Common Area Facilities with applicable laws relating to architectural barriers to the disabled, including but not limited to the law commonly known as the "Americans with Disabilities Act of 1990" (the "ADA") and all relevant regulations promulgated thereunder. Lessor hereby agrees to indemnify, defend, and hold Lessee harmless from all loss, cost, liability, or expense, including reasonable attorney fees, resulting from its failure to comply with all laws relating to the Premises and condition of the Common Area Facilities, including but not limited to the ADA.

#### **6.02 PREVAILING WAGE**

All Lessee Improvement work completed on behalf or for the use of the Lessee shall be performed at not less than the prevailing hourly wage rate as determined by the Illinois Department of Labor.

#### **6.03 FISCAL FUNDING**

This Lease shall be subject to termination and cancellation without penalty in any year for which the General Assembly fails to make an appropriation to pay the Rent or other obligations of Lessee hereunder. Lessor acknowledges that all obligations of the Lessee shall also immediately terminate in the event any Federal funding source, upon which the Lessee is dependent to pay Rent or other charges under the terms of this Lease, fails to appropriate or otherwise make available the funds required.

### **ARTICLE VII. LOSS OF PREMISES**

#### **7.01 DAMAGES/UNTENANTABILITY**

If the Premises or the Building are totally destroyed by fire or any other casualty, this Lease shall automatically terminate as of the date of such destruction. If any portion of the Building, the Common Area Facilities, or the Premises are damaged to the extent that Lessee cannot use any portion of the Building, or Common Area Facilities, or the Premises to conduct its business for at least ninety (90) days, Lessee may terminate this Lease as of the date of damage by notice to Lessor within thirty (30) days after such date. If the Building or any portion of the Common Area Facilities or the Premises are damaged by fire, casualty, or any other cause then, except as provided below, the damage shall be promptly repaired by and at the sole cost and expense of Lessor. Until such repairs and restoration are completed, the rent shall be abated in proportion to the portion of the Premises or Common Area Facilities that are unusable or inaccessible by Lessee in the conduct of its business by virtue of such casualty.

#### **7.02 CONDEMNATION**

If, during the term of this Lease or any renewal, the whole or part of the Premises is condemned so as to make the Premises unusable or a considerable loss of utility results, the Lessee may terminate the Lease by giving at least thirty (30) days' written notice. Lessee will be entitled to a portion of any award to the extent of any unamortized improvement costs paid for directly or indirectly by Lessee.

### **ARTICLE VIII. ESTOPPEL**

#### **8.01 ESTOPPEL CERTIFICATE**

Lessee shall, upon written request from Lessor, execute, acknowledge, and deliver to Lessor a written statement certifying that the Lease is unmodified and in full force and effect, or that the Lease is in full force and effect as modified and listing the instruments of modification; the dates to which the Rents and other charges have been paid; and whether or not to the best of Lessee's knowledge Lessor is in default hereunder and, if so, specifying the nature of the default.

## ARTICLE IX. NON-DISTURBANCE AND QUIET ENJOYMENT

### 9.01 NON-DISTURBANCE

This Lease and any extensions of the term hereof shall be subordinate, at the option of Lessor, to any and all encumbrances given by Lessor on the Premises or to secure funds for any building to be constructed by Lessor or the completion of other renovations or improvements to the existing structures located on the Premises to be performed by Lessor. Lessee agrees to enter into and execute a written Agreement of Subordination, Non-Disturbance and Attornment in the form provided in Exhibit F attached hereto provided, however, that such agreement previously executed by the Lender specified therein shall be tendered to Lessee simultaneously with this Lease following execution of this Lease by Lessor.

### 9.02 QUIET ENJOYMENT

Lessee shall have the peaceful and quiet enjoyment and possession of the Premises without any interference from Lessor or any person claiming by, through, or under Lessor.

## ARTICLE X. DISPUTES

### 10.01 DEFAULT BY LESSOR

If Lessor fails to perform any of its obligations under this Lease (a "Lessor Default"), Lessee may give Lessor notice specifying the Lessor Default. If a cure is not accomplished within fifteen (15) days after receiving notice from Lessee or within a reasonable period of time thereafter or if the Lessor Default cannot be cured within fifteen (15) days and Lessor is not pursuing a cure with due diligence, then in addition to all rights, powers, or remedies permitted by Law, Lessee may (i) correct the Lessor default and deduct the cost from the Rent; or (ii) withhold the payment of Rent and any other sums due hereunder until Lessor has corrected the specified Lessor Default; or (iii) upon the failure of Lessor to cure any Lessor Default within thirty (30) days of receipt of notice thereof, Lessee shall have the right to seek the judicial remedy of specific performance, or to terminate this Lease by providing Lessor with notice of such termination.

### 10.02 REDUCTION OF SERVICES

The Rent is based in part upon services that Lessor shall provide as described in Section 3.01 (CARE AND MAINTENANCE). If, for any reason, Lessor does not provide any or all of these services in the manner described in Section 3.01 for more than five (5) consecutive days following notice of such failure from Lessee, the Rent shall be abated on a per diem basis for the period of interruption beginning with the date the interruption in services began and ending when the services are fully restored.

### 10.03 SELF HELP

In the event that the Lessor has failed to perform any of its services or maintenance within the Premises, then Lessee shall have the right to perform such maintenance or service and charge Lessor. Lessee may offset the associated costs against rent if Lessor does not pay Lessee's invoices.

### 10.04 GOVERNING LAW

This Lease, and the rights and obligations of the parties hereto, shall be construed and enforced in accordance with the laws of the State of Illinois.

## ARTICLE XI. MISCELLANEOUS

### 11.01 FORCE MAJEURE

After the Lease Commencement Date, or after Lessee takes occupancy of the Premises neither party shall be responsible to the other for any losses resulting from the failure to perform any terms or provisions of this Lease if the party's failure to perform is attributable to war, riot, acts of God, or the elements or any other unavoidable act not within the control of the party whose performance is interfered with and that by reasonable diligence such party is unable to prevent. However, neither party shall be excused from the timely performance of its obligations under this Lease for a period of time greater than ninety (90) days on account of force majeure.

#### **11.02 OCCUPANCY AND SURRENDER**

~~A using agency will be entitled to occupancy on the Lease Commencement Date. If for any reason occupancy is delayed, Lessee will not be liable for Rent until it has taken occupancy, and rental will be prorated from date of occupancy. If occupancy is not given within \_\_\_\_\_ days of the Lease Commencement Date for reasons other than the delay by causes beyond the reasonable control of the Lessor, then Lessee at its own option may terminate the Lease. (Intentionally Omitted)~~

~~Cause for delay beyond the reasonable control of the Lessor shall be the result of strikes, lockouts, or causes that could not have been reasonably foreseen by Lessor. It is understood and agreed by parties hereto that the inability of Lessor to acquire mortgage or other financing, for whatever reason, shall not constitute unforeseeable cause for delay. (Intentionally Omitted)~~

All improvements including but not limited to systems furniture and Lessee trade fixtures, including moveable partitions, panels, screens, and HVAC systems provided by Lessee, are Lessee's property and shall remain Lessee's property at the expiration of the Lease Term, unless otherwise so elected by Lessee.

Upon the termination of this Lease, Lessee's only requirement shall be to return the Premises in broom-clean condition.

#### **11.03 BINDING ON SUCCESSORS**

This Lease shall bind the parties, their heirs, successors, representatives, and permitted assigns.

#### **11.04 PARTIAL INVALIDITY**

If any provision of this Lease, or the application thereof to any person or circumstance, shall to any extent be invalid or unenforceable, the remainder of this Lease and the application of such provision to all other persons and circumstances shall not be affected and shall be valid and enforceable to the fullest extent of the law; provided, however, if the provisions of this Lease relating to Lessee's stated use of the Premises shall be determined by any government agency having jurisdiction to be invalid or unenforceable, this Lease, effective as of the date of such determination, shall be, and shall be deemed to be, void and of no further force or effect, and Lessee shall have no further obligations hereunder.

#### **11.05 WAIVER**

The failure of either party to exercise any of its right is not a waiver of those rights. A party waives only those rights specified in writing and signed by the party waiving its rights.

#### **11.06 BREACH**

Failure of the Lessor to comply with this Lease, including but not limited to the failure to complete Improvements in accordance with Section 1.07 herein or within the time as agreed upon in this Lease, or failure to make or complete in a reasonable time necessary repairs is a breach of this Lease. In the event Lessee is in possession or elects to take possession of the premises prior to completion of Improvements, Lessee shall have the option of curing the breach by reducing lease payments equal to the corresponding percentage of the improvement value to the lease value until the Lessor complies with the Lease and Improvements are certified as complying with Section 1.07 herein by the Lessee as Chief Procurement Officer and the leasing State agency. Lessee shall have the option of curing the breach by having the work done and deducting actual costs plus a reasonable administrative fee from rental payments or terminating the Lease. If the Lease is terminated, Lessee may take, or remain in, possession, making lease payments at the reduced monthly rate until suitable substitute premises are available. Rental periods less than one full month shall be prorated on a daily basis.

#### **11.07 COVENANTS BINDING**

All covenants and representations made in this Lease are dependent, and will be binding upon, apply to, and be for the benefit of any successor in interest to the parties. No provision of this Lease may be modified or additional requirements established without the express written approval of the Lessor.

#### **11.08 EXAMINATION OF RECORDS**

Lessor agrees to allow Lessee to examine all records pertaining to this Lease, to verify compliance with this Lease and costs associated with this Lease.

#### **11.09 OWNERSHIP**

Lessor covenants and warrants that record title to the Premises is held by the Lessor or that Lessor has lawful authority and the requisite site control to enter into this Lease by virtue of other contractual agreements with the record title owner or subsequent transferees, assigns, or successors in interest (i.e., Lessee, Sub-Lessee, Contract Purchaser, Optionee, etc.). Failure by the Lessor to fully and accurately complete the provisions of Exhibit G, the Disclosure Statement, attached hereto and incorporated by reference herein, shall constitute a material breach of this Lease.

It is acknowledged that in the event of such a material breach by the Lessor, its assigns, transferees, or other successors in interest, Lessee shall be entitled to immediately terminate this Lease and vacate the Premises. In the alternative, Lessee may elect to declare the material breach but retain possession for the balance of any term remaining, and as liquidated damages and not as a penalty, to reduce rental payments and other charges due hereunder by twenty-five percent (25%) for the entire term of this Lease, including any extensions thereto or periods of holdover, or until the material breach is cured by full and complete disclosure, whichever occurs first. The foregoing reductions represent a reasonable endeavor by the parties hereto to estimate a fair compensation for the foreseeable losses to Lessee that might result from such breach.

#### **11.10 CHANGE OF OWNERSHIP OR BENEFICIAL INTEREST**

Lessee must be notified in writing by Lessor of any change in ownership and/or beneficial interest of a trust within thirty (30) days of the event. All assigns, transferees, or other successors in interest to Lessor shall be required to comply with any and all disclosure requirements of applicable Illinois law, administrative rule, or regulation governing real estate transactions. It is understood and agreed by the parties that any subsequent assigns, transferees, and other successors in interest to the Lessor shall be specifically subject to the liquidated damages provisions of the preceding Article for material breach in failing to comply with disclosure requirements.

#### **11.11 GOVERNING LAW AND JURISDICTION**

Illinois law shall be used in interpreting this Lease and in determining the rights of the parties under its terms and conditions. Jurisdiction shall be in the State of Illinois Court of Claims as to any legal action or proceeding filed by Lessor for litigation of rights or claims against the Lessee.

#### **11.12 NON-DISCRIMINATION**

Lessor, its employees, and subcontractors agree not to commit unlawful discrimination and agree to comply with applicable provisions of the Illinois Human Rights Act, the U.S. Civil Rights Act, and Section 504 of the Federal Rehabilitation Act, the Americans with Disabilities Act of 1990, and rules applicable to each. The Department of Human Rights Equal Employment Opportunity clause is incorporated by reference.

#### **11.13 TIME IS OF THE ESSENCE**

Time is of the essence of this Lease, and of each and every covenant, term, condition, and provision hereof.

#### **11.14 REMEDIES CUMULATIVE**

All remedies provided for the benefit of the Lessee under this Lease are cumulative. Lessee's selection and imposition of a particular remedy shall not be deemed an election of remedies under this Lease.

#### **11.15 ENTIRE AGREEMENT**

This Lease and all of its written and attached Exhibits, riders, addendums, modifications, and amendments constitutes the entire agreement between Lessor and Lessee with respect to the Premises and the Common Area Facilities and may be amended or altered only by written agreement executed by both parties. Lessor warrants that it owns the Building as described herein, and each party warrants that it is authorized to enter into this Lease.



## 11.16 ATTACHMENTS

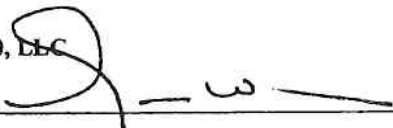

The following exhibits are part of this Lease and were attached before this Lease was signed by the parties:

Exhibits:

- B. Improvements
- C. Base Rent Schedule
- D. Janitorial Specifications Acknowledgement
- F. Subordination, Non-Disturbance, and Attornment Agreement
- G. Real Estate Disclosure Statement
- H. Lessor Certification
- I. Federal Tax Identification Number

11.17 AUTHORITY TO EXECUTE

Parties signing this Lease on behalf of the Lessor certify that they have authority to execute the Lease and to commit to all described covenants.

LESSOR: 2650, LLC  
BY  DATE 9/29/08  
PRINTED NAME LAURENCE WEIMER  
TITLE MANAGER  
ATTEST 

STATE OF ILLINOIS, LESSEE, BY DEPARTMENT OF CENTRAL MANAGEMENT SERVICES

BY \_\_\_\_\_ DATE \_\_\_\_\_  
PRINTED NAME James P. Sledge  
TITLE Director

Negotiated By: Nick Kanellopoulos 9/25/08  
Leasing Representative Date

## EXHIBIT B – IMPROVEMENTS

LEASE NO. 6269  
Department of Human Services  
2650 W. Fulton Chicago, Illinois 60607

### I. Scope of Work

A. Tenant Improvement Work may be contracted for as a provision in a lease. In any event, the improvements are integrally related to CMS leasing authority and must be approved by CMS Division of Transactions & Property Administration. (Administrative Code, Title 44, Subtitle D, Chapter 1, Part 5000, Section 500.380 Improvements)

II. The Lessor shall be responsible to furnish all labor and materials to complete Work as noted below. Including the cost of labor to move the furniture and equipment of the Using Agency during the carpet and paint improvement process. Lessor agrees that Tenant Improvements will be completed during non-business hours, weekends or holidays subject to the approval of the Using Agency.

1. Repair roof where leakage occurs and provide certification of repair
2. Replace all damaged or stained ceiling tiles
3. Clean all HVAC vents
4. Remove flood-damaged carpeting in north area of building and replace with tile
5. Ensure that no water comes into building at rear north exit
6. Professionally clean all remaining carpeting throughout building
7. Repair dock door that has large opening to the outside( requires a sweeper to close up opening where signs of rodents are apparent and there is outside debris coming into building)
8. Strip and re-wax all tile flooring throughout premises
9. Paint entire interior of premises, in accordance with attached Appendix H
10. Remove all excess grime from all wooden doors

III. The Lessor shall be responsible for meeting or exceeding all applicable code requirements and completing work according to all governing laws, codes, regulations, standards and policies.

### IV. GENERAL REQUIREMENTS

- A. The Lessor shall provide all necessary Construction Documents, permits, certifications, and other documents as may be required for the purpose of any construction relating to this property in accordance with all governing federal, state and local codes, laws and regulations, standards and policies. In the absence of specific seismic design and construction standards in the local building code, the standards of the latest edition of the *Uniform Building Code* shall be met.
- B. The Lessor shall conform to the requirements of the *Illinois Architecture Practice Act of 1989*, Section 3, which requires an Illinois Licensed Architect complete the project and seal Construction Documents unless interior alterations do not involve structural changes.
- C. All construction must be done by mechanics or workmen skilled in their respective trades, must be done in a workmanlike manner and present an industry standard appearance acceptable to the Using Agency.
- D. Prevailing wages shall be included in the contracts and advertised specifications to which any public body, as defined in the *Prevailing Wage Act* (820 ILCS 130), is a party, for the construction, reconstruction, maintenance and/or repair of public buildings or public works within the State of Illinois which requires or involves the employment of laborers, workers, mechanics and owner/operators. Minimum wages, overtime rate and fringe benefits certified by the Illinois Department of Labor shall be paid. Furthermore, the scale of prevailing wages to be paid shall be posted by contractor in a prominent and easily accessible place at the site of work.
- E. All work must comply with the Illinois Accessibility Code, Capital Development Board, April 24, 1997, and the *Environmental Barriers Act*[410 ILCS 525].
- F. All work must comply with the Americans with Disabilities Act of 1990 and all regulations promulgated pursuant thereto by the U. S. Department of Justice.



## EXHIBIT C – PAYMENT OF RENT

### RENT SCHEDULE

Year	Rent/ RSF 39,000	Monthly Rent	Annual Rent
January 1, 2009 – December 31, 2009	\$19.75	\$64,187.50	\$770,250.00
January 1, 2010 – December 31, 2010	\$20.14	\$65,455.00	\$785,460.00
January 1, 2011 – December 31, 2011	\$20.54	\$66,755.00	\$801,060.00
January 1, 2012 – December 31, 2012	\$20.95	\$68,087.50	\$817,050.00
January 1, 2013 – December 31, 2013	\$21.37	\$69,452.50	\$833,430.00
		<b>Term Total:</b>	<b>\$4,007,250.00</b>

### RENEWAL OPTION

Year	Rent/ RSF 39,000	Monthly Rent	Annual Rent
January 1, 2014 – December 31, 2014	\$21.80	\$70,850.00	\$850,200.00
January 1, 2015 – December 31, 2015	\$22.24	\$72,280.00	\$867,360.00
January 1, 2016 – December 31, 2016	\$22.68	\$73,710.00	\$884,520.00
January 1, 2017 – December 31, 2017	\$23.13	\$75,172.50	\$902,070.00
January 1, 2018 – December 31, 2018	\$23.59	\$76,667.50	\$920,010.00
		<b>Term Total:</b>	<b>\$4,424,160.00</b>
		<b>Total Lease Value</b>	<b>\$8,431,410.00</b>

The Lessee expressly reserves the right granted in Article 4.05 to make proposals and negotiate for a (i) reduction in base rent, (ii) an increase in the rent concessions, (iii) additional Improvements, or (iv) additional refurbishment allowances in connection with exercising the renewal option stated in the Lease. The Lessor is under no obligation to agree to such proposals, in which event, upon notification of the exercise of the lease renewal option by the Lessee, the rates set forth in this Exhibit C will take effect.

### HOLDOVER RENT

If the Lease expires after December 31, 2013 and Lessee retains possession of the Premises, monthly Holdover Rent, paid in arrears, will be \$21.37/RSF. If the Lease expires after December 31, 2018 and Lessee retains possession of the Premises, monthly Holdover Rent, paid in arrears, will be \$23.59/RSF.

For State of Illinois Use Only – 1 <sup>st</sup> Year of Term Only	
<u>\$19.75</u>	Annual Sq. Ft./Base Rent
<u>\$.45</u>	Gas*
<u>\$1.45</u>	Electric*
<u>Inc.</u>	Water
<u>\$.86</u>	Janitor*
<u>\$2.31</u>	Other Costs* Security, waste removal, mat service & alarm
<u>n/a</u>	Tenant Improvement Cost
<b>\$24.82</b>	<b>Estimated Full Service Cost</b>

\* The above-referenced costs are to be paid by the Lessee.

## EXHIBIT C – PAYMENT OF RENT (continued)

### BUSINESS HOURS

The cost of services specified in Article 3.01 shall be borne by the Lessor if supplied during regular "Business Hours" (defined as from 8:00 a.m. through 6:00 p.m. Monday through Friday and from 9:00 a.m. to 3:00 p.m. on Saturday). Lessee may request the services specified in Article 3.01 outside of "Business Hours" or on Holidays and the same shall be supplied to Lessee upon Lessee's advance notice. The cost for additional HVAC or electrical services shall be at the rate of \$0 per hour. The costs of these additional services shall in no event exceed the Lessor's actual costs for supplying the services.

### PREPAYMENT

If this lease provides for amortized costs of any kind including but not limited to tenant improvements, which are paid for by the Lessee as a portion of rent payable to the Lessor, the Lessee shall have the option to prepay the principal amount without penalty at any time during the lease. Lessor shall within 10 days of written notice of Lessee's intent to prepay such amounts, provide the current principal balance.

### TAX EQUITY

If during the term of the lease, the General Assembly, or any other governmental body enacts legislation the effect of which is to reduce the property taxes on the leased property, then if landlord is responsible for paying such taxes under the lease, tenant shall be entitled to a reduction in base rent proportional to any such reduction of taxes.

### TAX ESCALATIONS

If this Lease provides for reimbursement of Property Taxes to Lessor, the increases paid by the State shall not exceed three (3%) percent per year from the Base Year when the leased property becomes fully assessed after completion of all tenant improvements.

**PROPERTY TAX:** Beginning with the first lease year and each year thereafter Lessee shall pay additional rental equal to the increase for the Lessee's proportionate share in the cost of real estate taxes for each comparable year over and above the real estate tax for the base year. The base year shall be defined (for purposes of this Exhibit) as tax for the year 2007 payable in 2008. The Lessee's proportionate share is defined as that portion of the net rentable space leased by the Lessee compared to the total amount of net building rentable area. Lessee's percentage of net building rentable area is 78.5%.

Lessor shall submit to the Department of Central Management Services, a written request for additional rental due under this exhibit within 60 days after receipt of the tax bill for the second installment of taxes due on said property for each lease year. Said request must include copies of actual paid tax billings supporting the amount requested.

**JANITORIAL SERVICES – Acknowledgement**

Department of Human Services  
2650 W. Fulton Street  
Chicago, Illinois

Pursuant to the Solid Waste Management Act [415 ILCS 20] the Using Agency is required to cooperate with the Department of Central Management Services in the implementation of recycling programs. Janitorial services contracted by the State will include the placement of recyclable material, collected in various areas of the building, into the proper containers provided by the State in a centrally located interior or exterior area of the facility for the collection by various vendors contracted by the State. The Lessor shall provide an adequate waste disposal area and vehicular access to this area in accordance with all governing laws and codes as a condition of leasing to the State of Illinois.

**EXHIBIT F – AGREEMENT OF SUBORDINATION, NON-DISTURBANCE, AND ATTORNMENT**

THIS AGREEMENT is entered into on the \_\_\_\_ day of \_\_\_\_\_, 20\_\_, by and between \_\_\_\_ (“Lender”), a \_\_\_\_ corporation having its principal offices \_\_\_\_ and the **Department of Central Management Services** (“Lessee”), 721 Stratton Office Building, Springfield, Illinois, on the basis that:

- A. Lessee and \_\_\_\_ (“Lessor”), entered into a written Lease on the \_\_\_\_ day of \_\_\_\_\_, 20\_\_ and known as Lease Control No. \_\_\_\_ (the Lease”), for certain Premises described in that Lease as \_\_\_\_\_.
- B. Lender holds a mortgage (the “Mortgage”) that encumbers the Premises in the aforesaid Lease.
- C. Lessee has agreed that the Lease shall be subject and subordinate to the Mortgage.
- D. Lender and Lessee wish to recognize the Lessee’s right to occupy the Premises according to the terms and conditions of the Lease.

It is hereby agreed, in consideration of the promises and covenants contained herein, that during the term of the Lease and any extension thereof:

1. So long as Lessee is not in default in the performance of the terms, covenants, or conditions of the Lease, Lender shall not terminate Lessee’s interest in the Premises under the Lease because of any default under the Mortgage by Lessor and Lender shall not disturb Lessee’s possession or any other right of Lessee under the Lease.

2. Tenant agrees that if the ownership interests of Lessor are transferred to and held by Lender, or its designated assigns, by reason of foreclosure or by any other legal manner, then Lessee shall attorn to Lender, or its designated assigns, and shall recognize Lender, or its designated assigns, as the successor Lessor under the Lease, provided, however, that the Lender and any other successor Lessor shall fully and expeditiously comply with the provisions of the Lease requiring Lessee to be notified of changes in ownership or beneficial interest, completion by Lessor of all requisite disclosure and related documents, and further subject to all rights of Lessee in the event of noncompliance by Lessor as set forth in paragraphs 11.10 and 11.11 of said Lease.

3. In the event the Mortgage is foreclosed, the Lease shall continue in full force and effect, except that the Lender or other successor Lessor shall not:

- a. Be bound by any prepayment of more than one month’s Rent (except for any free Rent or other Rent abatement which shall have accrued);
- b. Be bound by any amendment, modification, or termination of the Lease made without the name of the Lender or other successor Lessor, after the effective date of foreclosure, unless the amendment, modification, or ending is specifically authorized by this Lease and does not require prior agreement or consent by Lessor.

4. Lender agrees no property owned by or removable by Lessee shall be subject to the lien of the Mortgage held by Lender or any mortgage made paramount to the aforesaid Lease by means of this Agreement.

5. The terms of this Agreement shall not be affected by the renewal, modification, amendment, replacement, or extension of the Lease.

6. This Agreement shall bind and inure to the benefit of the parties hereto and their respective successors and assigns.

Lender: \_\_\_\_\_

Lessee: Department of Central Management Services

By: \_\_\_\_\_

By: \_\_\_\_\_

Its: \_\_\_\_\_

Its: \_\_\_\_\_



**Disclosure Statement**

THIS STATEMENT MUST BE COMPLETED BY THE LESSOR AND SUBSCRIBED UNDER OATH BY A MEMBER, OWNER, AUTHORIZED TRUSTEE, CORPORATE OFFICIAL, GENERAL PARTNER, MANAGING AGENT, MANAGING MEMBER, OR AUTHORIZED ATTORNEY AGENT

Illinois Law (50 ILCS 105/3.1) requires completion of this form. Disclosure is required of the identity of every owner and beneficiary (whether an individual or entity) having any interest, real or personal, in the real estate where the leased premises are situated. Every member, shareholder, limited partner, or general partner entitled to receive more than 7½% of the total distributable income of any limited liability company, corporation or limited partnership with an interest in the lease must be disclosed. FAILURE TO ACCURATELY PROVIDE ALL INFORMATION REQUESTED ON THIS FORM AND TO PROVIDE UPDATED INFORMATION WITHIN 30 DAYS OF ANY CHANGE OF OWNERSHIP MAY RESULT IN A MATERIAL BREACH OF THE LEASE AND/OR CRIMINAL SANCTIONS.

- I A. Address of Premises 2650 W. FULTON
- B. Real Estate Tax Index Number(s) 16-12-405-026/034/036  
16-12-406-001/002/003/004/005

II INDICATE INTERESTS OF ALL RECORD TITLE OWNERS, LESSOR AND ANY OTHERS IN REAL PROPERTY BY CHECKING ALL APPLICABLE BOXES AND PROVIDING REQUESTED INFORMATION AS INSTRUCTED. [NOTE: MORE THAN ONE BOX MAY REQUIRE COMPLETION.] IF ADDITIONAL SPACE IS NEEDED TO ADEQUATELY PROVIDE REQUESTED INFORMATION, ATTACH A SEPARATE SHEET TO THIS DOCUMENT.



**IDENTITY OF FEE SIMPLE RECORD TITLE HOLDER**  
 INSTRUCTIONS: LIST NAMES OF ALL OWNERS OF RECORD & DESCRIBE MANNER OR CAPACITY IN WHICH TITLE HELD (SOLE OWNER, JOINT TENANCY, TENANTS BY THE ENTIRETY, TENANTS IN COMMON, TRUSTEE UNDER LAND TRUST, TRUSTEE UNDER INTER VIVOS OR TESTAMENTARY TRUST, ETC).  
2650, LLC — SOLE OWNER



**LEASE HOLDER OR SUBLESSEE**  
 INSTRUCTIONS: LIST THE NAME(S) OF THE PRINCIPAL LESSOR (AND LESSEE IF YOU ARE A SUB-LESSEE) AND INDICATE THE BEGINNING AND ENDING DATES FOR THE TERM OF PRINCIPAL LEASE OR THE SUBLEASE TOGETHER WITH AN INDICATION OF WHETHER CONSENT TO SUBLEASE IS REQUIRED.



**LAND TRUST OR OTHER TRUST**  
 INSTRUCTIONS: LIST THE COMPLETE NAME AND NUMBER OF TRUST AND TRUSTEE'S ADDRESS AND NAMES OF ALL BENEFICIARIES. NOTE: IF THE REAL ESTATE IS HELD IN A LAND TRUST, A SEPARATE "LAND TRUST BENEFICIAL INTEREST DISCLOSURE APPLICATION" MUST ALSO BE FULLY COMPLETED AND PROVIDED.



**HOLDER OF OPTION TO PURCHASE OR INSTALLMENT CONTRACT PURCHASER**

**INSTRUCTIONS:** DESCRIBE LESSOR'S INTEREST IN THE REAL ESTATE FULLY. LIST THE PARTIES WHO CURRENTLY OWN THE REAL ESTATE AS CONTRACT SELLER (AND ASSIGNOR IF YOU ARE AND ASSIGNEE OF CONTRACT PURCHASER) AND INDICATE THE BEGINNING AND ENDING DATES FOR TERM OF CONTRACT TOGETHER WITH AN INDICATION OF WHETHER CONSENT TO LEASE OR ASSIGNMENT IS REQUIRED OF CONTRACT SELLER. IF HOLDER OF OPTION TO PURCHASE SPECIFY EXPIRATION DATE OF OPTION.



**OTHER (PLEASE DESCRIBE IN DETAIL)**

**INSTRUCTIONS:** LIST THE NAME OF ALL PARTIES WHO HAVE ANY OTHER OWNERSHIP INTEREST, LEGAL OR EQUITABLE CLAIM OF ANY TYPE IN AND TO THE REAL ESTATE.

**III IF A CORPORATION, PARTNERSHIP OR LIMITED LIABILITY COMPANY HAS AN INTEREST IN THE LEASE, COMPLETE THE APPROPRIATE PARAGRAPH(S)**

**NOTE:** IN COMPLETING THIS SECTION, IF THERE IS NO READILY KNOWN INDIVIDUAL HAVING GREATER THAN 7 1/2% INTEREST IN THE ENTITY AND THE INTERESTS, STOCK, OR SHARES IN A LIMITED LIABILITY COMPANY, CORPORATION, OR GENERAL PARTNERSHIP ARE PUBLICLY TRADED -- THEN THE REQUIREMENTS OF THE DISCLOSURE MAY BE MET BY SO STATING.

**CORPORATION - INSTRUCTIONS: PLEASE LIST**

1. The names of the president and secretary: \_\_\_\_\_
2. The name and address of the registered agent: \_\_\_\_\_  
\_\_\_\_\_
3. The names of all shareholders entitled to receive more than 7½% of the total distributable income of the corporation: \_\_\_\_\_  
\_\_\_\_\_
4. The name of the person(s) authorized to execute the lease on behalf of the corporation: \_\_\_\_\_  
\_\_\_\_\_

**LIMITED OR GENERAL PARTNERSHIP - instructions: please list**

1. The names of all partners (both limited and general partners): \_\_\_\_\_
2. The names and addresses of all partners entitled to receive more than 7½% of the total distributable income of the partnership: \_\_\_\_\_  
\_\_\_\_\_
3. The name of the person(s) authorized to execute the lease on behalf of the partnership: \_\_\_\_\_  
\_\_\_\_\_

LIMITED LIABILITY COMPANY - INSTRUCTIONS: PLEASE LIST

1. The name of the managing member: LAURENCE WEINER

2. The names and addresses of all members entitled to receive more than 7½ % of the total distributable income of the limited liability company:  
LAURENCE WEINER - 14.815%      GERARD NUDD - 29.63%  
DENNIS FLAUM - 18.52%      LYLE PETERSON - 22.22%  
ELLIOT WEINER - 14.815%

3. The name of the person(s) authorized to execute the lease on behalf of the limited liability company: LAURENCE WEINER

IV THIS PARAGRAPH MUST BE COMPLETED BY ALL PARTIES

ARE ANY OF THE PERSONS LISTED ABOVE ELECTED OR APPOINTED OFFICIALS, EMPLOYEES OF THE STATE OR THE SPOUSE OR MINOR CHILD OF SAME?

NO     YES    If "YES", explain employment status and identify familial relationship.

V THIS PARAGRAPH MUST BE COMPLETED BY ALL PARTIES

I, (print name) LAURENCE WEINER, state on oath or affirm that I am (title/capacity) MANAGER  
of (firm/name) 2650, LLC and that the disclosure made above is true and correct. The undersigned certifies that any additional documentation requested by the State of Illinois will be provided.

Signature: [Signature]      Date: 9/29/08  
Title: MANAGER

ACKNOWLEDGMENT

STATE OF ILLINOIS  
COUNTY OF COOK

I, the undersigned, a Notary Public in and for said County, in the State aforesaid, DO HEREBY CERTIFY that LAURENCE H. WEINER who is the MANAGER and personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person, and acknowledged that as such \_\_\_\_\_ he signed, sealed and delivered the said instrument as h \_\_\_\_\_ free and voluntary act, for the uses and purposes therein set forth.

Given under my hand and seal this 29 day of SEPTEMBER, 2008.

Commission Expires: 06-09-12



[Signature]  
Notary Public

CERTIFICATIONS

LEGAL ABILITY TO CONTRACT: Lessor certifies it is under no legal prohibition on contracting with the State of Illinois, has no known conflicts of interest and further specifically certifies that:

- a) Lessor, its employees and subcontractors will comply with applicable provisions of the U.S. Civil Rights Act, Section 504 of the Federal Rehabilitation Act, the Americans with Disabilities Act (42 U.S.C. § 12101 et seq.) and applicable rules in performance under this Contract.
- b) Lessor is not in default on an educational loan (5 ILCS 385/3).
- c) Lessor has informed the director of the Lessee/Using Agency in writing if he/she was formerly employed by that agency and has received an early retirement incentive prior to 1993 under Section 14-108.3 or 16-133.3 of the Illinois Pension Code, 40 ILCS 5/14-108.3 and 40 ILCS 5/16-133.3, and acknowledges that contracts made without the appropriate filing with the Auditor General are not payable from the "contractual services" or other appropriation line items. Lessor has not received an early retirement incentive in or after 2002 under Section 14-108.3 or 16-133.3 of the Illinois Pension Code, 40 ILCS 5/14-108.3 and 40 ILCS 5/16-133.3, and acknowledges that contracts in violation of Section 15a of the State Finance Act are not payable from the "contractual services" or other appropriation line items (30 ILCS 105/15a).
- d) Lessor has not been convicted of bribing or attempting to bribe an officer or employee of the State of Illinois or any other State, nor has made an admission on the record of having so bribed or attempted to bribe (30 ILCS 500/50-5).
- e) If Lessor has been convicted of a felony, at least five years have passed after the date of completion of the sentence for such felony, unless no person held responsible by a prosecutor's office for the facts upon which the conviction was based continues to have any involvement with the business (30 ILCS 500/50-10).
- f) If Lessor, or any officer, director, partner, or other managerial agent of Lessor, has been convicted of a felony under the Sarbanes-Oxley Act of 2002, or a Class 3 or Class 2 felony under the Illinois Securities Law of 1953, at least 5 years have passed since the date of the conviction. Lessor further certifies that it is not barred from being awarded a contract and acknowledges that the contracting Lessee/Using Agency shall declare the contract void if this certification is false (30 ILCS 500/50-10.5).
- g) Lessor and its affiliates are not delinquent in the payment of any debt to the State (or if delinquent has entered into a deferred payment plan to pay the debt), and Lessor and its affiliates acknowledge the contracting Lessee/Using Agency may declare the contract void if this certification is false (30 ILCS 500/50-11) or if Lessor or an affiliate later becomes delinquent and has not entered into a deferred payment plan to pay off the debt (30 ILCS 500/50-60).
- h) Lessor and all affiliates shall collect and remit Illinois Use Tax on all sales of tangible personal property into the State of Illinois in accordance with provisions of the Illinois Use Tax Act (30 ILCS 500/50-12) and acknowledge that failure to comply can result in the contract being declared void.
- i) Lessor certifies that it has not committed a willful or knowing violation of the Environmental Protection Act (relating to Civil Penalties under the Environmental Protection Act) within the last five (5) years, and is therefore not barred from being awarded a contract. If the State later determines that this certification was falsely made by the Lessor, the Lessor acknowledges that the contracting Lessee/Using Agency may declare the contract void, (30 ILCS 500/50-14)
- j) Lessor has not paid any money or valuable thing to induce any person to refrain from bidding on a State contract, nor has Lessor accepted any money or other valuable thing, or acted upon the promise of same, for not bidding on a State contract (30 ILCS 500/50-25).
- k) Lessor is not in violation of the "Revolving Door" section of the Illinois Procurement Code (30 ILCS 500/50-30).
- l) Lessor will report to the Illinois Attorney General and the Chief Procurement Officer any suspected collusion or other anti-competitive practice among any bidders, offerors, contractors, proposers or employees of the State (30 ILCS 500/50-40, 50-45, 50-50).
- m) Lessor will, pursuant to the Drug Free Workplace Act, provide a drug free workplace, and if an individual shall not engage in the unlawful manufacture, distribution, dispensation, possession or use of a controlled substance in the performance of the Contract. This certification applies to contracts of \$5000 or more with: individuals; and to entities with twenty-five (25) or more employees (30 ILCS 580).
- n) Neither Lessor nor any substantially owned affiliate is participating or shall participate in an international boycott in violation of the U.S. Export Administration Act of 1979 or the applicable regulations of the U.S. Department of Commerce. This certification applies to contracts that exceed \$10,000 (30 ILCS 582).
- o) Lessor has not been convicted of the offense of bid rigging or bid rotating or any similar offense of any State or of the United States (720 ILCS 5/33E-3, 5/33E-4).
- p) Lessor complies with the Illinois Department of Human Rights Act and rules applicable to public contracts, including equal employment opportunity, refraining from unlawful discrimination, and having written sexual harassment policies (775 ILCS 5/2-105).

- q) Lessor does not pay dues to, or reimburse or subsidize payments by its employees for, any dues or fees to any "discriminatory club" (775 ILCS 25/2).
- r) Lessor complies with the State Prohibition of Goods from Forced Labor Act, and certifies that no foreign-made equipment, materials, or supplies furnished to the State under the contract have been or will be produced in whole or in part by forced labor, convict labor, or indentured labor under penal sanction (PA 93-0307).
- s) **CONFLICTS OF INTEREST:** Lessor has disclosed, and agrees it is under a continuing obligation to disclose to the Lessee/Using Agency, financial or other interests (public or private, direct or indirect) that may be a potential conflict of interest or which would prohibit Lessor from having or continuing the Contract. This includes, but is not limited to conflicts under the "Infrastructure Task Force Fee Prohibition" section of the State Finance Act (30 ILCS 105/18.40), Article 50 of the Illinois Procurement Code (30 ILCS 500/50), or those which may conflict in any manner with the Lessor's obligation under this Contract. Lessor shall not employ any person with a conflict to perform under this Contract. If any conflict under Section 50-13 exists no contract may be issued without an exemption from the Governor pursuant to Section 50-20 of the Illinois Procurement Code. An exemption is necessary if:
  - 1) the person intending to contract with the State, their spouse or child: (i) holds an elective office in Illinois; (ii) holds a seat in the Illinois General Assembly; (iii) is an officer or employee of the Capital Development Board or the Illinois Toll Highway Authority; or holds an appointed position or is employed in any of the offices or agencies of the State government and who receives compensation for such employment in excess of 60% of the salary of the Governor (currently \$90,414.60). (The conflict of interest threshold of 60% of the Governor's salary set forth in Section 50-13 does not apply to elective office holders, legislators, and officers or employees of the Capital Development Board or the Illinois Toll Highway Authority.);
  - 2) the contract is with a firm, partnership, association or corporation in which a person referenced in 4.7.3.1 above receives more than 7.5% of the total distributable income or an amount in excess of the salary of the Governor (currently \$150,691.00).
  - 3) the contract is with a firm, partnership, association or corporation in which a person referenced in 4.7.3.1 above, together with their spouse or minor child, receives more than 15% in the aggregate of the total distributable income or an amount in excess of 2 times the salary of the Governor (currently \$301,382.00) from the firm, partnership, association or corporation.

LESSOR (show Company name and DBA)

2659, LLC

Signature \_\_\_\_\_

Printed Name LAURENCE WENNER

Title MANAGER

Date 9/29/08

Address 55 E JACKSON #500

CHICAGO IL 60604

EXHIBIT I

Taxpayer Identification Number

I certify that:

- 1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), **and**
- 2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, **and**
- 3. I am a U.S. person (including a U.S. resident alien).

Name (Printed): 2650, LLC

Taxpayer Identification Number:

Social Security Number \_\_\_\_\_  
or  
Employer Identification Number 36-4452803

Legal Status (check one):

- Individual
- Sole Proprietorship
- Partnership/Legal Corporation
- Corporation providing or billing medical and /or health care services
- Corporation NOT providing or billing medical and / or health care services
- Other \_\_\_\_\_
- Governmental
- Nonresident alien
- Estate or Trust
- Pharmacy (Non-Corporate)
- Pharmacy/Funeral Home/Cemetery (Corp.)
- Limited Liability Company (select applicable tax classification.)
  - D = disregarded entity individual name (02)
  - P = partnership (03)
  - C = corporation (04)

Official authorized to sign on behalf of vendor:

Name (printed) LAURENCE WEINER  
Signature \_\_\_\_\_

Title MANAGER  
Date 9/29/08



## MEMORANDUM

**TO:** Procurement Policy Board  
c/o Matt Brown

**FROM:** David Vaught

**DATE:** April 28, 2008

**SUBJECT:** Lease No. 5476  
DCFS – 15115 S. Dixie Highway, Harvey, Illinois

<b>Proposed Transaction:</b>	Alternate RFI
<b>Leasing Representative:</b>	Bob Moser, followed by Terry Schierholz
<b>Current Lease (# 5476)</b>	
Term: June 1, 2000 – May 31, 2005	
Square Footage: 49,200	
<b>Proposed Lease (#5476)</b>	
<b>Headcount:</b>	Actual: 124      Budgeted: 129
<b>Square Footage:</b>	49,200
<b>Term of Lease:</b>	60 months: June 1, 2008 – May 31, 2013 Renewal Option: June 1, 2013 – May 31, 2018
<b>Lease Rates/Base Rent:</b>	\$19.48 yrs 1-5
<b>Total Rent Value for Term:</b>	\$4,792,080.00
<b>Total Rent for Renewal Term (if applicable):</b>	\$4,888,020.00
<b>Improvements:</b>	Numerous maintenance-related repairs. Please see the attached Exhibit B.
<b>General Allowance:</b>	N/A
<b>Lessor:</b>	North Star Trust Company, as successor to Lakeside Bank, as Trustee under Trust Agreement dated 7/1/97, a.k.a. No. 10-1862
<b>Ownership:</b>	Victor and Charlotte Cacciatore
<b>Holdover?</b>	Yes

Extension?	Yes, via Alternate RFI
Exercising Pre-Negotiated Renewal?	No
Termination Option:	Yes – at any time after the 36 <sup>th</sup> month, with 120-day written notice.
Purchase Option?	Yes
CDB Certification?	Yes
<u>Lease Rationalization</u>	<p>DCFS has occupied the building since 6/1/00. The Illinois Department of Children and Family Services provides child welfare services in Illinois. It is also the nation's largest state child welfare agency to earn accreditation from the Council on Accreditation for Children and Family Services (COA). The Department's organization includes the Divisions of Child Protection, Placement Permanency, Field Operations, Guardian &amp; Advocacy, Clinical Practice &amp; Professional Development, Service Intervention, Budget &amp; Finance, Planning &amp; Performance Management, and Communications. The goal of DCFS is to make sure all Illinois children live in safe and loving homes.</p> <p>In cases of suspected child abuse or neglect, State law requires immediate intervention by child welfare officials. Because the Harvey office is centrally located, DCFS has determined that it best meets the needs of community law enforcement and it ensures a quick response to the community at large, especially when intervention is required.</p> <p>The proposed rental rate indicates a reduction of 1% from the rate currently being paid. Under the existing lease, we are paying the Lessor additional rent to provide snow/ice removal. Under the proposed new lease, although the Lessor continues to provide snow removal, we have deducted the additional money, effecting a reduction in rent for the new term. This new rate is flat for the 5 years. There is a 2% increase in year one of the renewal period (if exercised). That rate is also flat for the 5-year term.</p>
<u>Rent Comparison</u>	
<b>Current Lease:</b>	<b>Proposed Lease:</b>
Sq. Ft.: 49,200	Sq. Ft.
<b>Current Lease Rates</b>	<b>Proposed Lease Rates</b>
Base Rent: \$19.69	Base Rent: \$19.48 % Increase per Year: 1% decrease year 1, flat for term
	Base Rent, Renewal Term: \$19.87 % Increase per Year: 2% year 1
TCO: \$26.22	Yr 1 Estimated TCO: 26.13
Total Annual Cost: \$1,290,024.00	Yr 1 Estimated Total Annual Cost: \$1,285,596.00
Real Estate Taxes: Agency pays tax escalation	Real Estate Taxes: Agency pays tax escalation over base of



over base of \$189,500.00	\$189,500.00
<b>Utilities &amp; Services</b>	<b>Utilities &amp; Services</b>
Agency Pays: All utilities, lamps, janitorial, garbage, tax escalation	Agency Pays: All utilities, lamps, janitorial, garbage, tax escalation
Lessor Pays: Insurance, all general maintenance, ballasts, pest control, fire extinguishers, snow removal, lawn maintenance	Lessor Pays: Insurance, all general maintenance, ballasts, pest control, fire extinguishers, snow removal, lawn maintenance

The base lease rates are within the market range adjusted for the area, which according to current market data is \$16.44 to \$24.97 per square foot.

**CMS**

**STATE OF ILLINOIS  
DEPARTMENT OF CENTRAL MANAGEMENT  
SERVICES**

**REAL ESTATE LEASE NO. 5476**

**LEASE**

**BETWEEN**

**STATE OF ILLINOIS,**

**THE DEPARTMENT OF CENTRAL MANAGEMENT SERVICES, AS LESSEE**

**AND**

**NORTH STAR TRUST COMPANY, AS SUCCESSOR TO LAKESIDE BANK, AS TRUSTEE UNDER  
TRUST AGREEMENT DATED 7/1/97, a.k.a. NO. 10-1862, AS LESSOR**

**AT**

**15115 SOUTH DIXIE HIGHWAY**

**HARVEY, ILLINOIS 60426-3030**

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STATE OF ILLINOIS  
DEPARTMENT OF CENTRAL MANAGEMENT  
SERVICES

REAL ESTATE LEASE

LEASE CONTROL NO. 5476

LEASE AGREEMENT

ARTICLE I. BASIC LEASE PROVISIONS

1.01 DATE AND PARTIES

This Lease (this "Lease") entered into this 29th day of May, 2007 by and between NORTH STAR TRUST COMPANY, AS SUCCESSOR TO LAKESIDE BANK, AS TRUSTEE UNDER TRUST AGREEMENT DATED 7/1/97, a.k.a. NO. 10-1862, (the "Lessor") and the State of Illinois, Department of Central Management Services for the use of the State entities specified herein (the "Lessee"). The using agency is: Department of Children and Family Services

1.02 NOTICES

All notices provided to be given under this Agreement shall be given by certified mail and shall be deemed received by the party designated to receive such notice three (3) days following the date of deposit in the United States Mail and addressed to the proper party, at the following address:

Lessor: NORTH STAR TRUST  
COMPANY, AS SUCCESSOR TO  
LAKESIDE BANK, AS TRUSTEE  
UNDER TRUST AGREEMENT  
DATED 7/1/97, a.k.a. NO. 10-1862  
AS LESSOR  
500 W. Madison Street  
Chicago, Illinois 60661

Lessee: Department of Central Management Services  
Transactions & Property Administration  
721 Stratton Office Building  
Springfield, Illinois 62706

Emergency: N/A  
Telephone: 312-559-9761

Attention: Mr. Martin S. Edwards

Attention: Manager, Transactions & Property Administration

With a copy to: Mr. Peter Cacciatore  
Jos. Cacciatore & Company  
527 South Wells  
Chicago, Illinois 60607  
c/o Peter Cacciatore

With a copy to: Ms. Barb Piwowarski  
Department of Children & Family Services  
Office of Administrative Support  
406 East Monroe Street, Station 415  
Springfield, Illinois 62701

Telephone: 312-987-1900

Telephone: 217-524-1510

Facsimile: 312-987-4604

Facsimile: 217-785-1765

E-mail: [pcacciatore@jos-cacciatore.com](mailto:pcacciatore@jos-cacciatore.com)

E-mail: [bpiwowar@idcfs.state.il.us](mailto:bpiwowar@idcfs.state.il.us)

### 1.03 PREMISES

Lessor leases to Lessee upon the terms and conditions contained in this Lease, the "Premises" consisting of 49,200 rentable square feet of office space on the first floor (the "Premises"). The Premises are located in the building containing 49,200 rentable square feet and further identified as the "Building":

15115 South Dixie Highway

Harvey, Illinois

Cook County

Lessee's percentage of Net Building Rentable Area: 100%

### 1.04 AREA MEASUREMENT

For purposes of this Lease, the Premises and the Building shall be based on Area Measurement Rules, Section 5000.310, Illinois Administrative Code derived from "Standard Method of Measuring Floor Area in Office Buildings," Building Owners and Management Association (BOMA), International.

### 1.05 LEASE TERM

The initial term of this Lease is for 60 months and shall begin on May 1, 2008 (the "Lease Commencement Date"), and shall expire on April 30, 2013 (the "Lease Expiration Date"). The term of this Lease shall be referred to as the "Lease Term."

### 1.06 EARLY TERMINATION

Lessee shall have the option to terminate this Lease at any time after the end of the sixtieth (60<sup>th</sup>) lease month by providing thirty (30) days' prior written notice to the Lessor. During the renewal term, if exercised, Lessee shall have the option to terminate the Lease at any time by providing ninety (90) days' prior written notice to the Lessor.

### 1.07 IMPROVEMENTS

The parties agree that the "Improvements" including the Tenant Improvement Work contained in the attached Exhibit B (the "Improvements") shall be the full scope and definition of work required to be made by the Lessor at his or her sole cost and expense under the terms of this Lease. Improvements shall be completed within 90 days following full execution of the Lease. The Construction Documents (design, drawings, and specifications) necessary for the Lessor to obtain all applicable building permits and certifications of occupancy, as determined by the local building permit issuing authority, prepared by the Lessor pursuant to the Architecture Practice Act of 1989 [225 ILCS 305] for the Improvements defined by Exhibit B, shall become a portion of Exhibit B by reference upon written approval by the Lessee. All costs expended by the Lessor and all contracts entered into by the Lessor for the performance of the Improvements on behalf of the Lessee shall be subject to review by Lessee upon written notice.

## ARTICLE II. LESSEE'S OBLIGATION TO PAY RENT

### 2.01 RENT

Lessee shall pay Rent to Lessor (the "Rent"), in accordance with the Rent Schedule attached as Exhibit C. Lessee shall pay the monthly Rent, in arrears, subject to legislative appropriation, by State warrant. The Rent shall be prorated on a per diem basis based on 365 days for the first month or the last month of the Lease Term if the Lease Commencement Date is not the first day of a calendar month, or the Lease Expiration Date is not the last day of a calendar month. Send payment to: Joseph Cacciatore & Co., Inc. P. O. Box 2161, Bedford Park, Illinois 60499-2161.

### 2.02 INTENTIONALLY OMITTED - REFURBISHMENT ALLOWANCE

### ARTICLE III. LESSOR'S OBLIGATIONS

#### 3.01 CARE AND MAINTENANCE

Lessee accepts the Premises as presently constituted except for non-compliance by Lessor with all applicable building, fire, and life safety codes and latent defects, and further subject to the completion of Improvements required to be made by Lessor, if any, in strict conformity with the provision of Article 1.07 (IMPROVEMENTS) herein.

Lessor shall provide Lessee with the services stated below at Lessor's sole cost and expense and in a manner consistent with those services provided by other lessors of similar buildings of comparable age, condition, character, size, and lessee composition in the same geographic market sector.

- A. INTENTIONALLY OMITTED
- B. INTENTIONALLY OMITTED
- C. Necessary commercial grade fixtures for heating, cooling, water, electricity, plumbing, and all maintenance and repairs.
- D. Installation and maintenance of an adequate ventilating system to maintain air exchange levels in conformance with all applicable codes.
- E. Ballasts, and all necessary repair or replacement expenses related to such lighting.
- F. INTENTIONALLY OMITTED
- G. INTENTIONALLY OMITTED
- H. Comprehensive exterminating service to ensure Premises are pest and rodent free.
- I. INTENTIONALLY OMITTED
- J. Service and maintenance of fire extinguishers.
- K. Snow and ice removal from sidewalks and parking areas adjacent to the Premises.
- L. Maintenance of lawn and shrubs.
- M. Parking for 275 vehicles. General maintenance of parking lot.  
Address of parking lot: 15115 South Dixie Highway, Harvey. Parking shall be available and accessible to Lessee for Lessee's use twenty-four (24) hours per day, seven (7) days per week.
- N. Provide for surface mounted raceways or wall cavity conduit that allows Lessee to install computer and telecommunications wiring.
- O. All general maintenance and repairs not caused by Lessee's negligence.
- P. Maintenance of and service to all Common Area Facilities, which shall include cleaning, HVAC, electrical current and illumination, repairs, replacement, and trash disposal.
- Q. Operation, maintenance and monitoring of all security systems and life safety systems.
- R. The Lessor shall provide the above services during the Business Hours specified in Exhibit C.
- S. INTENTIONALLY OMITTED
- T. INTENTIONALLY OMITTED

### **3.02 ELECTRICITY**

Electricity shall be paid for by the Lessee.

### **3.03 LIFE SAFETY AND SECURITY REQUIREMENTS**

Lessor shall maintain the Life Safety and Security systems and shall comply with all requirements of all prevailing governmental authorities having or claiming jurisdiction over the Building and the Common Area Facilities.

### **3.04 ACCESSIBILITY**

Lessor acknowledges that compliance with the Environmental Barriers Act and the Illinois Accessibility Code is a continuing obligation of Lessor requiring any and all elements and space altered improved, or newly constructed to conform to the applicable technical standard described in the Code. Lessor further acknowledges sole responsibility for the obligations of an owner under the Americans with Disabilities Act of 1990 and all relevant regulations promulgated thereunder.

## **ARTICLE IV. LESSEE'S RIGHTS AND OPTIONS**

### **4.01 SUBLEASING AND ASSIGNMENT**

Lessee may sublease all or any part of the Premises or assign this Lease upon the prior written consent of Lessor, which consent shall not be unreasonably withheld, conditioned, or delayed.

### **4.02 SUBSTITUTION**

Lessee may substitute using agencies in the Premises upon thirty (30) days' written notice to the Lessor.

### **4.03 ALTERATIONS**

Lessee may make improvements, additions, installations, decorations, and changes ("Alterations") of a non-structural nature to the Premises without Lessor's prior written approval. Non-structural Alterations means any Alterations which do not affect any of the major Building systems or structural components. Lessee may make any other alterations to the Premises with the prior written consent of the Lessor, which consent shall not be unreasonably withheld, conditioned, or delayed.

### **4.04 INTENTIONALLY OMITTED - LESSEE SIGNAGE**

### **4.05 RENEWAL OPTION**

The Lessee has the right to renew the Lease for a further period of 60 months at the rate in effect during the final month of the Lease Term, subject to the following modifications: 1) Rent payments representing the value of fully amortized Lessee Improvements shall be deducted from Rent; 2) Lessee may request and negotiate with the Lessor for additional Rent concessions, subject to the maximum renewal rental rates and concessions specified in Exhibit C, provided Lessee gives ninety (90) days' written notice to Lessor of its intention to exercise such option.

### **4.06 INTENTIONALLY OMITTED - EXPANSION OPTION**

### **4.07 PURCHASE OPTION**

Lessor grants to Lessee a purchase option (see attached Exhibit J, Purchase Option) at the then fair market value less the value of improvements paid for by the Lessee in accordance with Section 5000.380 Improvements of the Illinois Administrative Code.

### **4.08 TELECOMMUNICATIONS**

Lessor shall impose no fee on Lessee's telecommunications line, including fees on the vendor of telecommunication services. Additionally, Lessee's choice of telecommunications vendor shall not be unreasonably restricted by Lessor.

## ARTICLE V. LIABILITY

### 5.01 INSURANCE AND INDEMNITY

#### A. Lessor's Insurance

Lessor shall maintain in full force and effect during the Lease Term all-risk property damage insurance for the Building and the Common Area Facilities and all improvements on the Land and the Lessee Improvements described in Exhibit B (Improvements), in the amounts of the full replacement values thereof, as the values may exist from time to time. Boiler and Machinery Insurance; Comprehensive General Liability Insurance, including Contractual Liability, on an occurrence basis with limits of not less than \$5,000,000 per occurrence (this may be accomplished in the form of one policy and/or a combination of a primary policy and umbrella excess totaling \$5,000,000); Worker's Compensation and Employer's Liability Insurance for all of Lessor's agents, employees, and contractors; Automobile Liability Insurance for any automobiles or vehicles operated by Lessor, its agents, employees, or contractors in connection with the operation or maintenance of the Building and the Common Area Facilities, with limits of not less than \$1,000,000. Lessor's insurance shall be issued by insurance companies licensed to do business in the state where the Building is situated, with a general policyholder rating of at least A-and a financial rating of at least V in the most current Best Insurance Report available at the time of execution of this Lease. If the Best's ratings are changed or discontinued, Lessor and Lessee shall agree to an equivalent method of rating insurance companies. Lessor shall annually provide a Certificate of Insurance that meets these specifications to CMS upon request.

#### B. Lessee's Insurance

Lessee is self-insuring. A Certificate of Insurance of the Lessee's self-insurance coverage will be provided upon request. Limits of coverage are in accordance with existing State of Illinois statutes.

### 5.02 ENVIRONMENTAL ASSESSMENT

Lessor acknowledges that compliance with the National Emission Standard for Hazardous Air Pollutants promulgated by the United States Environmental Protection Agency pursuant to Section 112 of the Clean Air Act is a continuing obligation of the Lessor requiring any demolition or renovation activity completed on behalf of the State of Illinois to comply with the standards set forth in 40 CFR 61.145.

Lessor agrees to indemnify, defend, and hold Lessee harmless from any costs and expenses, including attorney fees, incurred by Lessee, due to any liability arising from mold, asbestos claims or from any liability arising from any claims due to the presence of Hazardous Materials in the Building.

### 5.03 HOLDOVER

If, after the expiration of the Lease, the Lessee retains possession of the Premises, the Lease shall continue in full force and effect on the same terms and conditions except the Lease shall be on a month-to-month basis until terminated. Rent shall be paid monthly in arrears on a prorated basis at the rate paid during the last month of the expired Lease Term less any funds being paid by the Lessee during the term towards fully amortized Lessee Improvement costs. Refer to Exhibit C for Holdover Rent amount.

## ARTICLE VI. STANDARD TERMS AND CONDITIONS

### 6.01 REQUIREMENTS OF LAW

Lessor shall be responsible for compliance, at Lessor's sole cost and expense, with all statutes, rules, ordinances, orders, codes and regulations, and legal requirements and standards issued thereunder, as the same may be enacted and amended from time to time (collectively referred to in this Lease as the "Laws"), which are applicable to all or any part of the physical condition and occupancy of the Building, the Common Area Facilities, or the Land or additions thereto.

Lessor represents and warrants that the Building, the Common Area Facilities, and the Premises are in compliance with the Laws as of the Lease Commencement Date.

Lessor shall also obtain, at Lessor's sole cost and expense, any permit, license, certificate, or other authorization required for the lawful and proper use and occupancy by Lessee or any other party of all or any part of the Premises, and shall exhibit the same to Lessee upon Lessee's request.

Lessor acknowledges that compliance with the Environmental Barriers Act and the Illinois Accessibility Code is a continuing obligation of Lessor requiring any and all elements and space altered, improved, or newly constructed to conform to the applicable



technical standard described in the Code. For facilities carrying out programs funded in whole or in part by Federal funds, the Lessor shall comply with the requirements of Section 504 of the Rehabilitation Act of 1973.

Lessor shall notify Lessee of any violation notices or waivers of building, OSHA or life safety codes, or outstanding insurance carrier recommendations that Lessor receives, with respect to the Building and the Common Area Facilities. Lessee shall notify Lessor of any OSHA violation notices with respect to the Premises. Lessor shall be responsible for the compliance of the Common Area Facilities with applicable laws relating to architectural barriers to the disabled, including but not limited to the law commonly known as the "Americans with Disabilities Act of 1990" (the "ADA") and all relevant regulations promulgated thereunder. Lessor hereby agrees to indemnify, defend, and hold Lessee harmless from all loss, cost, liability, or expense, including reasonable attorney fees, resulting from its failure to comply with all laws relating to the Premises and condition of the Common Area Facilities, including but not limited to the ADA.

#### **6.02 PREVAILING WAGE**

All Lessee Improvement work completed on behalf or for the use of the Lessee shall be performed at not less than the prevailing hourly wage rate as determined by the Illinois Department of Labor.

#### **6.03 FISCAL FUNDING**

This Lease shall be subject to termination and cancellation without penalty in any year for which the General Assembly fails to make an appropriation to pay the Rent or other obligations of Lessee hereunder. Lessor acknowledges that all obligations of the Lessee shall also immediately terminate in the event any Federal funding source, upon which the Lessee is dependent to pay Rent or other charges under the terms of this Lease, fails to appropriate or otherwise make available the funds required.

### **ARTICLE VII. LOSS OF PREMISES**

#### **7.01 DAMAGES/UNTENANTABILITY**

If the Premises or the Building are totally destroyed by fire or any other casualty, this Lease shall automatically terminate as of the date of such destruction. If any portion of the Building, the Common Area Facilities, or the Premises are damaged to the extent that Lessee cannot use any portion of the Building, or Common Area Facilities, or the Premises to conduct its business for at least ninety (90) days, Lessee may terminate this Lease as of the date of damage by notice to Lessor within thirty (30) days after such date. If the Building or any portion of the Common Area Facilities or the Premises are damaged by fire, casualty, or any other cause then, except as provided below, the damage shall be promptly repaired by and at the sole cost and expense of Lessor. Until such repairs and restoration are completed, the rent shall be abated in proportion to the portion of the Premises or Common Area Facilities that are unusable or inaccessible by Lessee in the conduct of its business by virtue of such casualty.

#### **7.02 CONDEMNATION**

If, during the term of this Lease or any renewal, the whole or part of the Premises is condemned so as to make the Premises unusable or a considerable loss of utility results, the Lessee may terminate the Lease by giving at least thirty (30) days' written notice. Lessee will be entitled to a portion of any award to the extent of any unamortized improvement costs paid for directly or indirectly by Lessee.

### **ARTICLE VIII. ESTOPPEL**

#### **8.01 ESTOPPEL CERTIFICATE**

Lessee shall, upon written request from Lessor, execute, acknowledge, and deliver to Lessor a written statement certifying that the Lease is unmodified and in full force and effect, or that the Lease is in full force and effect as modified and listing the instruments of modification; the dates to which the Rents and other charges have been paid; and whether or not to the best of Lessee's knowledge Lessor is in default hereunder and, if so, specifying the nature of the default.

### **ARTICLE IX. NON-DISTURBANCE AND QUIET ENJOYMENT**

#### **9.01 NON-DISTURBANCE**

This Lease and any extensions of the term hereof shall be subordinate, at the option of Lessor, to any and all encumbrances given by Lessor on the Premises or to secure funds for any building to be constructed by Lessor or the completion of other renovations or

improvements to the existing structures located on the Premises to be performed by Lessor. Lessee agrees to enter into and execute a written Agreement of Subordination, Non-Disturbance and Attornment in the form provided in Exhibit F attached hereto provided, however, that such agreement previously executed by the Lender specified therein shall be tendered to Lessee simultaneously with this Lease following execution of this Lease by Lessor.

## **9.02 QUIET ENJOYMENT**

Lessee shall have the peaceful and quiet enjoyment and possession of the Premises without any interference from Lessor or any person claiming by, through, or under Lessor.

# **ARTICLE X. DISPUTES**

## **10.01 DEFAULT BY LESSOR**

If Lessor fails to perform any of its obligations under this Lease (a "Lessor Default"), Lessee may give Lessor notice specifying the Lessor Default. If a cure is not accomplished within fifteen (15) days after receiving notice from Lessee or within a reasonable period of time thereafter or if the Lessor Default cannot be cured within fifteen (15) days and Lessor is not pursuing a cure with due diligence, then in addition to all rights, powers, or remedies permitted by Law, Lessee may (i) correct the Lessor default and deduct the cost from the Rent; or (ii) withhold the payment of Rent and any other sums due hereunder until Lessor has corrected the specified Lessor Default; or (iii) upon the failure of Lessor to cure any Lessor Default within thirty (30) days of receipt of notice thereof, Lessee shall have the right to seek the judicial remedy of specific performance, or to terminate this Lease by providing Lessor with notice of such termination.

## **10.02 REDUCTION OF SERVICES**

The Rent is based in part upon services that Lessor shall provide as described in Section 3.01 (CARE AND MAINTENANCE). If, for any reason, Lessor does not provide any or all of these services in the manner described in Section 3.01 for more than five (5) consecutive days following notice of such failure from Lessee, the Rent shall be abated on a per diem basis for the period of interruption beginning with the date the interruption in services began and ending when the services are fully restored.

## **10.03 SELF HELP**

In the event that the Lessor has failed to perform any of its services or maintenance within the Premises, then Lessee shall have the right to perform such maintenance or service and charge Lessor. Lessee may offset the associated costs against rent if Lessor does not pay Lessee's invoices.

## **10.04 GOVERNING LAW**

This Lease, and the rights and obligations of the parties hereto, shall be construed and enforced in accordance with the laws of the State of Illinois.

# **ARTICLE XI. MISCELLANEOUS**

## **11.01 FORCE MAJEURE**

After the Lease Commencement Date, or after Lessee takes occupancy of the Premises neither party shall be responsible to the other for any losses resulting from the failure to perform any terms or provisions of this Lease if the party's failure to perform is attributable to war, riot, acts of God, or the elements or any other unavoidable act not within the control of the party whose performance is interfered with and that by reasonable diligence such party is unable to prevent. However, neither party shall be excused from the timely performance of its obligations under this Lease for a period of time greater than ninety (90) days on account of force majeure.

## **11.02 OCCUPANCY AND SURRENDER**

All improvements including but not limited to systems furniture and Lessee trade fixtures, including moveable partitions, panels, screens, and HVAC systems provided by Lessee, are Lessee's property and shall remain Lessee's property at the expiration of the Lease Term, unless otherwise so elected by Lessee.

Upon the termination of this Lease, Lessee's only requirement shall be to return the Premises in broom-clean condition.

### **11.03 BINDING ON SUCCESSORS**

This Lease shall bind the parties, their heirs, successors, representatives, and permitted assigns.

### **11.04 PARTIAL INVALIDITY**

If any provision of this Lease, or the application thereof to any person or circumstance, shall to any extent be invalid or unenforceable, the remainder of this Lease and the application of such provision to all other persons and circumstances shall not be affected and shall be valid and enforceable to the fullest extent of the law; provided, however, if the provisions of this Lease relating to Lessee's stated use of the Premises shall be determined by any government agency having jurisdiction to be invalid or unenforceable, this Lease, effective as of the date of such determination, shall be, and shall be deemed to be, void and of no further force or effect, and Lessee shall have no further obligations hereunder.

### **11.05 WAIVER**

The failure of either party to exercise any of its right is not a waiver of those rights. A party waives only those rights specified in writing and signed by the party waiving its rights.

### **11.06 BREACH**

Failure of the Lessor to comply with this Lease, including but not limited to the failure to complete Improvements in accordance with Section 1.07 herein or within the time as agreed upon in this Lease, or failure to make or complete in a reasonable time necessary repairs is a breach of this Lease. In the event Lessee is in possession or elects to take possession of the premises prior to completion of Improvements, Lessee shall have the option of curing the breach by reducing lease payments equal to the corresponding percentage of the improvement value to the lease value until the Lessor complies with the Lease and Improvements are certified as complying with Section 1.07 herein by the Lessee as Chief Procurement Officer and the leasing State agency. Lessee shall have the option of curing the breach by having the work done and deducting actual costs plus a reasonable administrative fee from rental payments or terminating the Lease. If the Lease is terminated, Lessee may take, or remain in, possession, making lease payments at the reduced monthly rate until suitable substitute premises are available. Rental periods less than one full month shall be prorated on a daily basis.

### **11.07 COVENANTS BINDING**

All covenants and representations made in this Lease are dependent, and will be binding upon, apply to, and be for the benefit of any successor in interest to the parties. No provision of this Lease may be modified or additional requirements established without the express written approval of the Lessor.

### **11.08 EXAMINATION OF RECORDS**

Lessor agrees to allow Lessee to examine all records pertaining to this Lease, to verify compliance with this Lease and costs associated with this Lease.

### **11.09 OWNERSHIP**

Lessor covenants and warrants that record title to the Premises is held by the Lessor or that Lessor has lawful authority and the requisite site control to enter into this Lease by virtue of other contractual agreements with the record title owner or subsequent transferees, assigns, or successors in interest (i.e., Lessee, Sub-Lessee, Contract Purchaser, Optionee, etc.). Failure by the Lessor to fully and accurately complete the provisions of Exhibit G, the Disclosure Statement, attached hereto and incorporated by reference herein, shall constitute a material breach of this Lease.

It is acknowledged that in the event of such a material breach by the Lessor, its assigns, transferees, or other successors in interest, Lessee shall be entitled to immediately terminate this Lease and vacate the Premises. In the alternative, Lessee may elect to declare the material breach but retain possession for the balance of any term remaining, and as liquidated damages and not as a penalty, to reduce rental payments and other charges due hereunder by twenty-five percent (25%) for the entire term of this Lease, including any extensions thereto or periods of holdover, or until the material breach is cured by full and complete disclosure, whichever occurs first. The foregoing reductions represent a reasonable endeavor by the parties hereto to estimate a fair compensation for the foreseeable losses to Lessee that might result from such breach.

### **11.10 CHANGE OF OWNERSHIP OR BENEFICIAL INTEREST**

Lessee must be notified in writing by Lessor of any change in ownership and/or beneficial interest of a trust within thirty (30) days of the event. All assigns, transferees, or other successors in interest to Lessor shall be required to comply with any and all disclosure

requirements of applicable Illinois law, administrative rule, or regulation governing real estate transactions. It is understood and agreed by the parties that any subsequent assigns, transferees, and other successors in interest to the Lessor shall be specifically subject to the liquidated damages provisions of the preceding Article for material breach in failing to comply with disclosure requirements.

#### **11.11 GOVERNING LAW AND JURISDICTION**

Illinois law shall be used in interpreting this Lease and in determining the rights of the parties under its terms and conditions. Jurisdiction shall be in the State of Illinois Court of Claims as to any legal action or proceeding filed by Lessor for litigation of rights or claims against the Lessee.

#### **11.12 NON-DISCRIMINATION**

Lessor, its employees, and subcontractors agree not to commit unlawful discrimination and agree to comply with applicable provisions of the Illinois Human Rights Act, the U.S. Civil Rights Act, and Section 504 of the Federal Rehabilitation Act, the Americans with Disabilities Act of 1990, and rules applicable to each. The Department of Human Rights Equal Employment Opportunity clause is incorporated by reference.

#### **11.13 TIME IS OF THE ESSENCE**

Time is of the essence of this Lease, and of each and every covenant, term, condition, and provision hereof.

#### **11.14 REMEDIES CUMULATIVE**

All remedies provided for the benefit of the Lessee under this Lease are cumulative. Lessee's selection and imposition of a particular remedy shall not be deemed an election of remedies under this Lease.

#### **11.15 ENTIRE AGREEMENT**

This Lease and all of its written and attached Exhibits, riders, addendums, modifications, and amendments constitutes the entire agreement between Lessor and Lessee with respect to the Premises and the Common Area Facilities and may be amended or altered only by written agreement executed by both parties. Lessor warrants that it owns the Building as described herein, and each party warrants that it is authorized to enter into this Lease.

#### **11.16 ATTACHMENTS**

The following exhibits are part of this Lease and were attached before this Lease was signed by the parties:

Exhibits:


- B. Improvements
- C. Base Rent Schedule
- D. Janitorial Specifications - Acknowledgment
- F. Subordination, Non-Disturbance, and Attornment Agreement
- G. Real Estate Disclosure Statement
- H. Lessor Certification
- I. Federal Tax Identification Number
- J. Purchase Option

**11.17 AUTHORITY TO EXECUTE**

*Trustee's Execution of this Lease is a Personal Act and Cannot be Delegated*

Parties signing this Lease on behalf of the Lessor certify that they have authority to execute the Lease and to commit to all described covenants.

**LESSOR: NORTH STAR TRUST COMPANY, AS SUCCESSOR TO LAKESIDE BANK, AS TRUSTEE UNDER TRUST AGREEMENT DATED 7/1/97, a.k.a. NO. 10-1862, AS LESSOR**

BY  DATE 2/8/08  
PRINTED NAME Maritza Castillo  
TITLE TRUST OFFICER

ATTEST  Juanita Chandler

**STATE OF ILLINOIS, LESSEE, BY DEPARTMENT OF CENTRAL MANAGEMENT SERVICES**

BY \_\_\_\_\_ DATE \_\_\_\_\_  
PRINTED NAME \_\_\_\_\_  
TITLE Director

Negotiated By: Robert Moser May 29, 2007  
Leasing Representative Date

## Lessor Exoneration Rider

This Lease is executed as Lessor by North Star Trust Company, not personally, but solely as Trustee as aforesaid and it is expressly understood and agreed by and between the parties hereto, anything in this Lease to the contrary notwithstanding, that each and all of the covenants, undertakings and agreements in this Lease contained are made and intended not as personal covenants, undertaking and agreements of North Star Trust Company, or any of its officers, agents or employees, but this Lease is executed and delivered by the undersigned Lessor solely as Trustee as aforesaid, and no personal liability or personal responsibility is assumed by, or shall at any time be asserted or enforced against North Star Trust Company, its officers, agents or employees, on account of any covenants, representations, undertakings or agreements in this Lease contained, or otherwise, either express or implied, all such personal liability, if any, being hereby expressly waived and released, it being understood that the Lessee or anyone claiming by, through or under the Lease shall look solely to the trust property for the enforcement or collection of any such liability, by way of illustration only and without limitation of the foregoing, it's further understood and agreed that neither the Lessor, North Star Trust Company, not individually shall have any duty whatsoever with reference to the upkeep, maintenance or repair of said premises and makes no representations with reference to the condition of , or the title to, said premises. The Lessee hereunder is hereby charged with knowledge that the Lessor does not, in fact, have possession of nor exercise any dominion over the by the undersigned Lessor solely for the purpose of subjecting the title to the trust property to the terms of this Lease and for no other purpose whatsoever, any conveyance of the demised premises by the undersigned Lessor shall operate to release the Lessor and North Star Trust Company in every capacity from any and all obligations, if any, under this Lease. It is further expressly understood and agreed that no duty shall rest upon the Lessor or North Star Trust Company to sequester, the trust property or the rents, issued and profits arising therefro, or the profits arising from any sale or other disposition thereof.

## EXHIBIT B – IMPROVEMENTS

LEASE CONTROL NO. 5476

DEPARTMENT OF CHILDREN AND FAMILY SERVICES  
15115 S. Dixie Highway  
Harvey, IL 60426

### I. Scope of Work

A. Tenant Improvement Work as requested by the Lessee is to be completed within 90 days following execution of the lease, with the exception of carpet replacement.

II. The Lessor shall be responsible to furnish all labor and materials to complete Work as noted below, including the cost of labor to move the furniture and equipment of the Using Agency during the carpet and paint improvement process. Lessor agrees that Tenant Improvements will be completed during non-business hours, weekends or holidays subject to the approval of the Using Agency.

1. Repair, seal coat and re-stripe parking lot; ensure correct number of accessible spaces are included and are on the shortest accessible route to the nearest accessible entrance.
2. Install accessible parking signs.
3. Paint curbs yellow in front and on south side of building and on both sides of road, paint curbs yellow on road that provides access to Dixie Highway and paint yellow stripes in semi-circles at front entrances. Also, install "No Parking" signs.
4. Repair fence along north elevation of building.
5. Install building address by entrances on west side of building in numerals large enough to be read from Dixie Highway.
6. Install weather stripping and repair lock on outside door to shipping/receiving room; repair door lock and door alarm.
7. Install hardware to make operable the outside exit door on north side of building.
8. Prepare and paint outside exit doors throughout building.
9. Repair leak in dryvit at front entrances; repair water damage.
10. Repair both sets of front entrance doors so they close properly.
11. Paint entire space in accordance with the attached Appendix H – Paint Finishes.
12. Clean light fixture lenses through out space.
13. Balance HVAC system.
14. Replace soap dispensers in rest room through out space.
15. Repair carpet snags, where needed.
16. Replace stained ceiling tiles, where needed.
17. Install corner guards on walls in high-traffic areas, where needed.
18. Check window seals around all windows in building; repair leak by window in room 151.
19. Ensure exit sign bulbs are working through out space.
20. Ensure battery-pack emergency lights are working through out space.
21. Repair threshold between carpet and tile outside rooms 474, 494 and 495; repair thresholds through out space, where needed.
22. Repair crack in wall in room 474 and through out space, where needed.
23. Ensure hot water is provided in sinks in rest rooms by waiting area at main entrance.
24. Repair gap in corridor floor outside room 320.
25. Clean exhaust fan in what was previously known as the smoking room.
26. Install new cover plate on outlet in break room.
27. Install splash boards around sink in janitor's closet.
28. Install a battery-pack emergency light outside room 467.
29. Install a light fixture in corridor outside room 158.
30. Repair gap in floor outside room 153 and install accent tile over it.
31. DURING THE 61<sup>ST</sup> MONTH OF THE LEASE: Replace carpet through out space in accordance with the attached Appendix G – Carpeting Requirements.

III. The Lessor shall be responsible for meeting or exceeding all applicable code requirements and completing work according to all governing laws, codes, regulations, standards and policies.

#### IV. GENERAL REQUIREMENTS

- A. The Lessor shall provide all necessary Construction Documents, permits, certifications, and other documents as may be required for the purpose of any construction relating to this property in accordance with all governing federal, state and local codes, laws and regulations, standards and policies. In the absence of specific seismic design and construction standards in the local building code, the standards of the latest edition of the *Uniform Building Code* shall be met.
- B. The Lessor shall conform to the requirements of the *Illinois Architecture Practice Act of 1989*, Section 3, which requires an Illinois Licensed Architect complete the project and seal Construction Documents unless interior alterations do not involve structural changes.
- C. All construction must be done by mechanics or workmen skilled in their respective trades, must be done in a workmanlike manner and present an industry standard appearance acceptable to the Using Agency.
- D. Prevailing wages shall be included in the contracts and advertised specifications to which any public body, as defined in the *Prevailing Wage Act* (820 ILCS 130), is a party, for the construction, reconstruction, maintenance and/or repair of public buildings or public works within the State of Illinois which requires or involves the employment of laborers, workers, mechanics and owner/operators. Minimum wages, overtime rate and fringe benefits certified by the Illinois Department of Labor shall be paid. Furthermore, the scale of prevailing wages to be paid shall be posted by contractor in a prominent and easily accessible place at the site of work.
- E. All work must comply with the Illinois Accessibility Code, Capital Development Board, April 24, 1997, and the *Environmental Barriers Act*[410 ILCS 525].
- F. All work must comply with the Americans with Disabilities Act of 1990 and all regulations promulgated pursuant thereto by the U. S. Department of Justice.



**EXHIBIT C – PAYMENT OF RENT**

**RENT SCHEDULE**

Year	Rent/RSF	Monthly Rent	Annual Rental
Year 1 - May 1, 2008 – April 30, 2009	\$19.69	\$80,729.00	\$968,748.00
Year 2 - May 1, 2009 – April 30, 2010	\$19.69	\$80,729.00	\$968,748.00
Year 3 - May 1, 2010 – April 30, 2011	\$19.69	\$80,729.00	\$968,748.00
Year 4 - May 1, 2011 – April 30, 2012	\$19.69	\$80,729.00	\$968,748.00
Year 5 - May 1, 2012 – April 30, 2013	\$19.69	\$80,729.00	\$968,748.00
		<b>Term Total</b>	<b>\$4,843,740.00</b>
<b>RENEWAL OPTION</b>			
Year 6 - May 1, 2013 – April 30, 2014	\$20.08	\$82,328.00	\$987,936.00
Year 7 - May 1, 2014 – April 30, 2015	\$20.08	\$82,328.00	\$987,936.00
Year 8 - May 1, 2015 – April 30, 2016	\$20.08	\$82,328.00	\$987,936.00
Year 9 - May 1, 2016 – April 30, 2017	\$20.08	\$82,328.00	\$987,936.00
Year 10 - May 1, 2017 – April 30, 2018	\$20.08	\$82,328.00	\$987,936.00
		<b>Term Total</b>	<b>\$4,939,680.00</b>

**HOLDOVER RENT**

If, after the expiration of the lease term, Lessee retains possession of the Premises, monthly Holdover Rent, paid in arrears, will be \$19.69/RSF. If, after the expiration of the renewal term, if exercised, Lessee retains possession of the Premises, monthly Holdover Rent, paid in arrears, will be \$20.08/RSF.

For State of Illinois Use Only – 1 <sup>st</sup> Year of Term Only	
\$19.69	Annual Sq. Ft./Base Rent
.11	Gas*
1.20	Electric*
.02	Water*
1.49	Janitor*
3.83	Other Costs (Garbage, Security)
N/A	Tenant Improvement Cost
\$26.34	Estimated Full Service Cost

\* The above-referenced costs are to be paid by the Lessee

## TAX ESCALATIONS

Beginning with the first lease year and each year thereafter, Lessee shall pay additional rental equal to the cost of real estate taxes for the demised premises in excess of \$189,500.00. It is agreed that at the request of the Lessee, Lessor will file appropriate requests for review and relief of real estate taxes assessment levels. Lessee shall allow Lessor to offset its costs of preparing such appeals against real estate tax savings if any. The Lessee's proportionate share is defined as that portion of the net assignable space leased by the Lessee compared to the total amount of net assignable space. Tenant's proportionate share of building is 100%.

Lessor shall submit to the Department of Central Management Services, Lessee, a written request for additional rental due under this article within 60 days after receipt of the tax bill for the second installment of the taxes due on said property for each lease year. Said request for reimbursement must include copies of actual tax billings for the current year supporting the amount requested.

**JANITORIAL SERVICES – Acknowledgment**

Department of Children and Family Services  
15115 South Dixie Highway  
Harvey, Illinois

Pursuant to the Solid Waste Management Act [415 ILCS 20] the Using Agency is required to cooperate with the Department of Central Management Services in the implementation of recycling programs. Janitorial services contracted by the State will include the placement of recyclable material, collected in various areas of the building, into the proper containers provided by the State in a centrally located interior or exterior area of the facility for the collection by various vendors contracted by the State. The Lessor shall provide an adequate waste disposal area and vehicular access to this area in accordance with all governing laws and codes as a condition of leasing to the State of Illinois.

**EXHIBIT F - AGREEMENT OF SUBORDINATION, NON-DISTURBANCE, AND ATTORNMENT**

THIS AGREEMENT is entered into on the \_\_\_\_ day of \_\_\_\_\_, 20\_\_, by and between \_\_\_\_ ("Lender"), a \_\_\_\_ corporation having its principal offices \_\_\_\_\_ and the Department of Central Management Services ("Lessee"), 721 Stratton Office Building, Springfield, Illinois, on the basis that:

- A. Lessee and \_\_\_\_ ("Lessor"), entered into a written Lease on the \_\_\_\_ day of \_\_\_\_\_, 20\_\_ and known as Lease Control No. \_\_\_\_ (the Lease"), for certain Premises described in that Lease as \_\_\_\_\_.
- B. Lender holds a mortgage (the "Mortgage") that encumbers the Premises in the aforesaid Lease.
- C. Lessee has agreed that the Lease shall be subject and subordinate to the Mortgage.
- D. Lender and Lessee wish to recognize the Lessee's right to occupy the Premises according to the terms and conditions of the Lease.

It is hereby agreed, in consideration of the promises and covenants contained herein, that during the term of the Lease and any extension thereof:

1. So long as Lessee is not in default in the performance of the terms, covenants, or conditions of the Lease, Lender shall not terminate Lessee's interest in the Premises under the Lease because of any default under the Mortgage by Lessor and Lender shall not disturb Lessee's possession or any other right of Lessee under the Lease.
2. Tenant agrees that if the ownership interests of Lessor are transferred to and held by Lender, or its designated assigns, by reason of foreclosure or by any other legal manner, then Lessee shall attorn to Lender, or its designated assigns, and shall recognize Lender, or its designated assigns, as the successor Lessor under the Lease, provided, however, that the Lender and any other successor Lessor shall fully and expeditiously comply with the provisions of the Lease requiring Lessee to be notified of changes in ownership or beneficial interest, completion by Lessor of all requisite disclosure and related documents, and further subject to all rights of Lessee in the event of noncompliance by Lessor as set forth in paragraphs 11.10 and 11.11 of said Lease.
3. In the event the Mortgage is foreclosed, the Lease shall continue in full force and effect, except that the Lender or other successor Lessor shall not:
  - a. Be bound by any prepayment of more than one month's Rent (except for any free Rent or other Rent abatement which shall have accrued);
  - b. Be bound by any amendment, modification, or termination of the Lease made without the name of the Lender or other successor Lessor, after the effective date of foreclosure, unless the amendment, modification, or ending is specifically authorized by this Lease and does not require prior agreement or consent by Lessor.
4. Lender agrees no property owned by or removable by Lessee shall be subject to the lien of the Mortgage held by Lender or any mortgage made paramount to the aforesaid Lease by means of this Agreement.
5. The terms of this Agreement shall not be affected by the renewal, modification, amendment, replacement, or extension of the Lease.
6. This Agreement shall bind and inure to the benefit of the parties hereto and their respective successors and assigns.

Lender: \_\_\_\_\_

Lessee: Department of Central Management Services

By: \_\_\_\_\_

By: \_\_\_\_\_

Its: \_\_\_\_\_

Its: \_\_\_\_\_

Disclosure Statement

THIS STATEMENT MUST BE COMPLETED BY THE LESSOR AND SUBSCRIBED UNDER OATH BY  
A MEMBER, OWNER, AUTHORIZED TRUSTEE, CORPORATE OFFICIAL, GENERAL PARTNER, MANAGING AGENT,  
MANAGING MEMBER, OR AUTHORIZED ATTORNEY AGENT

Illinois Law (50 ILCS 105/3.1) requires completion of this form. Disclosure is required of the identity of every owner and beneficiary (whether an individual or entity) having any interest, real or personal, in the real estate where the leased premises are situated. Every member, shareholder, limited partner, or general partner entitled to receive more than 7½% of the total distributable income of any limited liability company, corporation or limited partnership with an interest in the lease must be disclosed. FAILURE TO ACCURATELY PROVIDE ALL INFORMATION REQUESTED ON THIS FORM AND TO PROVIDE UPDATED INFORMATION WITHIN 30 DAYS OF ANY CHANGE OF OWNERSHIP MAY RESULT IN A MATERIAL BREACH OF THE LEASE AND/OR CRIMINAL SANCTIONS.

- I    A.    Address of Premises 15115 S. Dixie Hwy., Harvey, IL. 60426  
      B.    Real Estate Tax Index Number(s) 29-18-101-006 & 29-18-107-004

- II    INDICATE INTERESTS OF ALL RECORD TITLE OWNERS, LESSOR AND ANY OTHERS IN REAL PROPERTY BY CHECKING ALL APPLICABLE BOXES AND PROVIDING REQUESTED INFORMATION AS INSTRUCTED. [NOTE: MORE THAN ONE BOX MAY REQUIRE COMPLETION.] IF ADDITIONAL SPACE IS NEEDED TO ADEQUATELY PROVIDE REQUESTED INFORMATION, ATTACH A SEPARATE SHEET TO THIS DOCUMENT.

**IDENTITY OF FEE SIMPLE RECORD TITLE HOLDER**

**INSTRUCTIONS:** LIST NAMES OF ALL OWNERS OF RECORD & DESCRIBE MANNER OR CAPACITY IN WHICH TITLE HELD (SOLE OWNER, JOINT TENANCY, TENANTS BY THE ENTIRETY, TENANTS IN COMMON, TRUSTEE UNDER LAND TRUST, TRUSTEE UNDER INTER VIVOS OR TESTAMENTARY TRUST, ETC).

**LEASE HOLDER OR SUBLESSEE**

**INSTRUCTIONS:** LIST THE COMPLETE NAME(S) OF THE PRINCIPAL LESSOR (AND LESSEE IF YOU ARE A SUB-LESSEE) AND INDICATE THE BEGINNING AND ENDING DATES FOR THE TERM OF PRINCIPAL LEASE OR THE SUBLEASE TOGETHER WITH AN INDICATION OF WHETHER CONSENT TO SUBLEASE IS REQUIRED.

**LAND TRUST OR OTHER TRUST**

**INSTRUCTIONS:** LIST THE COMPLETE NAME AND NUMBER OF TRUST AND TRUSTEE'S ADDRESS AND NAMES OF ALL BENEFICIARIES. NOTE: IF THE REAL ESTATE IS HELD IN A LAND TRUST, A SEPARATE "LAND TRUST BENEFICIAL INTEREST DISCLOSURE APPLICATION" MUST ALSO BE FULLY COMPLETED AND PROVIDED.

North Star Trust Company, as Successor to Lakeside Bank, as  
Trustee under Trust Agreement dated July 1, 1997 a/k/a #10-1862.  
500 West Madison, Suite 3150. Chicago, Illinois 60661

See Attached List of Trust Beneficiaries.



**HOLDER OF OPTION TO PURCHASE OR INSTALLMENT CONTRACT PURCHASER**

**INSTRUCTIONS:** DESCRIBE LESSOR'S INTEREST IN THE REAL ESTATE FULLY. LIST THE PARTIES WHO CURRENTLY OWN THE REAL ESTATE AS CONTRACT SELLER (AND ASSIGNOR IF YOU ARE AND ASSIGNEE OF CONTRACT PURCHASER) AND INDICATE THE BEGINNING AND ENDING DATES FOR TERM OF CONTRACT TOGETHER WITH AN INDICATION OF WHETHER CONSENT TO LEASE OR ASSIGNMENT IS REQUIRED OF CONTRACT SELLER. IF HOLDER OF OPTION TO PURCHASE SPECIFY EXPIRATION DATE OF OPTION.



**OTHER (PLEASE DESCRIBE IN DETAIL)**

**INSTRUCTIONS:** LIST THE NAME OF ALL PARTIES WHO HAVE ANY OTHER OWNERSHIP INTEREST, LEGAL OR EQUITABLE CLAIM OF ANY TYPE IN AND TO THE REAL ESTATE.

**III IF A CORPORATION, PARTNERSHIP OR LIMITED LIABILITY COMPANY HAS AN INTEREST IN THE LEASE, COMPLETE THE APPROPRIATE PARAGRAPH(S)**

**NOTE:** IN COMPLETING THIS SECTION, IF THERE IS NO READILY KNOWN INDIVIDUAL HAVING GREATER THAN 7 1/2% INTEREST IN THE ENTITY AND THE INTERESTS, STOCK, OR SHARES IN A LIMITED LIABILITY COMPANY, CORPORATION, OR GENERAL PARTNERSHIP ARE PUBLICLY TRADED -- THEN THE REQUIREMENTS OF THE DISCLOSURE MAY BE MET BY SO STATING.

**CORPORATION - INSTRUCTIONS: PLEASE LIST**

1. The names of the president and secretary: \_\_\_\_\_
2. The name and address of the registered agent: \_\_\_\_\_  
\_\_\_\_\_
3. The names of all shareholders entitled to receive more than 7 1/2% of the total distributable income of the corporation: \_\_\_\_\_  
\_\_\_\_\_
4. The name of the person(s) authorized to execute the lease on behalf of the corporation: \_\_\_\_\_  
\_\_\_\_\_

**LIMITED OR GENERAL PARTNERSHIP - instructions: please list**

1. The names of all partners (both limited and general partners): \_\_\_\_\_
2. The names and addresses of all partners entitled to receive more than 7 1/2% of the total distributable income of the partnership: \_\_\_\_\_  
\_\_\_\_\_
3. The name of the person(s) authorized to execute the lease on behalf of the partnership: \_\_\_\_\_  
\_\_\_\_\_

**LIMITED LIABILITY COMPANY - INSTRUCTIONS: PLEASE LIST**

1. The name of the managing member: \_\_\_\_\_

2. The names and addresses of all members entitled to receive more than 7½ % of the total distributable income of the limited liability company: \_\_\_\_\_

3. The name of the person(s) authorized to execute the lease on behalf of the limited liability company: \_\_\_\_\_

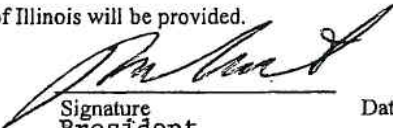
**IV THIS PARAGRAPH MUST BE COMPLETED BY ALL PARTIES**

**ARE ANY OF THE PERSONS LISTED ABOVE ELECTED OR APPOINTED OFFICIALS, EMPLOYEES OF THE STATE OR THE SPOUSE OR MINOR CHILD OF SAME?**

NO  YES If "YES", explain employment status and identify familial relationship.

**V THIS PARAGRAPH MUST BE COMPLETED BY ALL PARTIES**

I, (print name) Peter C. Cacciatore state on oath or affirm that I am (title/capacity) President  
of (firm/name) JOS. CACCIATORE & CO. and that the disclosure made above is true and correct. The undersigned certifies that any additional documentation requested by the State of Illinois will be provided.

  
Signature \_\_\_\_\_ Date 6.6.07  
President  
Title \_\_\_\_\_

ACKNOWLEDGMENT


STATE OF ILLINOIS

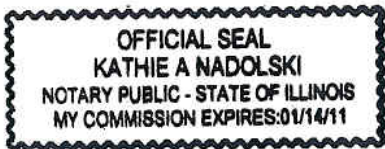
COUNTY OF COOK

I, the undersigned, a Notary Public in and for said County, in the State aforesaid, DO HEREBY CERTIFY that PETER CACCIATORE, who is the PRESIDENT OF JOS. CACCIATORE & CO. and personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person, and acknowledged that as such PRESIDENT he signed, sealed and delivered the said instrument as his free and voluntary act, for the uses and purposes therein set forth.

Given under my hand and seal this 6th day of JUN 2007.

Commission Expires: \_\_\_\_\_

  
Notary Public



Land Trust Beneficiaries

North Star Trust Company, as Successor to Lakeside Bank, as Trustee under Trust Agreement dated July 1, 1997 a/k/a #10-1862.

## Beneficiaries:

Victor J. Cacciatore	40%	1415 N. Ashland Avenue, River Forest, IL 60305
Charlotte R. Cacciatore	40%	1415 N. Ashland Avenue, River Forest, IL 60305
Hunter-Harvey Group Limited Partnership	20%	527 S. Wells Street, Chicago, IL 60607

Hunter-Harvey Group Limited Partnership

General Partner:	Hunter-Harvey, Inc.	1.000%
Limited Partners:		
	Peter C. Cacciatore	22.278%
	Joseph P. Cacciatore	19.800%
	Gloria Turan	17.325%
	Christopher C. Cacciatore	17.325%
	Marybeth Serwinski	4.950%
	Philip D. Cacciatore	17.325%



CERTIFICATIONS

LEGAL ABILITY TO CONTRACT: Lessor certifies it is under no legal prohibition on contracting with the State of Illinois, has no known conflicts of interest and further specifically certifies that:

- a) Lessor, its employees and subcontractors will comply with applicable provisions of the U.S. Civil Rights Act, Section 504 of the Federal Rehabilitation Act, the Americans with Disabilities Act (42 U.S.C. § 12101 et seq.) and applicable rules in performance under this Contract.
- b) Lessor is not in default on an educational loan (5 ILCS 385/3).
- c) Lessor has informed the director of the Lessee/Using Agency in writing if he/she was formerly employed by that agency and has received an early retirement incentive prior to 1993 under Section 14-108.3 or 16-133.3 of the Illinois Pension Code, 40 ILCS 5/14-108.3 and 40 ILCS 5/16-133.3, and acknowledges that contracts made without the appropriate filing with the Auditor General are not payable from the "contractual services" or other appropriation line items. Lessor has not received an early retirement incentive in or after 2002 under Section 14-108.3 or 16-133.3 of the Illinois Pension Code, 40 ILCS 5/14-108.3 and 40 ILCS 5/16-133.3, and acknowledges that contracts in violation of Section 15a of the State Finance Act are not payable from the "contractual services" or other appropriation line items (30 ILCS 105/15a).
- d) Lessor has not been convicted of bribing or attempting to bribe an officer or employee of the State of Illinois or any other State, nor has made an admission on the record of having so bribed or attempted to bribe (30 ILCS 500/50-5).
- e) If Lessor has been convicted of a felony, at least five years have passed after the date of completion of the sentence for such felony, unless no person held responsible by a prosecutor's office for the facts upon which the conviction was based continues to have any involvement with the business (30 ILCS 500/50-10).
- f) If Lessor, or any officer, director, partner, or other managerial agent of Lessor, has been convicted of a felony under the Sarbanes-Oxley Act of 2002, or a Class 3 or Class 2 felony under the Illinois Securities Law of 1953, at least 5 years have passed since the date of the conviction. Lessor further certifies that it is not barred from being awarded a contract and acknowledges that the contracting Lessee/Using Agency shall declare the contract void if this certification is false (30 ILCS 500/50-10.5).
- g) Lessor and its affiliates are not delinquent in the payment of any debt to the State (or if delinquent has entered into a deferred payment plan to pay the debt), and Lessor and its affiliates acknowledge the contracting Lessee/Using Agency may declare the contract void if this certification is false (30 ILCS 500/50-11) or if Lessor or an affiliate later becomes delinquent and has not entered into a deferred payment plan to pay off the debt (30 ILCS 500/50-60).
- h) Lessor and all affiliates shall collect and remit Illinois Use Tax on all sales of tangible personal property into the State of Illinois in accordance with provisions of the Illinois Use Tax Act (30 ILCS 500/50-12) and acknowledge that failure to comply can result in the contract being declared void.
- i) Lessor certifies that it has not committed a willful or knowing violation of the Environmental Protection Act (relating to Civil Penalties under the Environmental Protection Act) within the last five (5) years, and is therefore not barred from being awarded a contract. If the State later determines that this certification was falsely made by the Lessor, the Lessor acknowledges that the contracting Lessee/Using Agency may declare the contract void. (30 ILCS 500/50-14)
- j) Lessor has not paid any money or valuable thing to induce any person to refrain from bidding on a State contract, nor has Lessor accepted any money or other valuable thing, or acted upon the promise of same, for not bidding on a State contract (30 ILCS 500/50-25).
- k) Lessor is not in violation of the "Revolving Door" section of the Illinois Procurement Code (30 ILCS 500/50-30).
- l) Lessor will report to the Illinois Attorney General and the Chief Procurement Officer any suspected collusion or other anti-competitive practice among any bidders, offerors, contractors, proposers or employees of the State (30 ILCS 500/50-40, 50-45, 50-50).
- m) Lessor will, pursuant to the Drug Free Workplace Act, provide a drug free workplace, and if an individual shall not engage in the unlawful manufacture, distribution, dispensation, possession or use of a controlled substance in the performance of the Contract. This certification applies to contracts of \$5000 or more with: individuals; and to entities with twenty-five (25) or more employees (30 ILCS 580).
- n) Neither Lessor nor any substantially owned affiliate is participating or shall participate in an international boycott in violation of the U.S. Export Administration Act of 1979 or the applicable regulations of the U.S. Department of Commerce. This certification applies to contracts that exceed \$10,000 (30 ILCS 582).
- o) Lessor has not been convicted of the offense of bid rigging or bid rotating or any similar offense of any State or of the United States (720 ILCS 5/33E-3, 5/33E-4).
- p) Lessor complies with the Illinois Department of Human Rights Act and rules applicable to public contracts, including equal employment opportunity, refraining from unlawful discrimination, and having written sexual harassment policies (775 ILCS 5/2-105).

- q) Lessor does not pay dues to, or reimburse or subsidize payments by its employees for, any dues or fees to any "discriminatory club" (775 ILCS 25/2).
- r) Lessor complies with the State Prohibition of Goods from Forced Labor Act, and certifies that no foreign-made equipment, materials, or supplies furnished to the State under the contract have been or will be produced in whole or in part by forced labor, convict labor, or indentured labor under penal sanction (PA 93-0307).
- s) **CONFLICTS OF INTEREST:** Lessor has disclosed, and agrees it is under a continuing obligation to disclose to the Lessee/Using Agency, financial or other interests (public or private, direct or indirect) that may be a potential conflict of interest or which would prohibit Lessor from having or continuing the Contract. This includes, but is not limited to conflicts under the "Infrastructure Task Force Fee Prohibition" section of the State Finance Act (30 ILCS 105/18.40), Article 50 of the Illinois Procurement Code (30 ILCS 500/50), or those which may conflict in any manner with the Lessor's obligation under this Contract. Lessor shall not employ any person with a conflict to perform under this Contract. If any conflict under Section 50-13 exists no contract may be issued without an exemption from the Governor pursuant to Section 50-20 of the Illinois Procurement Code. An exemption is necessary if:
- 1) the person intending to contract with the State, their spouse or child: (i) holds an elective office in Illinois; (ii) holds a seat in the Illinois General Assembly; (iii) is an officer or employee of the Capital Development Board or the Illinois Toll Highway Authority; or holds an appointed position or is employed in any of the offices or agencies of the State government and who receives compensation for such employment in excess of 60% of the salary of the Governor (currently \$90,414.60). (The conflict of interest threshold of 60% of the Governor's salary set forth in Section 50-13 does not apply to elective office holders, legislators, and officers or employees of the Capital Development Board or the Illinois Toll Highway Authority.);
  - 2) the contract is with a firm, partnership, association or corporation in which a person referenced in 4.7.3.1 above receives more than 7.5% of the total distributable income or an amount in excess of the salary of the Governor (currently \$150,691.00).
  - 3) the contract is with a firm, partnership, association or corporation in which a person referenced in 4.7.3.1 above, together with their spouse or minor child, receives more than 15% in the aggregate of the total distributable income or an amount in excess of 2 times the salary of the Governor (currently \$301,382.00) from the firm, partnership, association or corporation.

LESSOR (show Company name and DBA)

**NORTH STAR TRUST COMPANY**

Trustee's Exoneration Rider Attached Hereto And Made A Part Hereof

Signature *Laurel D. Thorpe* and not personally

Printed Name **Laurel D. Thorpe**

Title **Trust Officer**

Date 6/8/07

Address **North Star Trust Company  
500 W. Madison Street, Suite  
Chicago, Illinois 60661**

## **GENERAL DOCUMENT EXONERATION RIDER**

THIS DOCUMENT IS EXECUTED BY NORTH STAR TRUST COMPANY, NOT PERSONALLY BUT AS TRUSTEE UNDER TRUST NO. 5476 AS AFORESAID, IN THE EXERCISE OF POWER AND AUTHORITY CONFERRED UPON AND VESTED IN SAID TRUSTEE, AND IT IS EXPRESSLY UNDERSTOOD AND AGREED THAT NOTHING IN SAID DOCUMENT CONTAINED SHALL BE CONSTRUED AS CREATING ANY LIABILITY ON SAID TRUSTEE PERSONALLY TO PAY ANY INDEBTEDNESS ACCRUING THEREUNDER OR TO PERFORM ANY COVENANTS, EITHER EXPRESSED OR IMPLIED INCLUDING BUT NOT LIMITED TO WARRANTIES, INDEMNIFICATION AND HOLD HARMLESS REPRESENTATIONS IN SAID DOCUMENT ( ALL LIABILITY, IF ANY, BEING EXPRESSLY WAIVED BY THE PARTIES HERETO AND THEIR RESPECTIVE SUCCESSORS AND ASSIGNS) AND THAT SO FAR AS SAID TRUSTEE IS CONCERNED, THE OWNER OF ANY INDEBTEDNESS OR RIGHT ACCRUING UNDER SAID DOCUMENT SHALL LOOK SOLELY TO THE PREMISES DESCRIBED THEREIN FOR THE PAYMENT OF ENFORCEMENT THEREOF, IT BEING UNDERSTOOD THAT SAID TRUSTEE MERELY HOLDS LEGAL TITLE TO THE PREMISES DESCRIBED THEREIN AND HAS NO CONTROL OVER THE MANAGEMENT THEREOF OR THE INCOME THEREFROM, AND HAS NO KNOWLEDGE RESPECTING ANY FACTUAL MATTER WITH RESPECT TO SAID PREMISES, EXCEPT AS REPRESENTED TO IT BY THE BENEFICIARY OR BENEFICIARIES OF SAID TRUST. IN EVENT OF CONFLICT BETWEEN THE TERMS OF THIS RIDER AND OF THE AGREEMENT TO WHICH IT IS ATTACHED, ON ANY QUESTIONS OF APPARENT LIABILITY OR OBLIGATION RESTING UPON SAID TRUSTEE, THE PROVISIONS OF THIS RIDER SHALL BE CONTROLLING.

**Taxpayer Identification Number**

I certify that:

- 1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), **and**
- 2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, **and**
- 3. I am a U.S. person (including a U.S. resident alien).

Name (Printed): JOS. CACCIATORE & CO., INC. (Property Management Company)

**Taxpayer Identification Number:**

Social Security Number \_\_\_\_\_  
 or  
 Employer Identification Number 36-2305478

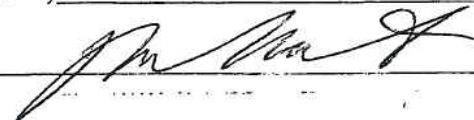
Legal Status (check one):

- |                                                                                                                      |                                                                 |
|----------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------|
| <input type="checkbox"/> Individual                                                                                  | <input type="checkbox"/> Governmental                           |
| <input type="checkbox"/> Sole Proprietorship                                                                         | <input type="checkbox"/> Nonresident alien                      |
| <input type="checkbox"/> Partnership/Legal Corporation                                                               | <input type="checkbox"/> Estate or Trust                        |
| <input type="checkbox"/> Tax-exempt                                                                                  | <input type="checkbox"/> Pharmacy (non-corporate)               |
| <input type="checkbox"/> Corporation providing or<br>billing medical and /or<br>health care services                 | <input type="checkbox"/> Pharmacy/Funeral Home/Cemetery (Corp.) |
| <input checked="" type="checkbox"/> Corporation NOT providing<br>or billing medical and / or<br>health care services | <input type="checkbox"/> Other _____                            |

Official authorized to sign on behalf of vendor:

Name (printed) PETER C. CACCIATORE

Title President

Signature 

Date 6.6.07

The following option to purchase supersedes and renders null and void any previous purchase options granted under this lease or any amendments of this lease.

**Option to Purchase:** Landlord grants to Tenant the option to purchase (Purchase Option) the building, building fixtures, land, and other personal property and real estate (property) on the following terms and conditions contained in the attached Sales Contract, for a purchase price equal to the then "Fair Market Value" of the property.

The Purchase Option shall be exercised in two (2) stages. In the first stage the Tenant will give notice of its interest in acquiring the property subject to determination of the purchase price (Initial Option Notice). In the second stage of the Purchase Option, Tenant shall give Landlord notice of its exercise of the option at the purchase price.

Fair Market Value shall be determined by appraisal using the following method:

- I. The determination of fair market value shall be made by three (3) State Certified Appraisers, each of whom has worked as a full time appraiser in the \_\_\_\_\_, Illinois area for at least five (5) years prior to their selection. Landlord and Tenant shall each select one (1) appraiser. The third appraiser shall be chosen by these two appraisers within five (5) days of their selection.

Each appraiser shall be independent, familiar with office and buildings and their value in the \_\_\_\_\_, Illinois area, and experienced in working real estate appraisals. If any party, including the two (2) appraisers, fails to designate its appraiser in a timely fashion, then the party or parties who have selected appraisers shall request that the President of the Illinois Chapter of the American Institute of Real Estate Appraisers appoint the required appraiser. Such appointment shall be binding on all parties. Landlord and Tenant will equally share the cost of appraisals.

- II. Each appraiser shall submit its written appraisal of fair market value of the property to Landlord and Tenant simultaneously no later than ninety (90) days after the appointment of the third appraiser. The three (3) appraisals shall be added together and their total divided by three; provided, however, that if the highest appraisal is more than one hundred seven percent (107%) of the lowest appraisal, then the appraisal which is furthest from the middle appraisal shall be disregarded and the remaining two (2) appraisals shall be added together and their total divided by two; and the resulting quotient shall be the "Fair Market Value" (that is, the Purchase Price) of the Property. Notwithstanding the foregoing, in the event that not all of the appraisals are submitted by the time designated above then; 1) if only two (2) appraisals are timely submitted, the average of said two (2) appraisals shall be deemed to be the "Fair Market Value", 2) if only one (1) appraisal is timely submitted then that appraisal shall be deemed to be fair market value or 3) if none of the appraisals are submitted timely, then that appraisal which is first submitted to Landlord and Tenant after the required submittal date shall be deemed to be the "Fair Market Value".

- III. If the appraisers fail to report their determination on or before the required submittal date, then the date by which Tenant must give the Option Exercise Notice shall be delayed until thirty (30) days after the date on which Tenant receives the determination by the appraiser(s) of the "Fair Market Value".

Provided that no monetary default then exists under this Lease, Tenant shall have the right to exercise the Purchase Option, if at all, by giving Landlord the Initial Option Notice at any time during the term of the Lease, together with four (4) copies of the Contract executed by Tenant dated the date of said Option Exercise Notice (with the date of the Closing inserted in Section 3 of the Contract. Within five (5) days of Landlord's receipt of the four (4) copies of the Contract executed by Tenant, Landlord shall execute and return to Tenant two (2) of said Contract.

It is expressly understood and agreed by the parties that:

- A. The consideration for the granting and continuance of the Purchase Option shall be deemed to be Tenant's entering into this Lease and Tenant's performance as Tenant thereunder of its obligation under this Lease;
- B. Tenant's failure to close its acquisition after exercising the Purchase Option shall not, in and of itself, constitute a default under this Lease;
- C. Tenant's obligations under the Contract are subject to Tenant obtaining, (1) an appropriation from the General Assembly of a sufficient amount of funds with which to purchase the Property and (2) an opinion of the Attorney General of the State of Illinois approving the condition of title to the Property which Tenant shall receive at the closing and should either or both the foregoing contingencies not be satisfied by the proposed closing date then Landlord or Tenant shall have the right, at any time after the proposed closing date and prior to the time both of said contingencies are satisfied, upon written notice to the other, to terminate the Contract, in which event, neither party shall have any further rights or obligations under the Contract, but this Lease shall remain in full force and effect;

- D. Tenant may only assign its rights under the Contract to any Governmental Agency or to any entity the effect of which will be that Tenant or any such Governmental Agency will be the beneficial owner or the user of the Property (and the foregoing limitation on assignability shall not be deemed to preclude Tenant's assignment of the Contract to any entity where the purpose of such assignment is to provide a means of financing Tenant's or any Governmental Agency's "financing" of its acquisition of the Property); and
- E. The Contract will provide that any and all monetary defaults of Tenant under this Lease shall be cured at, or prior to, the closing under the Contract.

8/8/00

**SALES CONTRACT**

The parties to this contract \_\_\_\_\_, Seller, and the State of Illinois, acting through its Department of Central Management Services, Buyer, agree to the sale and purchase of the Real Estate further described in Exhibit A.

I. **SALES PRICE:** The sales price of the Real Estate described in Exhibit A and all personal property inventoried in Exhibit B shall be \_\_\_\_\_.

II. **CLOSING DATE:** The closing date shall be \_\_\_\_\_ or \_\_\_\_\_ days after all contingencies are met.

A. On Closing Date, Seller shall convey title to the Property to Buyer by Warranty Deed in recordable form and Seller shall deliver or cause to be delivered to Buyer or Buyer's designee those additional documents described in Section 5 b hereof. Buyer shall obtain an exemption for payment of any transfer tax or documentary tax imposed or charged by the State of Illinois, \_\_\_\_\_ and City \_\_\_\_\_, Illinois and shall prepare and execute all tax declarations related thereto.

B. On the Closing Date, Seller shall deliver to Buyer or Buyer's designee the following documents:

1. Warranty Deeds for each of the Premises, in recordable form, conveying each of the Premises to Buyer;
2. Owner's title insurance policy;
3. Bill of Sale for any Personal Property described in Exhibit B;
4. Assignment of the Lease, as amended time to time; and
5. such other documents and instruments as may be reasonably necessary to achieve closing of this transaction and which do not materially change the rights and obligations of the parties hereunder.

All documents to be furnished by Seller pursuant hereto shall be in form and substance reasonable satisfactory to Buyers and its counsel.

C. On the Closing Date, Buyer shall deliver to Seller the following:

1. The Purchase Price, plus or minus net credits and prorations; and
2. such other documents and instruments as may be reasonably necessary to achieve closing of this transaction and which do not materially change the rights and obligations of the parties hereunder.

All documents to be furnished by Buyer pursuant hereto shall be in form and substance reasonably satisfactory to Seller and its counsel.

D. Possession of the Property shall be delivered to Buyer on the Closing Date.

III. **CONVEYANCE:** Seller agrees to convey good and merchantable title by deed acceptable to buyer upon payment of the purchase price at closing.

**CONTINGENCIES:** This contract is contingent upon:

- A. The approval and issuance of an opinion by the Attorney General of the State of Illinois pursuant to Fraud in Public Contracts Act (Ill. Rev. Stat., ch. 127, par. 132.52).
- B. Availability to Buyer of a suitable appropriation or at Buyer's option alternative financing.
- C. Phase I environmental report acceptable to Buyer.

#### IV. REPRESENTATIONS AND WARRANTIES

A. The Seller hereby represents and warrants to and agrees that:

1. There are no service, maintenance, union, management or other executory contracts executed by Seller relating to the property which would be effective after the transfer of ownership by the Seller except as set forth on Exhibit C attached hereto;
2. Neither Seller nor any of its agents have received any notice from any governmental authority relating to existing pollution, health, safety, environmental, building, or zoning code violations which are pending or undisposed of, and have not received any notice from any governmental authority covering the possible widening, change of grade or limitation on the use of streets abutting any of the Properties or concerning the imposition of any special taxes or assessments which are pending or otherwise not paid;
3. Seller has full capacity, right, power and authority to execute, deliver and perform this Contract and all documents to be executed by Seller pursuant hereto and all required action therefore has been duly taken. Assuming that this Contract is binding on and enforceable against purchase, this Contract and all documents to be executed pursuant hereto by Seller are and shall be binding upon and enforceable against Seller in accordance with their respective terms, subject to the effect of bankruptcy laws and other laws of general application affecting the rights and remedies of creditors and subject to the availability of equitable remedies;
4. To the best of Seller's knowledge, there is no pending litigation or like proceedings before any governmental agency which, if successfully pursued, could result in any adverse change in the condition of any of the Property or the operation thereof;
5. There are no employees of any of the Property whose employment is not subject to termination upon not more than thirty (30) days notice; and
6. The Seller has no knowledge of any actions or lawsuits which have been commenced or threatened by a governmental agency or any other person or entity claiming non-compliance with any environmental law, rule, regulation or ordinance. The Seller has never applied for environmental liability insurance, or if it has so applied, it has never been denied such coverage.

B. Seller shall reaffirm the foregoing representations and warranties on the Closing Date and shall deliver to Buyer on the Closing Date a certificate evidencing such reaffirmation. In the event that any such certificate required under this Section shall disclose the existence of any matter which is materially detrimental to the Property as reasonably determined by Buyer and which has not been expressly disclosed herein or previously disclosed and waived in writing by Buyer, Seller shall have no obligation to purchase the Property. All of the Seller's representation, warranties and agreements as herein made or provided for shall survive after the Closing Date.

C. Buyer shall have the right in its reasonable discretion to waive any breach by Seller of any of its representations, warranties and agreements under this Section in which case this Contract and the rights and obligations of the parties hereunder shall continue as if such representation, warranty or agreement by Seller had never been included in this Contract.

#### V. INTERIM OPERATION; DOCUMENT DELIVERY

A. Within ten (10) days after the date hereof, Seller shall deliver to Buyer true, correct and complete copies of the following (including all amendments thereto) to the extent the same shall not have been previously delivered to Buyer:

1. all documents and instruments creating a title exception reflected in the commitment for title insurance;
2. to the extent available to or in the possession of the Seller, as-built plans and specifications for the improvements on the Property;
3. an inventory of the Premises (other than buildings) and of the Personal Property to the extent any of such property is owned by Seller; and



4. all guaranties and warranties, if any, in favor of Seller and in effect with respect to the Property or any part thereof which shall, insofar as possible, be assigned by Seller to Buyer on the Closing Date.

#### VI. SURVEY AND TITLE INSURANCE

- A. Seller will furnish to Buyer at Seller's expense current plats of survey of each of the Premises prepared by a licensed land surveyor, acceptable to the Buyer.
- B. Seller shall deliver to Buyer on the Closing Date, at Seller's expense, ALTA Form B owner's title insurance policies issued by the Title Insurer. Each of such policies shall be in the amount of the Purchase Price and shall show title to the Property in the Buyer.

#### VII. PRORATIONS

General real estate tax expenses customarily prorated upon the sale of real estate in the \_\_\_\_\_, Illinois area and affecting the Properties shall be adjusted and prorated as of the Closing Date based on most recent ascertainable bills. Any rentals received with respect to the Property shall be prorated to the Closing Date. All prorated taxes shall be deposited by Seller in Escrow to be paid to the proper authorities on or before the due date of such taxes.

#### VIII. BROKER

- A. Buyer hereby represents and warrants to Seller that neither Buyer nor any of Buyer's agents or employees have submitted this transaction to any broker, finder, real estate agent or other intermediary so as to give any such party a claim for a broker's commission, finder's fee or similar commission with respect to or by reason of this transaction. Buyer hereby agrees to indemnify and hold Seller free and harmless from and against any and all loss, cost and injury suffered by Seller as a result of Buyer's breach of the warranty and agreement in this Section.
- B. Seller hereby represents and warrants to Buyer that neither Seller nor any of Seller's agents or employees have submitted this transaction to any broker, finder, real estate agent or other intermediary so as to give any such party a claim for a broker's commission, finder's fee or similar commission, with respect to or by reason of this transaction. Seller hereby agrees to indemnify and hold Buyer free and harmless from and against any and all loss, cost and injury suffered by Buyer as a result of the breach of the warranty and agreement in this Section.
- C. The representations, warranties and indemnities of the parties under this Section shall survive the closing of this transaction or any termination of this Contract.

#### IX. COMPLIANCE

- A. Seller certifies that it is not barred from receiving State contracts or subcontracts as a result of bribing, attempting to bribe or admitting to bribing an officer or employee of the State of Illinois (See Ill. Rev. Stat. 1987, ch. 127, par. 132.10-1), and is not barred from bidding on or receiving State contracts as a result of illegal bid rigging or bid rotating as defined in Section 33-E3 or 33-E4 of the Criminal Code of 1961 (See Ill. Rev. Stat. 1987, ch. 38, pars. 33-E3 and 33-E4), and is not prohibited from selling goods or services to the State of Illinois because it pays dues or fees on behalf of its employees or agents or subsidizes or otherwise reimburses them for payment of their dues or fees to any club which unlawfully discriminates (See Ill. Rev. Stat. ch. 68, pars. 101-103).

#### X. MISCELLANEOUS

- A. The Contract constitutes the entire agreement between the parties pertaining to this transaction and supersedes any and all other or prior written or oral agreements or understanding between them pertaining to this transaction. No representations, warranties or inducements, express or implied, have been made by either party to the other except as set forth herein.
- B. The headings of this Contract are for convenience of reference only and do not in any way limit or amplify the terms and provisions hereof.

- C. No amendment or modification to this Contract shall be effective unless in writing and signed by the parties.
- D. From time to time prior to and after closing hereunder, each party shall execute and deliver such instruments as may be reasonably requested by the other party in order to carry out the purpose and intent of this Contract.
- E. All notices, demands or delivery of documents required or permitted hereunder shall be deemed effectively delivered if personally delivered or three (3) days after deposit in United States Certified or Registered Mail, Return Receipt Requested, to the parties at the following addresses:

1. If to Purchaser:

2. If to Seller:

or to such other address as the parties may from time to time hereafter designate by notice to the other parties.

- F. This Contract, and the rights and obligations of the parties hereunder, shall be governed in accordance with the laws of the State of Illinois.
- G. Time shall be considered to be of the essence of this Contract.
- H. This Contract may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.
- I. This Contract is executed and delivered by \_\_\_\_\_, not personally, but as Trustee as aforesaid in the exercise of the power and authority conferred upon and vested in it as such Trustee. No personal liability shall be asserted or be enforceable against \_\_\_\_\_, because or in respect of this Contract or the making, issuance or transfer hereof, all such liability, if any, being expressly waived by each taker and holder hereof.

IN WITNESS WHEREOF, the parties have executed this Contract as of the date first above written.

**SELLER:**

By: \_\_\_\_\_

Title: \_\_\_\_\_

**PURCHASER: STATE OF ILLINOIS  
DEPARTMENT OF CENTRAL MANAGEMENT SERVICES**

By: \_\_\_\_\_

Title: \_\_\_\_\_

**Carpeting Requirements**  
**Post-Consumer Recycled Content & CRI/IAQ Carpet Test Green Label**

Where carpeting is installed during the initial tenant build-out or by subsequent amendment to the Lease, the building standard carpeting for this tenant area shall contain post-consumer recycled content and shall conform to the Carpet and Rug Institute/Indoor Air Quality (CRI/IAQ) Carpet Test Green Label Guidelines pursuant to Executive Order Number 11 (2001) accordance with the following requirements.

**Definition of Post-Consumer Recycled Content:**

Content derived from carpet products following their initial useful life, diverted from the waste stream, and through manufacturing processes, converted to form the contents, in whole or in part, of new products with useful lives to re-enter the commerce stream.

Post-consumer recycled content is expressed as a certain, consistent percentage of the total content of a product such as carpet, or percentage of the total content of a component of a product such as fibers or backing material. Recycled content expressed by statements such as "up to 60% recycled content" or "recycled content subject to availability" are not acceptable. Product recycled content must not vary in running line products. Recycled content products should have equal or better performance and cost no more than comparable virgin content products.

**Definition of Post-Industrial Content:**

Post-industrial content is a substance that, without a process change or other modification to incorporate it into a product with useful life, would enter the waste stream (for disposal) as a material without a useful life. Normal by-products in product manufacturing, which are normally reused within the original manufacturing process, or waste by-products that would not normally enter the waste stream do not constitute post-consumer or post-industrial recycled content per FTC guidelines 16 CFR section 260.7 (e) example 1.

**Recycling Requirements:**

Existing carpet products to be removed from the premises shall not enter the waste stream and shall not be disposed of as landfill material. Existing carpet products shall be 100% recycled back into carpet, or other new products with useful lives to re-enter the commerce stream, an infinite number of times. Recyclability of carpet products may include any active commercial process, which will return post-consumer (used) carpet to new carpet products or other new products with useful lives such as highway derivatives, automobile parts, and building construction materials.

New carpet products must meet FTC guidelines for recyclability and be 100% recyclable in a fully established, currently operational recycling program per 16 CFR section 260.7 (d). A claim of recyclability cannot be made for a product or any portion of a product that is incinerated, even if incineration is used to produce heat and power (e.g. waste-to-energy) per FTC guidelines 16 CFR section 260.7 (d) example 3. Manufacturer to provide a statement signed by an officer of the company verifying that all environmental marketing claims are consistent with FTC's Guides for the Use of Environmental Marketing Claims, 16 CFR section 260.

Manufacturer must have a collection and recovery system for carpet products purchased under this agreement and a fully established, currently operational recycling program per FTC guides Section 260.7(d). Manufacturer must provide written guarantee that 100% of recovered products will be recycled and that no portion of the products will be landfilled or incinerated. Manufacturer must be able to recover and recycle materials compatible with products in its recycling program. Recycling process, collection, recovery and re-use of materials, must be available for viewing and verifiable by an independent, neutral, third-party organization. Claiming a product is recyclable based on future expectation of technology, equipment, process or availability of that product as feedstock is not acceptable. Manufacturer must have product take back / buy back program capable of providing customer with financial incentive to return carpet for recycling.

**Alternative Recycling Requirements:**

To encourage the innovative development of 100% sustainable carpet products, and recognizing the harvesting of such products as an input resource will not occur until sufficient product has penetrated the market and exceeded its useful life, an alternative means of determining recycled content is appropriate. For the manufacturers of 100% sustainable carpet products where recycled content in the product comes from the consumer waste stream of that same product, where fiber is recycled into new face fiber and backing material is recycled into new backing material to sustain the product line, whether fed by waste from the same product line or carpet products outside that product line, the use of consumer waste stream materials as an energy input to the 100% sustainable carpet product shall be considered a recycled content where there is a documented 20% or more reduction in the non-renewable energy input to the sustainable carpet product resulting from the use of consumer waste stream materials when compared to 100% energy input from non-renewable energy sources. Manufacturer shall issue a recycling certificate stating the method used to calculate recycled content and the calculated non-renewable energy input savings as a percentage of total energy input at the time of completion of the 100% sustainable carpet product.

**Broadloom: Tufted and Woven**

**Fiber/Yarn**

Carpet material shall be 100% commercial filament nylon 6.0 or 6.6. The minimum denier per filament of fibers to be 18dpf. Fibers and yarns are to be first quality in accordance with normally accepted industry standard practices. Yarns must be of minimum 3-ply if air entangled or a minimum 2-ply if twisted yarns are used. Both methods are acceptable. Twisted yarns must be heatset to ensure resilience and durability. Non-heatset twisted yarns are not acceptable. Yarn size can vary from 2400 denier up to 6000 denier. Gauge and product type will dictate the sizes that manufacturers must use. Yarns will contain anti-stain and anti-soil treatments that meet minimum testing requirements of the industry.

**Dye Methods:**

Acceptable dye methods include: Solution Dye, Yarn Dye, and a combination of both. Yarn Dye to include Skein Dye, and Space Dye systems.

**Tufted Constructions:**

Acceptable products may range from 1/10 gauge to 1/13 gauge. This will ensure that dense commercial fabrics are utilized. Pile heights may vary from .125 inches to .230 inches and stitch rates are to be a minimum of 8.0 stitches per inch.

Woven Constructions:

Acceptable products may range from 5 pitch to 10 pitch. This will ensure that dense commercial wovens are utilized. Pile heights may vary from .144 inches to .230 inches and row counts (stitches rates) are to be a minimum of 6.5 rows per inch.

Modular Products:

Where carpet tiles are provided, cut by the die cut method only. Tufted construction modular products shall have a minimum face weight of 20 oz. per square yard with acceptable gauges from 1/10 to 1/13. Where woven modular products are provided, carpet material shall have a minimum face weight of 24 oz. per square yard with construction and yarn requirements as noted for "woven constructions". Stitch rates and row counts (woven only), should be in a range from 8.0 to 11.5, depending on the weight and the gauge of the specific product. Modular products to have broadloom coordinates to keep the areas where modular products are used to a minimum in lieu of less expensive broadloom products.

Warranty & Performance Criteria:

Manufacturer to provide a written environmental guarantee that 100% of carpeting returned to Manufacturer for recycling will be recycled and that no portion of the carpet will be landfilled or incinerated as a disposal method.

Warranties to be sole source responsibility of the Manufacturer. Second source warranties and warranties that involve parties other than the carpet manufacturers are unacceptable. If the product fails to perform as warranted when properly installed and maintained, the affected area will be repaired and/or replaced at the discretion of the Manufacturer. Chair pads must not be required for carpet warranty coverage.

*Static:* Acceptable Static Propensity for all products types should be less than or equal to the normally accepted commercial standard of 3.5 KV. Static protection must be permanent with a static control filament included in the fibers. Warranty period - Lifetime.

*Loss of Backing Resiliency:* Warranty period - Lifetime.

*Wear, Delamination, Zippering & Edge Ravel:* Warranty period - Lifetime.

*Colorfastness, Stain Resistance, Soil Resistance:* Warranty period - Lifetime.

*Atmospheric Contaminants (Ozone, Nitrous Oxides, etc.)* – Warranty period - Lifetime.

*Tuft Bind* – 15 lbs. minimum average.

Lessor shall furnish the Illinois Department of Central Management Services a copy of any and all warranties upon request. All warranties shall be transferable to the State of Illinois.

Recycled Content:

To ensure carpet is diverted from the waste stream including landfills for the production of the product, and the amount of virgin, non-renewable natural resources used in the product is reduced, carpet product shall have a minimum weighted average of 20% post-consumer recycled content. Recycled content must be reported as a percentage by weight of a specific component of the carpet product [e.g. face yarn or backing material] and by total weight of the product. Example: A 30 oz. face weight product with 6 oz. of post-consumer recycled content in the nylon face yarn would have 20% post-consumer recycled content for the face weight component and a lesser percentage for total weight of the product.

Product must carry a product label, or be accompanied by a letter from the manufacturer certifying, the percentage of post-consumer recycled content of a specific component of the carpet product and percentage of post-consumer recycled content by total weight of the carpet product. Manufacturer's claim of recycled content shall be substantiated by compliance with FTC Guides 16CFR Part 260(e).

**Alternative Recycled Content:**

For the manufacturers of 100% sustainable carpet products where recycled content in the product comes from the consumer waste stream of that same product, where fiber is recycled into new face fiber and backing material is recycled into new backing material to sustain the product line, whether fed by waste from the same product line or carpet products outside that product line, the use of consumer waste stream materials as an energy input to the 100% sustainable carpet product shall be considered a recycled content where there is a documented 20% or more reduction in the non-renewable energy input to the sustainable carpet product resulting from the use of consumer waste stream materials when compared to 100% energy input from non-renewable energy sources.

Manufacturer shall issue a recycling certificate stating the method used to calculate recycled content and the calculated non-renewable energy input savings as a percentage of total energy input at the time of completion of the 100% sustainable carpet product.

**Indoor Air Quality (IAQ):**

Product, inclusive of floorcovering adhesive, must meet CRI's IAQ requirements.

Environmental chamber testing per ASTM-5116. Emission Rates determined at 24 hours.

Product, inclusive of adhesive system, must meet VOC Green Label/Green Label Plus program guidelines. The current criteria for the program are based on maximum emission factors as follows:

0.5 mg/sq. meter per hour of Total Volatile Organic Compound (TVOC);

0.05 mg/ sq. meter per hour of formaldehyde;

0.4 mg/sq. meter per hour of styrene; and

0.05 mg/sq. meter per hour of 4-Phenyl cyclohexene (4-PC)

Submit Indoor Air Quality test report showing CRI Green Label/Green Label Plus ID Number for carpet, inclusive of adhesive. If results for carpet testing are not inclusive of adhesive, submit separate IAQ test reports for carpet and adhesive. Product as installed to be securely attached to the floor in compliance with Americans with Disabilities Act (ADA), Section 4.5.3. Floor preparation shall be in accordance manufacturer's written recommendation for specific floor system type.

**Carpet Product Selection:**

The following tables provide a current listing of companies certified by the CRI Carpet Testing Program and the CRI Adhesive Testing Program. Companies listed in the tables comply with CRI Carpet and Adhesive Testing Programs, but do not necessarily meet additional requirements noted herein, and therefore, would not be acceptable carpet or adhesive selections. Compliance with the requirements noted herein, in addition to the CRI Testing Program, is the responsibility of the Lessor.

<b>Approved Companies CRI Carpet Testing Program</b>		
<b>Manufacturer</b>	<b>Product Category</b>	<b>Contact Info</b>
<b>Atlas Carpet Mills</b> City of Commerce, CA	13795278 - nylon pre-dyed/SBR backing 28090311 - nylon post-dyed/SBR backing	800-372-6274
<b>Barrett Carpet Mills, Inc.</b> Dalton, GA	16848678 - nylon pre-dyed/SBR backing 21628691 - olefin pre-dyed/SBR backing	800-241-4064 www.barrett.cpt.com
<b>Beaulieu of America</b> Dalton, GA	20157530 - olefin pre-dyed/polyurethane backing 18093078 - nylon post-dyed/SBR backing 21544133 - nylon pre-dyed/SBR backing  18561478 - olefin pre-dyed/SBR backing	800-423-6316 www.beaulieu-usa.com
<b>Blue Ridge Commercial Carpet</b> Ellijay, GA	14222878 - nylon post-dyed/SBR backing	800-241-5945 www.blueridgecarpet.com
<b>Brintons Limited (U.K.)</b> Kidderminster, England	16733278 - 100% pre-dyed wool/SBR backing	156-282-0000
<b>Brintons U.S. Axminster, Inc.</b> Greenville, MS	14974065 - wool pre-dyed/SBR unitary backing 45121516 - nylon pre-dyed/SBR unitary backing	601-332-1581
<b>Burlington/Lees Carpets</b> Glasgow, VA	11716184 - nylon pre-dyed/SBR backing 10984338 - nylon pre-dyed/PVC hardback 14069078 - nylon post-dyed/SBR backing 39901930 - nylon pre-dyed/EVA backing 48204179 - nylon post-dyed/EVA backing	800-523-5550
<b>C&amp;A Floorcoverings Inc</b> Dalton, GA	34848688 - nylon pre-dyed/PVC backing, condensed cushion/RS 16146558 - nylon pre-dyed/PVC backing, cushion/RS tile 25571366 - nylon pre-dyed/PVC backing, ER3 tile 41039744 - nylon pre-dyed/PVC backing, cushion/RS	
<b>Camelot Carpet Mills</b> Fullerton, CA (Div. Royalty)	14030678 - nylon post-dyed/SBR backing	800-481-5900
<b>Catalina Carpet Mills</b> Cerritos, CA	14477478 - nylon post-dyed with SBR backing	800-421-6723
<b>Constantine</b> Dalton, GA	56608064 - 100% post-dyed nylon/SBR backing	706/277-0826
<b>Creative Carpets, Inc.</b> Chatsworth, GA	27390443 - olefin pre-dyed/SBR backing	706-695-6763
<b>Crossley Carpet Mills, Ltd.</b> Truro, Nova Scotia, Canada	17062478 - nylon post-dyed/SBR backing 18287678 - nylon pre-dyed/SBR unitary 13989878 - nylon pre-dyed/SBR backing	902-895-5491
<b>Fortune Contract</b> Dalton, GA	85842365 - nylon pre-dyed/SBR backing	706-279-3669
<b>Gulistan Carpet, Inc.</b> Aberdeen, NC	17530878 - 100% predyed nylon/SBR backing	800-729-2727
<b>Interface Flooring Systems</b> LaGrange, GA	24131641-nylon predyed/polyurethane back 18530820-nylon predyed/PVC hardback 22412377-PTT predyed/polyurethane/other back	800-336-0225

<b>Invision Carpet Systems</b> Dalton, GA (Div. J&J Industries, Inc.)		800-241-4586
<b>J&amp;J Commercial</b> Dalton, GA (Div. J&J Industries, Inc.)	14672078 - nylon pre-dyed/SBR unitary 14263678 - nylon post-dyed/SBR backing 37842092 - nylon post-dyed/polyurethane backing 17297878 - nylon post-dyed/polyurethane backing 27425055 - nylon pre-dyed/SBR backing	800-241-4586
<b>Kraus Carpet Mills, Ltd.</b> Waterloo, Ontario, Canada	14806678 - nylon pre-dyed/SBR backing 16031878 - nylon post-dyed/SBR backing 12764678 - olefin pre-dyed/SBR backing	519-884-2310
<b>Mannington Carpets, Inc.</b> Calhoun, GA Mannington Commercial Wellco	22303913 - nylon pre-dyed/SBR unitary 71929740 - nylon post-dyed/polyurethane backing 85827616 - nylon pre-dyed/PVC hardback 10242278 - nylon post-dyed/PVC hardback 13660678 - nylon post-dyed/SBR backing 29140945 - nylon pre-dyed/polyurethane backing 13622278 - nylon pre-dyed/SBR backing	800-241-2262
<b>Masland Carpets, Inc.</b> Atmore, AL (Div. Dixie Group)	16481078 - olefin pre-dyed/SBR backing 17511678 - nylon pre-dyed/SBR backing 17317078 - nylon post-dyed/SBR backing	800-633-0468
<b>Milliken &amp; Company</b> LaGrange, GA	06112860 - nylon post-dyed/SBR backing 82236937 - nylon postdyed/AR Hardback 45327205Nylon predyed with Urethane backing	706-880-5511
<b>Mohawk Industries, Inc.</b> Atlanta, GA (Durkan Patterned Carpets, Mohawk Commercial, Mohawk Modular, and Bigelow Commercial)	10749226 - nylon post-dyed/EVA unitary 10788854 - nylon pre-dyed/EVA backing 40904952 - nylon pre-dyed/EVA unitary 87382692 - nylon post-dyed/polyurethane backing 13427678 - polyester post-dyed/SBR backing 14866678 - nylon post-dyed/SBR backing 62998066 - olefin pre-dyed/polyurethane backing 18133878 - olefin pre-dyed/SBR backing 44622771 - nylon pre-dyed/polyurethane backing  70944731 - nylon post-dyed/EVA backing 87055335-100% wool/SBR backing 17920078-100% wool/SBR backing 22673802 - nylon predyed/SBR	800-554-6637ext. 62656
<b>Monterey Carpets, Inc.</b> Santa Ana, CA	13874478-100% nylon predyed/SBR backing 14787478-100% nylon postdyed/SBR backing	714-557-8615
<b>Options Tai Ping Carpets</b> Calhoun, GA	17394519 Wool with SBR backing	706-625-8905
<b>Royalty Carpet Mills, Inc.</b> Irvine, CA	16634566 - nylon pre-dyed/SBR backing 13600678 - nylon post-dyed/SBR backing	800-854-8331
<b>Shaw Industries, Inc.</b> Dalton, GA (Queen Carpet, Patcraft, Tuftex)	17958478 - nylon post-dyed/polyurethane backing 18112278 - olefin pre-dyed/polyurethane backing 31259167 - nylon pre-dyed/polyurethane backing 15488878 - nylon post-dyed/SBR backing 17276278 - 100% pre-dyed wool/SBR backing 11720488 - polyester/SBR backing 15508078 - 100% polyester, post-dyed/SBR backing 59269968 - nylon with AR hardback 14691278 - predyed olefin/SBR backing	800-441-7429



<b>Terza, S.A. DE C.V. Carpet</b> El Carmen, N.L. Mexico	15964809 - nylon post-dyed/SBR backing 55529926 - polyester post-dyed/SBR backing	011 52 (8) 328-4900
<b>The Dixie Group</b> Calhoun, GA	54417460 - olefin pre-dyed/SBR backing 14797335 - polyester post-dyed/SBR backing 23132958 - nylon post-dyed/SBR backing	
<b>Venture Carpets Limited</b> Drummondville, Quebec Canada	35780739 - 100% predyed polypropylene/SBR backing 30421121 - 100% postdyed nylon/SBR backing 18887492 - 100% predyed nylon/SBR backing	819-477-4117
<b>Weihai Carpet Factory #1</b> Weihai City, P.R. China	36731725 - wool pre-dyed/SBR backing	

### CRI Adhesive Testing Program

Manufacturer	Phone	Adhesive Category	Product Identification / Trade Names	Product Number
Advanced Adhesive Technologies (AAT)	800-228-4583			
Advanced Adhesive Technologies (AAT)	800-228-4583			
All Purpose Adhesive Company	706-277-7095	A-1	APAC 2001 – Wet Set Adhesive, APAC 2000 – Wet Lay Adhesive, APAC 440SF – Premium Multi-Purpose Adhesive, APAC 140 – Multi- Purpose Adhesive, MoTac 140 – Multi Purpose Adhesive, Southland 4000 – Premium Multi-Purpose Adhesive, Southland 2000 – Wet Lay Adhesive, Southland 1000 – Multi-Purpose Adhesive, APAC 110, Southland-100, Allied 140, Carpet Handler's 440SF, Carpet Handlers 140, Ellis Eliminator 400SF, Ellis Aggressor 1200, Motac 140, Motac 440SF, Kimco STicky 110, National 100, National 1000, National 1200, National 4000, Southland 100, Southland 1000, Southland 1200, Southland 4000, Southland 2000, APAC 110, APAC 140, APAC 240, APAC 440SF, APAC 2000, APAC 2001,	AA-754332
All Purpose Adhesive Company	706-277-7095	A-2	APAC 610 – Pressure Sensitive Adhesive, Southland 360 – Pressure Sensitive Adhesive, National 360,	PSA-447229
All Purpose Adhesive Company	706-277-7095	A-6	Southland 450, Resource Technologies 3100, ProTekt #6, Apac-750, Keystone 700, Resource 3100,	CMA-000223
All Purpose Adhesive Company	706-277-7095	A-7	APAC #4920 Solvent Free Pad Adhesive, Southland 2249	PA-949356
Bostik-Findley	978-750-7344	A-1	LE 100, LE 1000, LE 2000, LE 3000, LE 6000, LE 7000, LE 8000, LE 9000	AA-226732
Bostik-Findley	978-750-7344	A-2	LE 2PR, LE 2	PSA-672445
Capitol Adhesives	800-831-8381	A-1	Saf-T-Bond #001, Saf-T-Bond #002 SB02, Saf-T-Bond #003 SB03	AA-970905
Capitol Adhesives	800-831-8381	A-2	PS-100 Pressure Sensitive Adhesive, PS-200 Pressure Sensitive Adhesive	PSA-347922
Chicago Adhesives Products Company (CHAPCO)	630-679-9100	A-2	Safe-Set 2, Safe-Set 602, Safe-Set 299, Safe-Set 699, Safe-Set 214, Safe-Set 314, S1000, WW-A99, M-79	PSA-557640
Chicago Adhesives Products Company(CHAPCO)	630-679-9100	A-1	Safe-Set 1, Safe-Set 155, BH Blackhawk, E-275 Fishman, Pro 95, Safe-Set 3, Safe-Set 5, Safe-Set355, Safe-Set 375, Safe-Set 315, Safe-Set 317, Safe-Set 318, Safe-Set 320, Safe-Set 321, 517 H, 555, JS3, I270 (Fishman), VA (Hong Kong), JS3 (Jamo) 16 (Flexco), 235 (Century), MCS1 (Manleys), 3201 (Royal Scott), Safe-Set 475, 3751, MB, Safe-Set 575, Safe-Set 7, Safe-Set 750, Safe-Set 607, Safe-Set 975, Safe-Set DB900, C711. E190, Top Gun, E490	AA-965433

Chicago Adhesives Products Company(CHAPCO)	630-679-9100	A-6	Safe-Set 4, Safe-Set 400, 106 Flexco, 57, A750, SL 450, 666	CMA-415200
Durkan Patterned Carpets	706-278-7037	A-1	Durastick Plus	AA-515316
J & J Industries, Inc.	800-241-4586	A-1	Commercialon	AA-580309
J & J Industries, Inc.	800-241-4586	A-4	Commercialon Strong Seal 557	SSA-310342
Lees Commercial Div. Burlington Industries	800-523-5647	A-1	Unibond Wet Set	AA-284724
Mannington Carpets	800-241-2262	A-1	MC-411, WC-311	AA-970513
Mannington Carpets	800-241-2262	A-2	MT-711, WT-611	PSA-970522
Mannington Carpets	800-241-2262	A-3	MT-733	AA-307281
Mapei, Inc	800-704-7986	A-1	ECO 90 Solvent Free Economy Grade Floor Covering, ECO 100 Solvent Free Standard Grade Multi Purpose, ECO 150 Solvent Free Multi Purpose, ECO 185 Solvent Free Hi-Tack Carpet Adhesive, ECO 200 Solvent Free Premium Grade Multi Purpose, ECO 220 Solvent Free Premium Commercial Grade, ECO 160, BioBond FG 400, ECO 245, ECO 420, MACH 4, MACH 6, Craft/Tec Pro 51, Craft/Tec Pro 58, Craft/Tec Pro 61, Craft/Tec Pro 71, Craft/Tec Pro 81, Eco 85, Eco 710, Planipatch plus, LL2, PC-200, PC-250, PC-275, PC-400, PC-650, PC-830	AA-984381
Mapei, Inc	800-704-7986	A-2	ECO 800 Solvent Free Adhesive, ECO 725 Solvent Free Adhesive	PSA-425190
Mapei, Inc	800-704-7986	A-6	ECO 575 Cove Base Adhesive, Craft/Tec Pro 75, PC-525	CMA-990603
Mapei, Inc.	800-704-7986	A-3	Eco 300 Solvent Free Universal Floor Covering Adhesive, Eco 350 Solvent Free Hi-Tack Universal Floor Covering Adhesive, PC-450	AA-512617
Mapei, Inc.	800-704-7986	A-5	Eco 8200 Carpet Seam, PC-100	SSA-892094
Milliken & Company	800-824-2246	A-2	Milliken Pressure Sensitive	PSA-456521
Mohawk Industries	800-554-6637	A-1	NuBroadlok Premium Plus, NuBroadlok Wet Set	AA-816781
Mohawk Industries	800-554-6637	A-2	NuBroadlok Pressure Sensitive	PSA-564512

Pacific Crest Mills	714-474-5343	A-1	EnviroStic 2000	AA-564345
Para-Chem	800-763-7272	A-1	Parabond M2005, Parabond M-4099, ParabondM-4094	AA-757501
Para-Chem	800-763-7272	A-2	Parabond M-4277	PSA-564321
Para-Chem	800-763-7272	A-4	Parabond M-267	SSA-413400
Para-Chem	800-763-7272	A-5	Parabond M-4263	SSA-413401
Roberts Consolidated	626-369-7311	A-1	Max 300 Multi Purpose F/C Max 200 Multi Purpose F/C Max Grip 900 Multi-Purpose P/C	AA-936471
Roberts Consolidated	626-369-7311	A-2	Earthbond 7500 Carpet Tile	PSA-442613
Roberts Consolidated	626-369-7311	A-4	Earthbond 7015 Universal Seam Sealer	SSA-334711
Roberts Consolidated	626-369-7311	A-6	Earthbond 7200	CMA-517420
Roppe Corporation		A-6	Rop 205	CMA-301493
Shaw Contract	800-441-7429	A-1	Shaw Contract 1500 by Henry, Shaw Contract 2500 by Henry	AA-220593
Shaw Contract	800-441-7429	A-2	Shaw Contract 5500 by Henry	PSA-172118
Shaw Industries, Inc.	800-441-7429	A-1	SubSet 1000	AA-819813
Shaw Industries, Inc.	800-441-7429	A-2	Sure Set 5000	PSA-170999
Shaw Industries, Inc.	800-441-7429	A-4	SubSet 4000	SSA-607075
Shaw Industries, Inc.	800-441-7429	A-5	Sure Set 6001	SSA-705705
Super-Tek		A-1		AA-132639
W.F. Taylor Co., Inc.	East: 800-868-4583 West:	A-1	2055 "Performance +" Ultra Premium Fast Tack Carpet Adhesive, 2080 "The Legend" Premium Multi-Purpose Adhesive, 2070 "Power Tac" Premium Multi-Purpose Adhesive Envirotec Healthguard #2060 Multi-Purpose Adhesive, Envirotec Healthguard #2072 Multi-Purpose Adhesive,	AA-605619

	800-397-4583		Envirotec Healthguard #2054 Urethane Back Carpet Adhesive Timberline #2051 Acrylic Co-Polymer Laminated Plank & Parquet Adhesive, Timberline #2053 Urethane Wood Flooring Adhesive Envirotec Healthguard #2087 EVR-White Sheet Goods Adhesive, Envirotec Healthguard #2093 Rubber Tile Adhesive Envirotec Healthguard #2094 Tread Set Rubber & Vinyl Stair Tread Adhesive 2056 Redi-Set Super Premium Commercial Carpet Adhesive, 2078 "Eagle Grip" Carpet Adhesive, Envirotec Healthguard #2058 Multi-Purpose Adhesive Envirotec Healthguard #2000 Alka-Prime Pre-Coat, Envirotec Healthguard #2006 Liquid Latex Primer, Touchdown #900 Carpet Adhesive Touchdown #1300 Com/Tac Flooring Adhesive, Envirobond FRP 310 Fiberglass Reinforced Panel Adhesive, Nu-Flor 500 Barrier Coat Sealer & Encapsolator Envirobond Solvent Free Epoxy Flooring Adhesive, Envirobond #801 Classic/#901 Odyssey-Type 1 Multi Purpose Ceramic Tile Adhesive	
W.F. Taylor Co., Inc.	N/A	A-2	2027 Envirotec Healthguard Pressure Sensitive, Envirotec Healthguard #2033 Clear Thin Spread VCT Adhesive	PSA-313411
W.W. Henry Company	800-232-4832	A-1	Henry 251, Henry 256, Henry 351, Henry 356, Henry 451	AA-252763
W.W. Henry Company	800-232-4832	A-2	Henry 620, Henry 630	PSA-327483
W.W. Henry Company	800-232-4832	A-4	Henry 248, Shaw Contract 3500 by Henry	SSA-091340
XL Corporation	800-367-4583	A-1	Lifespan, Jet Spread, Clean Air, Healthstar, EnviroStar, others	AA-678134
XL Corporation	800-367-4583	A-3	Jetset Pressure Sensitive Carpet Tile Adhesive, Jetspread F-18 PT-35, Stix 2230, Carpet One 1-600, The Green Glue {NRF}, Lees Jet Set Carpet Tile Adhesive, Milliken Modular Carpet Adhesive Permastix, Duvall 6300, Burlington Pressure Sensitive, Vinyl Bond, Teknobond	AA-271360

List Current as of: 4-24-2002

- A-1 Carpet floor adhesive, latex resin based multi-purpose
- A-2 Carpet floor adhesive, pressure sensitive
- A-3 Carpet floor adhesive, vinyl backed goods
- A-4 Seam adhesive, latex based
- A-5 Seam adhesive, vinyl backed goods
- A-6 Cove base adhesive

## Appendix H

### Paint Finishes

Paint for general interior and exterior applications shall be water-based, zero- or low-VOC latex paint and primer. Water-based paints shall not be formulated with aromatic hydrocarbons, formaldehyde, halogenated solvents, mercury or mercury compounds, or tinted with pigments of lead, cadmium, chromium VI, antimony and their oxides.

All new or existing permanent walls shall be painted prior to occupancy. All walls shall be prepared and painted with latex Polomyx paint in at least a four-color mix or lessee approved equal. Paint shall be a solvent-free, water-based, and non-VOC emitting paint. Preparation and application, including recommended primers and recommended number of coats for full coverage of previous finish, shall be completed in accordance with manufacturer's written recommendations.

If solvent-based paints are required for exterior use, the VOC levels shall not exceed 150 grams/liter. Solvent-based paints shall not be formulated with more than 1% aromatic hydrocarbons by weight.

Paint for door and window frames, steel doors, and other such building components shall have a minimum of two finish coats of paint unless stipulated otherwise.

The use of water-based stains and transparent finishes for the use of wood finishes shall be provided with less than 100 grams/liter for stain or transparent finishes.

Immediately after occupancy, Lessor will refinish marred walls during weekends, holidays or non-business hours subject to the approval of the Using Agency.

Color selections shall be made by the Using Agency.