



North Carolina Department of Public Safety

Purchasing and Logistics

Roy Cooper, Governor
Erik A. Hooks, Secretary

Cassandra Skinner Hoekstra, Chief Deputy Secretary
Douglas Holbrook, Chief Financial Officer
Joanne B. Rowland, Director

April 29, 2019

Carolyn Coia
Senior Director of Real Estate
Research Triangle Foundation of North Carolina
12 Davis Drive (Research Triangle Park)
Durham, NC 27709

RE: Lease Agreement for +/- 18,052 Square Feet of Office Space Located at 200 Park Offices Drive (The Bldg.) 2nd Floor (RTP), Durham County, Durham, North Carolina

Dear Ms. Coia:

Due to unforeseen circumstances, occupancy at the above referenced location was delayed past the original effective date in the lease. To obtain full benefit of the lease the Department of Administration approval and your proposal, this letter is to formally change the term to reflect the actual occupancy. The term of this five (5) year Lease Agreement shall commence on the 1st day of May, 2019 and terminate on the 30th day of April, 2024.

If you agree with the intent and purpose of this letter, please sign below where indicated and e-mail back to me at ronald.moore@ncdps.gov. If you have questions, feel free to call me at (919) 324-6467.

Sincerely,

Ron Moore
Real Property Manager

Agreed to by:

Date 4/29/19

cc: John Ebbighausen, Director, EM Disaster Recovery Programs/Resiliency
John Elcock, Branch Manager, EM Logistics Services
Regetta Darden, AP Manager, DPS Controller Office
Evelyn Austin, DPS Accounting
Troy Baker, SPO, DOA
File

MAILING ADDRESS:
4227 Mail Service Center
Raleigh, NC 27699-4200
www.ncdps.gov



An Equal Opportunity Employer

OFFICE LOCATION:
3030 Hammond Business Place
Raleigh, NC 27603-3666
Telephone (919) 743-8141
Fax (919) 715-3731

JOSH STEIN
ATTORNEY GENERAL



G. Mark Teague
Special Deputy Attorney General
Property Control Section
Telephone: (919) 733-7408
FAX: (919) 733-2947
gteague@ncdoj.gov

April 3, 2019

Davis 54, LLC
Attn: Linda Hall, Manager
12 Davis Drive
RTP, North Carolina 27709

*Postal
5/13/19*

RE: Lease Agreement - Davis 54, LLC
File No. 92-KP / PC-19-00026

Dear Sir:

For your records, please find enclosed the properly executed Lease Agreement with the State of North Carolina.

If you have any questions, please do not hesitate to call.

Very truly yours,

G. Mark Teague
Special Deputy Attorney General

GMT/ss

Enclosure
CC: Public Safety

STATE OF NORTH CAROLINA

LEASE AGREEMENT

COUNTY OF DURHAM

THIS LEASE AGREEMENT ("Lease"), made and entered into as of the last date set forth in the notary acknowledgements below, by and between DAVIS 54, LLC, a North Carolina limited liability company, hereinafter referred to as "Lessor"; and the STATE OF NORTH CAROLINA, a body politic and corporate, hereinafter referred to as "Lessee";

WITNESSETH:

THAT WHEREAS, the North Carolina Department of Public Safety, Division of Emergency Management, has requested and approved the execution of this instrument for the purposes herein specified; and

WHEREAS, the execution of this Lease for and on behalf of Lessee has been duly approved by the Governor and Council of State at a meeting held in the City of Raleigh, North Carolina, on the 5th day of February 2019; and

WHEREAS, the parties hereto have mutually agreed to the terms of this Lease as hereinafter set out.

NOW, THEREFORE, in consideration of the Premises, as described herein, and the promises and covenants contained in the terms and conditions hereinafter set forth, Lessor does hereby rent, lease and demise unto Lessee for and during the term and under the terms and conditions hereinafter set forth, those premises or office space, with all rights, privileges and appurtenances thereto belonging, lying and being in Research Triangle Park, County of Durham, North Carolina, and more particularly described as follows:

Being ±18,052 net square feet of office space (the "Premises") on the second floor of 200 Park Offices Drive (the "Building"), RTP, Durham County, North Carolina.

THE TERMS AND CONDITIONS OF THIS LEASE ARE AS FOLLOWS:

1. TO HAVE AND TO HOLD the Premises for an initial term of five (5) years, commencing on the 1st day of April 2019 (the "Commencement Date"), or as soon thereafter as possession of the Premises is ceded to Lessee, and terminating on the 31st day of March 2024 (the "Initial Term").
2. During the Initial Term, Lessee shall pay annual rent to Lessor for the Premises in equal monthly installments in accordance with the Initial Term Rent Schedule set forth below; provided that if only a portion of the Premises is available for Lessee's use and possession at the Commencement Date due to construction and up-fit being incomplete, then rent shall be prorated until construction and up-fit of the Premises is completed, with Lessee only paying rent during such period for that portion of the Premises available to it for its use and possession. Said rent to

be payable in advance on the first day of each month; provided however, that if possession of the Premises is not ceded to Lessee upon the Commencement Date, then the first payment of rent shall be made in accordance with the terms hereof within fifteen (15) days after occupancy by Lessee and shall be for a pro rata part of the first month's rent. Lessor shall furnish an invoice for each month's rent if so required by Lessee. The Lessee agrees to pay rent to Lessor at the address specified or, to such other address or by such electronic means as the Lessor may designate by a notice in writing at least fifteen (15) days prior to the due date.

INITIAL TERM RENT SCHEDULE

<u>Year</u>	<u>Annual Rent</u>	<u>Monthly Rent</u>
Year - 1	\$371,040.00 <i>20.554</i>	\$30,920.00 <i>5/1/19 - 4/30/20</i>
Year - 2	\$381,871.20 <i>21.16</i>	\$31,822.60 <i>5/1/20 - 4/30/21</i>
Year - 3	\$363,027.34	\$30,252.28 <i>5/1/21 - 4/30/22</i>
Year - 4	\$394,518.16	\$32,876.51 <i>5/1/22 - 4/30/23</i>
Year - 5	\$406,353.70	\$33,862.81 <i>5/1/23 - 4/30/24</i>

RENEWAL OPTION: The Lessee shall have the option to renew this Lease for two (2) additional 2-year periods (each a "Renewal Term"; collectively, the "Renewal Terms") and shall provide Lessor no less than one hundred twenty (120) days written notice of its intent to so renew prior to the expiration of the Initial Term and, if applicable, the first Renewal Term. The Initial Term and the Renewal Terms are sometimes collectively referred to herein as the "Term." During the Renewal Terms, Lessee shall pay to Lessor annual rent for the Premises in equal monthly installments in accordance with the Renewal Term Rent Schedule set forth below. With the exception of the amount of rent paid by Lessee to Lessor for the Premises, the terms and conditions of this Lease shall remain the same during the Renewal Terms.

RENEWAL TERM RENT SCHEDULE

First Renewal Term

<u>Year</u>	<u>Annual Rent</u>	<u>Monthly Rent</u>
Year - 6	\$418,544.31	\$34,878.69
Year - 7	\$431,100.64	\$35,925.05

Second Renewal Term

<u>Year</u>	<u>Annual Rent</u>	<u>Monthly Rent</u>
Year - 8	\$444,033.66	\$37,002.81
Year - 9	\$457,354.67	\$38,112.89

3. The Lessee shall use the Premises for general office purposes and no other purpose. During the Term, Lessor shall, at Lessor's sole cost, furnish to Lessee, in accordance with Lessee's "Lease Specifications," attached hereto and incorporated herein as Exhibit A, and to Lessee's reasonable satisfaction, the following:

- A. Heating facilities and air conditioning facilities during Business Hours (as defined in Section 23), except the telecommunications/LAN room, which shall have 24

hour per day / seven day per week service, as well as adequate electrical facilities, adequate lighting fixtures and sockets, hot and cold-water facilities, and adequate toilet facilities.

- B. Maintenance of lawns, landscaping, sidewalks, paved areas, snow removal and disposal of trash, including provision for the handling of recyclable items such as aluminum cans, cardboard and paper.
- C. Lessor to provide required fire extinguishers and servicing, and interior pest control and outside trash disposal. All pesticides must be applied by a licensed technician.
- D. All utilities, except telephone, internet and cable.
- E. Daily janitorial services on Business Days (as defined in Section 23).
- F. Parking, a minimum of one-hundred ten (110) spaces which shall include ten (10) reserved parking spaces for clientele, five (5) reserved parking spaces for State-owned vehicles within The Frontier campus.
- G. Water and sewer service.
- H. Premises shall be generally accessible to persons with disabilities. This shall include access into the Premises from parking areas, access into the Premises via any common areas of the Building and access to a restroom suitable for use by disabled persons.
- I. Elevator access to the Premises.
- J. Any fire or safety inspection fees shall be paid by Lessor.
- K. Any storm water fees and land transfer tax shall be paid by Lessor.

Services may be temporarily interrupted because of accidents, repairs, alterations, improvements, or other circumstances beyond the reasonable control of Lessee. No temporary interruption of utilities or services will (i) be considered an actual or constructive eviction of Lessee; (ii) make Lessor liable for damages of any kind; or (iii) entitle Lessee to any abatement of rent.

4. During the Term, Lessor shall keep the Premises in good repair and tenantable condition, to the end that all facilities are kept in an operative condition. Maintenance shall include, but is not limited to, furnishing and replacing electrical light fixture ballasts, air conditioning and ventilating equipment filter pads, if applicable, and broken glass. In case Lessor shall, after notice in writing from Lessee in regard to a specified condition, fail, refuse, or neglect to correct said condition, or in the event of an emergency constituting a hazard to the health or safety of Lessee's employees, property, or invitees, it shall then be lawful for Lessee, in addition to any other remedy Lessee may have, to make such repair at its own cost and to submit the actual amount thereof to Lessor for reimbursement, which reimbursement shall be issued within thirty (30) days. The Lessor reserves

the right to enter and inspect the Premises, at reasonable times, and to make necessary repairs to the Premises.

5. It is understood and agreed that Lessor shall, at the Commencement Date or at such other date as specified herein, have the Premises in a condition reasonably satisfactory to Lessee, including repairs, painting, partitioning, remodeling, plumbing and electrical wiring suitable for the purposes for which the Premises will be used by Lessee except as agreed upon in writing. Notwithstanding the foregoing, Lessee acknowledges that (i) Within a reasonable time following the Commencement Date, but in no event later than August 31, 2019 Lessor Shall, in accordance with all applicable laws, codes and regulations, complete the construction and upfit of the lobby area to a conference room listed as a full height partition area in the Lease Specifications, and (ii) Lessor may renovate the entrance to the Building during the Term.

6. The Lessee shall have the right during the Term, with the Lessor's prior consent, to make alterations, attach fixtures and erect additions, structures or signs in or upon the Premises. Such fixtures, additions, structures or signs so placed in or upon or attached to the Premises under this Lease or any prior lease of which this Lease is an extension or renewal shall be and remain the property of Lessee and shall be removed therefrom by Lessee prior to the termination of this Lease or any renewal or extension thereof, or within a reasonable time thereafter, unless Lessor agrees otherwise at the time of Lessor's consent to said alteration or addition. Lessee shall cause any lien created as a result of Lessee's alterations or additions to be released of record within thirty (30) days after Lessee receives notice of such lien.

7. If the Premises be destroyed by fire or other casualty without fault of Lessee, or if the Premises be taken through condemnation, this Lease shall immediately terminate and the rent shall be apportioned to the time of the damage or the effective date of the condemnation. In case of partial destruction or damage by fire or other casualty without fault of Lessee, so as to render the Premises untenable in whole or in part, there shall be an apportionment of the rent until the damage has been repaired. During such period of repair, Lessee shall have the right to obtain similar office space at the expense of Lessee or Lessee may terminate this Lease by giving fifteen (15) days written notice to Lessor.

8. Lessor shall be liable to Lessee for any loss or damages suffered by Lessee which are a direct result of the failure of Lessor to perform an act required by this Lease, and provided that Lessor could reasonably have complied with said requirement.

9. Upon termination of this Lease, Lessee will peaceably surrender the Premises in as good order and condition as when received, reasonable use and wear and damage by fire, war, riots, insurrection, public calamity, by the elements, by act of God, or by circumstances over which Lessee had no control or for which Lessor is responsible pursuant to this Lease, excepted. The Lessee shall have no duty to remove any improvement or fixture placed by it on the Premises (provided Lessor consented to the placement of the improvement or fixture) or to restore any portion of the Premises altered by it. In the event Lessee elects to remove its improvements or fixtures and such removal causes damage or injury to the Premises, Lessee will repair only to the extent of any such damage or injury.

10. All notices herein provided to be given, or which may be given, by either party to the other, shall be deemed to have been fully given when made in writing and deposited in the United States mail, certified and postage prepaid and addressed as follows:

to Lessor: Davis 54, LLC
12 Davis Drive
RTP, North Carolina, 27709

to Lessee: North Carolina Department of Public Safety
Attn: Property Manager
4227 Mail Service Center
Raleigh, North Carolina 27699-4227

w/copy to: State Property Office
Attn: Manager, Leasing and Space Planning Section
1321 Mail Service Center
Raleigh, North Carolina 27699-1321

Nothing herein contained shall preclude the giving of such notice by personal service. The address to which notices shall be mailed as aforesaid to either party may be changed by written notice.

11. The Lessee shall not assign this Lease without the written consent of Lessor, which shall not be unreasonably withheld, but shall have the right to sublet the Premises.

12. The Lessor agrees that Lessee, upon keeping and performing the covenants and agreements herein contained, shall at all times during the Term peaceably and quietly have, hold, and enjoy the Premises free from the adverse claims of any person. Notwithstanding the foregoing, Lessee acknowledges that, during the Term of the Lease, Lessor has the right to demolish the adjacent building located at 300 Park Offices Drive (the "300 Building"), and that such demolition involves, among other things, i) removal of the corridor that connects the Building to 300 Building, and ii) temporary interruption of utility systems as necessary to sever systems common to the Building and the 300 Building. Demolition of the 300 Building shall not prevent Lessee's access to the Premises. Lessor shall coordinate its demolition of the 300 Building with Lessee and shall take commercially reasonable steps to minimize any interruptions to Lessee's operations.

13. The failure of either party to insist in any instance upon strict performance of any of the terms and conditions herein set forth shall not be construed as a waiver of the same in any other instance. No modification of any provision hereof and no cancellation or surrender hereof shall be valid unless in writing and signed and agreed to by both parties.

14. Any holding over after the expiration of the Initial Term or any Renewal Term, without the exercise of a renewal option or the execution of a new lease, shall be construed to be a tenancy from month to month, and shall otherwise be on the terms and conditions herein specified, so far as applicable; however, either party shall give not less than sixty (60) days written notice to terminate the tenancy.

15. The parties to this Lease agree and understand that the continuation of this Lease for the Term is dependent upon and subject to the appropriation, allocation or availability of funds for this purpose to the agency of Lessee responsible for payment of rent. The parties to this Lease also agree that in the event the agency of Lessee or that body responsible for the appropriation of said funds, in its sole discretion, determines in view of its total local office operations that available funding for the payment of rents is insufficient to continue the operation of its local office at the Premises, it may choose to terminate this Lease by giving Lessor written notice of said termination, and this Lease shall terminate immediately without any further liability to Lessee.

16. Each person executing this Lease on behalf of Lessor does hereby represent and warrant that, if applicable: (a) Lessor is duly organized and in good standing in the State of its organization and, if different, qualified to do business and in good standing in the State of North Carolina, (b) Lessor has full lawful right and authority to enter into this Lease and to perform all of its obligations hereunder, and (c) each person signing this Lease on behalf of Lessor is duly and validly authorized to do so.

17. This Lease shall be binding upon and inure to the benefit of Lessor and Lessee, their successors and permitted assigns.

18. This Lease shall be governed by, construed and enforced in accordance with the laws of the State of North Carolina, regardless of conflict of law principals, and court actions arising therefrom may be brought only within the courts of the State of North Carolina.

19. In case any one or more of the provisions contained in this Lease shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision hereof and this Lease shall be construed as if such invalid, illegal, or unenforceable provision had never been contained herein no provision of hereof shall be construed against or interpreted to the disadvantage of any party by any court or other governmental or judicial authority by reason of such party's having or being deemed to have prepared or imposed such provision.

20. North Carolina General Statute §133-32 prohibits the offer to, or acceptance by, any employee of Lessee of any gift from anyone with a contract with Lessee, or from any person seeking to do business with Lessee. By execution of this Lease, Lessor attests that Lessor has not offered, accepted, or promised any such gifts and that Lessor is not aware that any such gifts have been offered, accepted, or promised by any of Lessor's employees or agents.

21. Prior to the Commencement Date, Lessor agrees to construct, upfit and/or repair the Premises and thereafter to maintain the same, in accordance with (a) the Lease Specifications; (b) the approved floor plan attached hereto as Exhibit B and (c) the applicable regulation and building code provisions of the governmental authority having jurisdiction over the Premises. If applicable, Lessor shall provide Lessee, prior to Lessee taking possession of the Premises, with a copy of any certificate of occupancy, compliance or completion issued by the appropriate governmental authority

22. Lessee shall execute and deliver to Lessor, within twenty (20) days after Lessor's reasonable request, such estoppel certificates or other instruments subject to Lessee's approval of

the documents, confirming any factual matter requested which is true and is within Lessee's knowledge regarding this Lease.

23. "Business Days" means Monday through Friday excluding the following holidays (or the days on which the holidays are designated for observance) and such other holidays observed by the State of North Carolina as Lessor from time to time designates: New Year's Day, Martin Luther King, Jr. Day, Easter (Good Friday), Memorial Day, Independence Day, Labor Day, Thanksgiving Day, the Friday following Thanksgiving, Christmas Eve and Christmas Day. "Business Hours" means Monday through Friday, 7:00 a.m. to 7:00 p.m. eastern standard time, on Business Days.

24. Lessee shall comply with Lessor's rules and regulations for the Building, attached hereto and incorporated herein as Exhibit C, which Lessor may in its discretion modify, amend, or restate from time to time; provided, however, that if a conflict exists between the rules and regulations for the Building, as may be amended from time to time, and the terms of this Lease and/or the Lease Specifications, then this Lease and the Lease Specifications shall prevail.

25. Lessors and each of their subcontractors, if any, must file a certification to the tier above that they will not and have not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant or any other award covered by 31 U.S.C. 1352. Each tier must also disclose any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award. Such disclosures are forwarded from tier to tier up to the non-Federal award.

26. Lessor will comply with Byrd Anti-Lobbying Amendment (31 U.S.C. 1352), if applicable.

27. Lessor will comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act (42 U.S.C. 7401-7671q) and the Federal Water Pollution Control Act as amended (33 U.S.C. 1251-1387). Violations must be reported to the Federal awarding agency and the Regional Office of the Environmental Protection Agency (EPA).

28. If, for any cause, Lessor shall fail to fulfill in a timely and proper manner the obligations under the Lease, the Lessee shall have the right to terminate the Lease by giving written notice to the Lessor and specifying the effective date thereof.

29. The State shall have the option to cancel this Lease by providing ninety (90) days written notice. When such notice is given by the Lessee, this Lease will terminate with no further obligations to the Lessor or Lessee.

30. Should Lessor or Lessee default on any required condition of this Lease, then written notice of the conditions of the default, setting forth the ground or grounds upon which such default is declared, shall be given to the other party. party shall be given ten (10) days from receipt of the written notice to cure such default before legal action is pursued.

[signatures begin on the following page]

IN TESTIMONY WHEREOF, this Lease has been executed by the parties hereto under seal, in duplicate originals, as of the dates set forth in the notary acknowledgments below.

LESSOR:

(SEAL)

DAVIS 54, LLC,
a North Carolina limited liability company

By: *Linda Hall*
Linda Hall, Manager

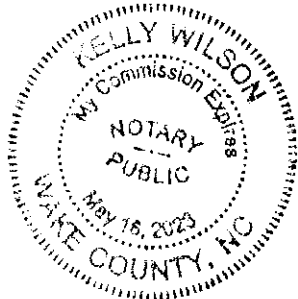
STATE OF North Carolina
COUNTY OF Wake

I, Kelly Wilson, a Notary Public in and for the County and State aforesaid do hereby certify that Linda Hall, Manager of DAVIS 54, LLC, a North Carolina limited liability company, personally came before me this day and being authorized to do so, executed the foregoing instrument on behalf of the company.

IN WITNESS WHEREOF, I have hereunto set my hand and Notarial Seal, this the 25th day of March, 2019.

My Commission Expires: May 16, 2023

Kelly Wilson
Notary Public
Print Name: Kelly Wilson



LESSEE:

STATE OF NORTH CAROLINA

By: Roy Cooper
Governor

ATTEST:

Elaine F. Marshall
Secretary of State

APPROVED AS TO FORM:
JOSH STEIN, Attorney General

By: Josh Stein
Special Deputy Attorney General

STATE OF NORTH CAROLINA

COUNTY OF WAKE

I, Jennell Baughman, a Notary Public for Johnston County, North Carolina, do certify that ELAINE F. MARSHALL, Secretary of State of the State of North Carolina, personally came before me this day and acknowledged that she is Secretary of State of the State of North Carolina, and that by authority duly given and as an act of the State, the foregoing instrument was signed in its name by ROY COOPER, Governor of the State of North Carolina, sealed with the Great Seal of the State of North Carolina, and attested by herself as Secretary of State.

IN WITNESS WHEREOF, I have hereunto set my hand and Notarial Seal, this the 1st day of April, 2019.

My Commission Expires: 11-21-2021

Jennell Baughman
Notary Public
Print Name: Jennell Baughman

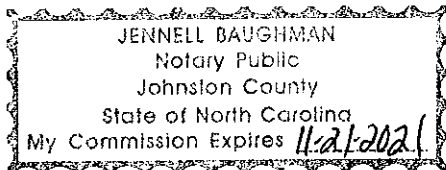


EXHIBIT A

Lease Specifications

NOTE TO PROPOSER

IN ORDER TO BE CONSIDERED YOUR PROPOSAL SHALL REACH THE STATE PROPERTY OFFICE PRIOR TO THE ADVERTISED CUT-OFF TIME.
BY 4:00 PM, December 11, 2018

MAILING ADDRESS: STATE PROPERTY OFFICE 1321 MAIL SERVICE CENTER RALEIGH, NORTH CAROLINA 27699-1321	STREET ADDRESS: STATE PROPERTY OFFICE 116 WEST JONES ST ROOM 4055 RALEIGH, NORTH CAROLINA 27603
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Please verify receipt in the State Property Office of Proposals that are sent by U. S. Mail as they are routed through the State Mail Service Center. If your proposal is not delivered by the State Mail Service Center by the date and time of the cut-off, the proposal shall not be considered.

Envelope containing the Proposals shall be marked as follows:

- (A) Lease Proposal Enclosed for: Department of Public Safety, Division of Emergency Management
- (B) Cut-Off Date for Receiving Proposals: – December 11, 2018
- (C) City/Town: Raleigh, NC area.

NOTE: PROPOSALS FAXED OR E-MAILED INTO THE DEPARTMENT OF ADMINISTRATION BUILDING WILL NOT BE ACCEPTED, AND SHALL NOT BE CONSIDERED.

SITE VISITS: Site visits for qualified proposals will be scheduled for December 17 – 18, 2018

PROPOSAL CONFERENCE: A PROPOSAL CONFERENCE FOR SELECTED PROPOSALS WILL BE HELD AT THE STATE PROPERTY OFFICE, 116 WEST JONES ST., CONFERENCE ROOM 4038, RALEIGH, on **DECEMBER 19, 2018 AT 10:00 A.M.**

Following the selection of any proposal and its placement on the Council of State Agenda by the State Property Office, there shall be no further negotiations with those who presented proposals which were not selected for the Agenda.

SPECIAL NOTE:

In accordance with the North Carolina Administrative Code (Title I North Carolina Administrative Code, Chapter 6B.0212) a proposer's meeting will be required following the cut-off date for receiving proposals if all acceptable proposals exceed \$150,000.00 annually. After the original proposals are received and site visits made the proposer's meeting will be conducted by the State Property Office at a time and place to be announced by the State Property Office. At this meeting the selected proposers will submit their lowest price proposal.

Annual per square foot rental rates which include indeterminable percentage increases(s), such as uncapped consumer price index increases, etc. shall not be accepted during either the initial term or the renewal period.

Pursuant to Articles 3 and 3C, Chapter 143 of the North Carolina General Statutes and Executive Order No. 150, the State invites and encourages participation in this procurement by Historically Underutilized Businesses (HUBs) consisting of minority, women and disabled business firms that are at least fifty-one percent owned and operated by individual(s) of the aforementioned categories. Also included in this category are disabled business enterprises and non-profit work centers for the blind and severely disabled.

The State of North Carolina encourages the submission of proposals covering "green buildings". Components such as site, enclosures, infrastructure, contents and materials in "green building" result in reduced costs in operation, energy, maintenance and insurance as well as could improve employee motivation and productivity.

Pursuant to North Carolina General Statute 146.25-1(b), the Department of Administration may negotiate on relevant factors that represent the best interest of the State. Relevant factors may include, but are not limited to, timeliness of delivery of the proposed space, maintenance, upkeep and condition of the proposed space and prior performance of the proposer.

**SPECIFICATIONS FOR SPACE TO BE LEASED TO THE STATE OF NORTH CAROLINA
NC DPS, DIVISION OF EMERGENCY MANAGEMENT**

I. **GENERAL**

- A. Approximate net usable square feet required are **13,473 sf.**

NOTE: Net usable space is a term meaning the area to be leased for occupancy by State personnel and/or equipment.

To determine net usable space:

1. Compute the inside area of the space by measuring from the normal inside finish of exterior walls or the room side finish of fixed corridor and shaft walls, or the center of tenant separating partitions.
2. Deduct from the inside area the following:
 - *a. Toilets and lounges
 - *b. Entrance and elevator lobbies
 - *c. Corridors
 - d. Stairwells
 - e. Elevators and escalator shafts
 - f. Building equipment and service areas
 - g. Stacks, shafts, and **interior columns**
 - h. Other space not usable for State purposes

*Deduct if space is not for exclusive use by the State. **Multiple State leases require a, b, & c to be deducted.** State Property may make adjustments for areas deemed excessive for State use.

- B. Space may be on multiple floors in one building. **GROUND FLOOR preferred.**

- C. All offers shall be submitted in such a manner that the annual per square foot rental rate for each type of space offered, i. e. office, warehouse, and special purpose, can be properly identified. See Form PO-28. (6A, B)

- D. CUT-OFF DATE FOR RECEIVING PROPOSALS IS 4:00 PM, December 11, 2018 IN THE STATE PROPERTY OFFICE.**

- II. **LOCATION:** Raleigh, North Carolina area with preferred locations within 15 miles of 1636 Gold Star Drive, Raleigh, NC providing easy access to a major roadway like I-40, I-440, I-85 or US 1.

- III. **The following paragraph shall be incorporated into the Lease Document.**

Availability of Funds Clause - The parties to this lease agree and understand that the continuation of this lease agreement for the term period set forth herein, or any extension or renewal thereof, is dependent upon and subject to the appropriation, allocation or availability of funds for this purpose to the agency of the Lessee responsible for payment of said rental. The parties to this lease also agree that in the event the agency of the Lessee or that body responsible for the appropriations of said funds, in its sole discretion, determines, in view of its total local office operations that available funding for the payment of rents are insufficient to continue the operation of its local offices on the premises leased herein, it may choose to terminate the lease agreement set forth herein by giving Lessor written notice of said termination, and the lease agreement shall terminate immediately without any further liability to Lessee.

IV. ARRANGEMENT OF SPACE

The attached space analysis will indicate the number of offices desired and contain the preferred office sizes. The proposer shall provide at his expense all necessary partitions, doors, etc. to make the space acceptable for State use. Lessor should include 2 copies of a **to scale** floor plan showing proposed layout and 2 copies of the Proposal to Lease Form (PO-28). If new construction is proposed by proposer general specifications, including elevations upon request, should be submitted with the Proposal to Lease Form (PO-28) and a **to scale** floor plan should be provided.

SEE PAGE 10 OF 10 FOR SPACE GUIDELINE OF ARRANGEMENT OF SPACE.

Other: Adequate and convenient toilet facilities are to be provided including tissue holders, towel dispensers, coat hooks, mirrors and trash cans. **Toilet facilities shall be handicapped accessible and shall be in compliance with the North Carolina State Building Code and the 2010 ADA Standards for Accessible Design.**

V. THE DATE OF POSSESSION AND LEASE TERM:

- A. Possession of space required by **January 15, 2019**, or as soon thereafter as possible.
- B. The initial term of the lease will be for **Three (3) years** with two (2) one-year renewal options desired.
- C. *At the option of the State Property Office, proposer may be required to own the proposed site within thirty (30) days of Council of State approval, or a date approved by State Property Office, or the proposal may be disqualified.*
- D. *Construction shall begin within six (6) months from Council of State approval unless otherwise authorized by the State Property Office.*

VI. ELECTRICAL, TELEPHONE, MAIN SERVICE OUTLETS

- A. A minimum of **270** 120 Volt duplex electrical outlets are required. Unless otherwise approved by the State:
 1. Prefer electrical outlets to be tied to generator power, or the facility can accommodate a transfer switch with external manual connection for a mobile generator.
 2. All private offices shall have a minimum of (3) duplex receptacles.
 3. Electrical service shall support a minimum of (3) duplex receptacles per partial height modular workstation or per person in an open office environment. Service shall be provided by lessor via overhead or under floor distribution system utilizing power poles or other suitable facilities to accommodate the electrical needs of the agency. All connections to the building electrical service shall be by the Lessor.
 4. Each Kitchenette or Break Area shall be provided with sufficient electrical circuitry to accommodate a refrigerator, microwave oven, coffee maker and vending machine. Separate circuits are required for this area.
 5. (1) Duplex receptacle shall be provided for every 50 linear feet of corridor.
 6. (1) Dedicated 20 amp 110 volt circuit with isolated grounds are required in the LAN room. Outlets to be installed 36" from the floor. If more than one LAN room, the requirements above are required for each LAN room.
 7. Separate isolated ground for water fountain.
- B. A minimum of **110** telecommunication outlets is required.
Lessor shall provide all conduit and pull strings from above ceiling to outlet boxes. State to install wiring and cover plates.

- C. A 4' x 8' x 3/4 thick sheet of fire retardant plywood shall be installed on a wall in the telecommunications wiring area to serve as a backboard for telecommunications wiring equipment.
- D. Lessor shall grant consent to install security and card access systems by the Lessee, which may include interior and exterior cameras (collectively the "Security Equipment"). The nature and location of the installation of all Security Equipment shall be determined by the State in its sole discretion. Upon expiration or earlier termination of the lease, State shall be entitled to remove the Security Equipment at its election, without restoration obligation; or abandon such Security Equipment in place, in which case Lessor shall assume ownership of such Security Equipment; and may reuse or remove Security Equipment at its sole discretion.
- E. Adequate telephone and computer conduits are required to accommodate interconnecting computers throughout the space.

VII. PARKING

- A. **10 Clientele** parking spaces shall be included in the per square foot rental charge.
- B. **110 Employee** parking spaces are desired if supplied at no extra charge to the State.
- C. **5 Parking** spaces for state-owned vehicles shall be included in the per square foot rental charge.
- D. A minimum of four (4) parking spaces shall be van accessible handicapped parking with signage in compliance with the NC Building Code and the Americans with Disabilities Act.
- E. All parking areas shall be adequately lighted and located within a reasonable distance of the office as determined by State. Handicapped parking and signage shall be in compliance with the NC Building Code and the Americans with Disabilities Act. Paved parking area is preferred.
- F. Although parking is considered in the evaluation of proposals, the inability to provide parking as described in A and B above should not preclude proposers from submitting proposals unless stated above. However, adequate parking shall be located within a safe reasonable walking distance as determined by the State.

VIII. REFERENCE

All space shall comply with local and State building, safety, and zoning codes, specifically including OSHA, provisions for the disabled, and applicable sections of the State Building Code, Volumes I through V. Non-compliance shall be grounds for lease termination at the discretion of the lessee. Space shall comply with Americans with Disabilities Act of 1990 (42 United States Code, Section 12101 et seq.)

IX. FLOOR, WALL AND WINDOW COVERINGS

- A. Vinyl tile or other floor covering acceptable to the State in all finished areas. **Prefer carpeting for all offices and conference rooms.** If floors are carpeted, they should be commercial grade 26 oz. or 24 oz. carpet squares preferred, acceptable to the lessee. LVT tile is preferred in the waiting area, LAN room(s), kitchenette, restrooms and hallways. New or like-new carpet is preferred. If not new, carpets must be professionally cleaned and all stains removed before occupancy. High traffic areas will require frequent cleaning and replacement of floor finishes to maintain a neat, clean, high-quality finish and will be at the State Property Office's discretion.
- B. Wall surfaces shall be painted sheetrock, or masonry or other similar finish acceptable to the state.

- C. Sufficient window coverings shall be provided to control glare within the space. (Venetian blinds or acceptable equivalent).
- D. Space shall have acceptable ceiling acoustical treatment for noise reduction purposes.

HEATING, AIR-CONDITIONING AND VENTILATION

- A. Heating and air conditioning facilities shall be sufficient to maintain inside temperature in the range from a low 68° during the heating season to the high of 76° at all other times, with balanced distribution. State policy to dictate utilization. Typical agency hours of operation are 6 am – 6 pm, Monday through Friday; however, occasional holiday and weekend operations are required.
- B. Air conditioning and heating system shall be maintained by lessor **including frequent filter cleaning and replacement, to maintain a relative humidity not to exceed 50%**.
- C. Year-round ventilation shall be provided to prevent stale air problems and unacceptable CO2 content.
- D. A climate-controlled Telecommunications/LAN room is required to house telephone wiring equipment and computer network equipment. A range of 60 degrees to a maximum of 70 degrees and a relative humidity not to exceed 50% dry bulb humidity is required. This is a 24-hour per day, 7 days per week requirement.
- E. A separate HVAC system is preferred for the Telecommunications/LAN room. The HVAC system that is capable of being powered by generator backup is preferred.
- F. Zoning of HVAC system and related control shall be balanced appropriately for division and function of spaces within the facility.
- G. A separate thermostat in conference room(s) may be required.

XI. DRINKING FOUNTAINS

It is required that all employees have access to chilled water fountain.

XII. LIGHTING

- A. Adequate lighting facilities are required in all areas. In office facilities, lighting requirements are no less than 60 foot candles at desk level. In warehouse facilities, lighting requirements are no less than 40 foot candles at eye level. State policy to dictate utilization.
- B. All lighting and electrical maintenance shall be furnished by lessor **including providing and replacing ballasts, light tubes, bulbs and lens**. Lessor shall replace burned-out or defective bulbs promptly upon notification by lessee.

XIII. UTILITIES, JANITORIAL SERVICES AND ELEVATORS

- A. It is desired that the following services be furnished and included in the per square foot cost to the satisfaction of the State.
 - All utilities, except telephone.
 - Daily janitorial and cleaning services and supplies. Supplies to be included are all cleaning products necessary to provide proper cleaning of the office as well as all paper and soap products necessary to keep all dispensers properly stocked. (See Cleaning Schedule)

- B. Alternate proposals which do not include utilities will be considered. (There must be an acceptable method of determining the State's share of costs)
- C. Maintenance of building and grounds including lawn, shrubbery, sidewalks, parking areas (including snow and debris removal) and common areas is required.
- D. Elevator service, if applicable.
- E. Lessor responsible for all cleaning supplies, paper and soap products for kitchen and bath regardless of who contracts for janitorial services.

XIV. LESSOR RESPONSIBILITIES

The final per square foot price proposal is based on all specifications (PO-27, PO-28), floor plans and repair lists received from the State of North Carolina and includes but is not limited to: all partitions, demolition, and up fitting costs; building and grounds maintenance; property taxes; insurance; fire or safety inspection fees; stormwater fees; land transfer tax; common area maintenance and other building operational costs. Proposers can choose whether or not to include utilities and janitorial service. The following factors will be added to proposals not including these services for comparison purposes: utilities - \$1.50 sq. ft.; janitorial service - \$1.00 sq. ft.; water/sewer - \$0.17 sq. ft.

XV. SPECIAL REQUIREMENTS

- A. Fire extinguishers and servicing, pest control, and outside trash disposal including provision for the handling of recyclable items such as aluminum cans, cardboard, plastic and paper, if applicable. These responsibilities include providing a dumpster outside and recycling bins as well as a method for the disposal of the recyclable items.
- B. All pesticides must be applied by a licensed technician.
- C. Lighted exit signs.
- D. It is desired that the lessor provide wired-in smoke detectors and fire alarm system with audible and visual fire alarm signals. However, the panel for these systems cannot be located within the LAN room.
- E. Sprinkled facilities are preferred.
- F. Internal and external signage that will provide easy identification of the office by the general public, inclusive of room numbering and signage for each office, conference, file/copy area, waiting/reception area and suites.
- G. Break room requires hot and cold running water, sink, 6 linear feet of base and top cabinets. Dispensers for paper and soap are required. Paper and soap products are supplied by the lessor to keep all dispensers properly stocked.
- H. Storage rooms must be secured and will require shelves.
- I. The number of keys to be provided to the State for each lockset shall be reasonably determined by the State prior to occupancy, at no cost to the State.
- J. Locking hardware will be required on all storage rooms, file rooms and LAN rooms.
- K. Lever style door hardware is preferred but required on all new doors.
- L. All exit doors shall open out and entrance door shall be ramped per code for handicapped accessibility.

- M. All exit doors, other than front entrance, to have panic push bars with no restrictive devices such as a keyed dead bolt.
- N. An awning, overhead or covered entryway is required at the main entrance doors and preferred on all exit doors.
- O. Prefer floor drains in all restrooms; required in new construction.
- P. A secondary LAN room may be required if space is located on multiple floors or if there is an excessive distance within the space.
- Q. All LAN/telecommunications and computer rooms shall be located in secured office area and in interior spaces with no windows.
- R. State will arrange for its Information Technology contractor to do a walk-thru with the contractor at the appropriate point during construction or renovation to determine the location of electrical lines and voice and data lines.
- S. Backup generator with automatic transfer switch preferred.
- T. Maintenance Standards:
 - 1. Grounds
 - Grass height not to exceed 5 inches.
 - Shrubbery to be trimmed seasonally but not to exceed 2 feet.
 - Grass not to extend over pavement more than 2 inches.
 - Weed control and fertilization required to maintain an acceptable appearance.
 - 2. Parking Lots:
 - All surfaces to be maintained to avoid ruts and unevenness making travel safe for vehicular and pedestrian traffic.
 - Paved parking lots preferred.
 - 3. Recurring Maintenance
 - Painted surfaces should be kept in acceptable condition to provide a professional looking appearance and repainted at least every 5 years.
 - Existing Pavement should be kept in acceptable condition to provide safe operational appearance (cracks and pot holes repair no later than 60 days after reporting).
 - Mechanical systems to be kept to manufacturer standards for preventative maintenance.
 - Floor coverings to be repaired and cleaned to present a professional appearance.
 - 4. Repair response
 - Repairs to systems that prevent operation of the office (HVAC, electrical, plumbing, lighting) are required as soon as possible
 - Repairs to safety and health issues are required as soon as possible.
 - Repairs to cosmetic issues that affect the professional appearance of the office are required within 10 days.

The most critical issue to the State during the term of the lease deals with the Lessor's response time to problems and repair issues and the completeness and adequacy of the repairs. If a Lessor does not complete repair/maintenance work in a timely manner and cannot demonstrate good faith efforts to

complete said work, then the State may use this performance record to decline to enter into leasing arrangements or renew lease options with this Lessor.

CLEANING SCHEDULE	DAILY	WEEKLY	EVERY 2 WKS	MONTHLY	QUARTERLY	ANNUALLY
Empty trash cans. Replace liners daily.	x					
Remove all materials marked with word "trash".	x					
Deposit all trash and boxes in dumpster.	x					
Spot clean all interior and horizontal surfaces including partitions.				x		
Sweep all uncarpeted floors. Use damp mop as required.		X				
Vacuum all carpeted areas. Remove all pins, clips, paper.		X				
Clean and shine all chrome fixtures including drinking fountains and molding.	x					
Spot clean glass surfaces including entrance areas and glass partitions.				x		
Sweep outside entrances sidewalks and porches.		X				
Clean countertops, sink, microwave oven, refrigerator exterior, table tops and floor.	x					
Cleanup trash, paper, litter.	x					
Wash and/or dust and spot clean walls, woodwork, switch plates, ledges, fire extinguishers and other areas exposed to dust, smudges and scrapes.			x			
Special cleanup of areas which had furniture, equipment, carpet or cartons moved.					x	
Replenish all restroom supplies. Paper products and hand soap to be supplied by Lessor.	x					
Sweep bathroom floors. Wet mop with disinfectant cleaner or scrub with soap and water to keep floor clean and sanitary.	x					
Wash and sanitize toilets, seats and urinals in bathrooms.	x					
Clean all sinks in bathrooms.	x					
Damp wipe and polish all chrome surfaces.	x					
Dust all ledges, grills and partitions to keep dust free and clean.				x		
Deodorize and disinfect all traps, drains, toilets and urinals in all bathrooms.		X				
Provide and install fluorescent tubes in light fixtures as needed.	x					
Dust and damp wipe all horizontal surfaces.		X				
Dust all Venetian blinds.					x	
Thoroughly wash all restroom walls and partitions.				x		
Scrub and disinfect kitchen area.		X				
Vacuum and dust all cloth bottom chairs.					x	
Spray buff all tile, stone, terrazzo floors (more frequently as needed).				x		
Remove trash from front and back parking lots.		X				
Mow grass in front and back of building (more frequently as needed.)		X				
Scrub all tile and linoleum floors with soap and water and rinse; buff as appropriate to keep floors clean and shiny.		X				
Wash and dry all interior and exterior glass.						X
Completely sweep, strip and re-wax, buff all tile, linoleum, terrazzo s polished stone floors.					x	
Clean all grills on heat and air conditioning ducts and cold air returns.					x	
Shampoo all carpet.						X
Wash and dry all Venetian blinds. Blinds must be removed from windows.						X

Prior to entering into a lease with the successful proposer the space or building plans will be inspected/reviewed by an inspector selected by the State. Listed below are some of the more important deficiencies that will be addressed by the review.

I. IMPROPER EXITS OR EXIT ACCESS

- Lack of adequate number of exits to outside, or exit stairs from upper floors.
- Improper fire-rated enclosure of exit stairs. This includes lack of B-label stairway doors, proper closers, and/or UL listed latching hardware.
- Exit and stair doors which swing in the wrong direction, or which have locks that prevent rapid free egress in emergency.

II. PARTITIONS OR INTERIOR CONSTRUCTION NON-COMPLYING WITH CODE

- Use of combustible partitions or paneling in buildings required to be of non-combustible construction.
- Improper enclosure of oil or gas fired boiler/furnace rooms.
- No safety glass or wired glass where required by Code.
- Lack of one-hour fire rated tenant separation.

III. FIRE PROTECTION AND EMERGENCY EQUIPMENT

- Building lacks sprinklers OR automatic fire detection system with alarms transmitted off-premises. NOTE: This may not be a Code requirement but is highly desirable. Because the State is self-insured, it gives preference to sprinkled facilities.
- Not enough fire extinguishers of proper type and placement, or the extinguishers are not being inspected and tested in accordance with NFPA-10.
- Inadequate or inoperative lighted EXIT signs, or signs indicating direction to exits.
- HVAC systems do not have smoke detection shutdown.
- Lack of emergency egress lighting, especially in stairways.

IV. GENERAL

- Non-compliance with handicapped accessibility requirements of NC Code Volume I-C, or the Americans with Disabilities Act (Federal Law).
- Insufficient number of toilet fixtures.

The successful proposer must make any changes to the building which the State determines are necessary, even if not required by any other governmental entity having general code jurisdiction for the facility. All such changes shall ordinarily be required to be completed prior to occupancy.

Space Analysis

AGENCY:	DEPARTMENT OF PUBLIC SAFETY, EMERGENCY MANAGEMENT					
DATE:	11/28/2018					
FULL HEIGHT PARTITIONED AREAS: **						
Quantity	Use	Dimensions			Unit Sq.Ft.	Total Sq. Ft.
3	Excutive Office	12	x	20	240	720
2	Manager Office	12	x	15	180	360
16	Supervisor/Professional Staff	10	x	12	120	1,920
18	Supervisor Staff	10	x	10	100	1,800
1	Conference Room	20	x	30	600	600
1	Conference Room	15	x	20	300	300
1	Records Room	12	x	12	144	144
1	Supply Storage	8	x	10	80	80
1	Janitorial Closet	6	x	8	48	48
1	LAN / Telephone Closet	8	x	12	96	96
1	Mother's Room	8	x	10	80	80
1	Break Room	15	x	20	300	300
Subtotal for Full Height Partitioned Areas:						5,728
PARTIAL HEIGHT PARTITIONED AREAS: **						
Quantity	Use	Dimensions			Unit Sq.Ft.	Total Sq. Ft.
63	Administrative/Specialist Staff	8	x	8	64	4,032
6	Temporary Staff	6	x	8	48	288
Subtotal for Partial Height Partitioned Areas:						4,320
OPEN AREAS:						
Quantity	Use	Dimensions			Unit Sq. Ft.	Total Sq. Ft.
1	Waiting / Receptionist	10	x	15	150	150
1	Copy/Fax/Mail	10	x	10	100	100
Subtotal for Open Areas:						250
Area Total:						10,298
Circulation (@ 25%):						2,575
(4)Restrooms:						600
Grand Total:						13,473
** Layout of Full and Partial Height Partitioned Areas are PERFERRED as shown Alternative configurations WILL BE CONSIDERED						

EXHIBIT B

SECOND FLOOR

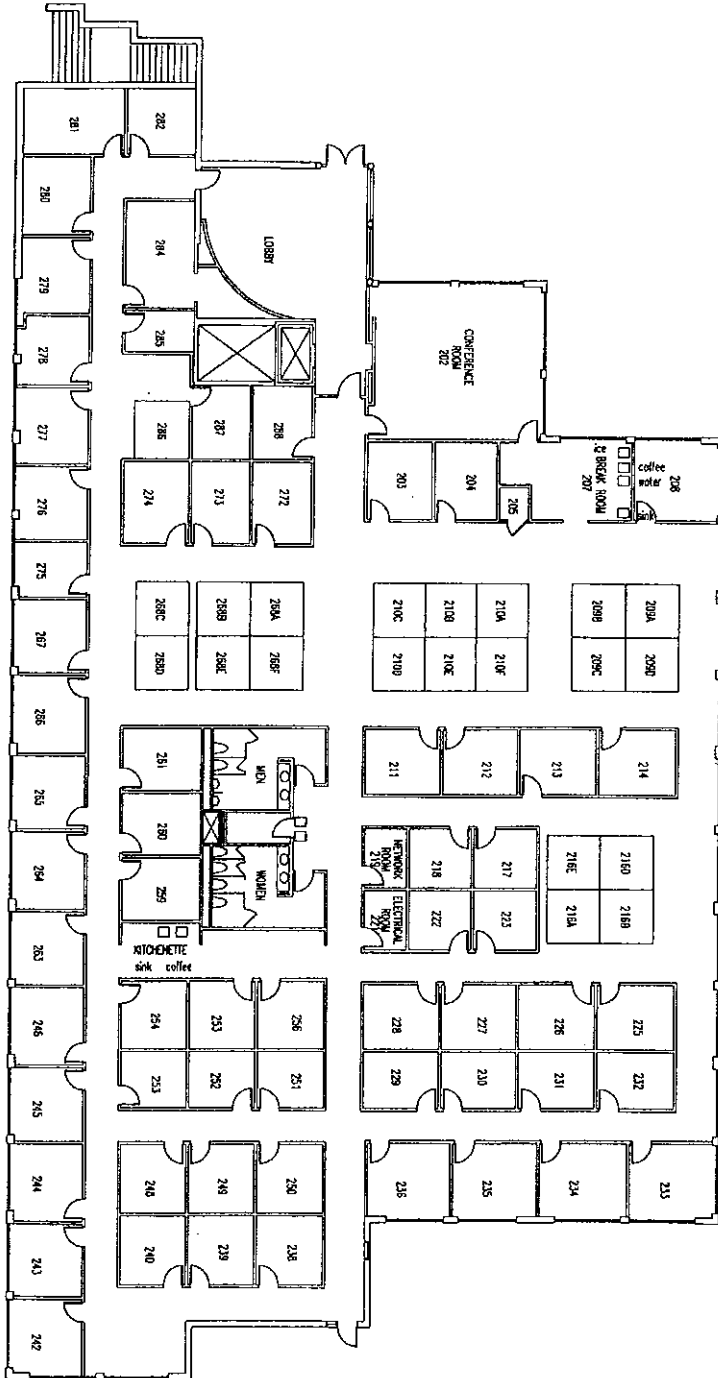


EXHIBIT C

Rules and Regulations

(as of the date of the Lease)

1. **No Obstructions.** Any sidewalks, lobbies, passages, elevators and stairways shall not be obstructed or used by Lessee for any purpose other than ingress and egress from and to the Premises. Lessor shall in all cases retain the right to control or prevent access by all persons whose presence, in the judgment of Lessor, shall be prejudicial to the safety, peace or character of The Frontier campus.
2. **Proper Use.** The toilet rooms, toilets, urinals, sinks, faucets, plumbing or other service apparatus of any kind shall not be used for any purposes other than those for which they were installed, and no sweepings, rubbish, rags, ashes, chemicals or other refuse or injurious substances shall be placed therein or used in connection therewith or left in any lobbies, passages, elevators or stairways. Lessee shall be responsible for any loss, cost or expense relating to any breakage, stoppage or damage of the toilet rooms, toilets, urinals, washbowls, plumbing fixtures and any other apparatus or property of Lessor or its affiliates resulting from the improper use of any such items by Lessee, its employees, agents or invitees.
3. **Safety Procedures.** Lessee shall not impair in any way the fire safety system and shall comply with all security, safety, fire protection and evacuation procedures and regulations established by Lessor or any governmental agency. No person shall go on the roof without Lessor's prior written permission.
4. **Visibility.** Skylights, windows, doors and transoms shall not be covered or obstructed by Lessee, and Lessee shall not install any window covering which would affect the exterior appearance of the Building, except as approved in writing by Lessor. Lessee shall not remove, without Lessor's prior written consent, any shades, blinds or curtains in the Premises.
5. **Use of Lines.** Without Lessor's prior written consent, Lessee shall not hang, install, mount, suspend or attach anything from or to any sprinkler, plumbing, utility or other lines.
6. **Locks.** No additional locks shall be placed upon any doors of said Premises, without first obtaining the written consent of Lessor, and Lessee will not permit any duplicate keys to be made (all necessary keys to be furnished by Lessor), but if more than two keys for any door are desired, the additional number shall be paid for by Lessee. Upon termination of this Lease, Lessee shall surrender all keys to said Premises and of the Building, and shall give to Lessor the explanation of the combination of all locks on the doors of any vaults or safes
7. **Objectionable Uses.** Lessee shall not use nor keep in the Building any matter having an offensive odor, nor explosive or highly flammable material. The Premises shall not be used for the purpose of lodging or sleeping rooms, nor in any way to damage the reputation of The Frontier campus; and Lessee shall not disturb, nor permit the disturbance of, other tenants, by the use of musical instruments or any unseemly noises, nor by any interference whatever; and nothing shall be placed or permitted upon the outside window sills, or thrown from the windows of the building. Lessor shall have the right to exclude or eject from the building animals of every kind, birds, bicycles, and all canvassers and other persons who conduct themselves in such a manner as to be in the judgment of Lessor, an annoyance to tenants or a detriment to the building
8. **Wiring.** If Lessee desires to introduce electrical, signaling, telegraphic, telephonic, protective alarm or other wires, apparatus or devices, Lessor shall direct where and how the same are to be placed, and except as so directed, no installation boring or cutting shall be permitted. Lessor shall have the right to prevent and to cut off the transmission of excessive or dangerous current of electricity or annoyances into or through the Building or the Premises and to require the changing of wiring connections or layout at Lessee's expense, to the extent that Lessor may deem necessary, and further to require compliance with such reasonable rules as Lessor may establish relating thereto, and in the event of non-compliance with the requirements or rules, Lessor shall have the right immediately to cut wiring or to do what it considers necessary to remove the danger, annoyance or electrical interference with apparatus in any part of the Building. All wires installed by Lessee must be clearly tagged at the distributing boards and

junction boxes and elsewhere where required by Lessor, with the number of the suite to which said wires lead, and the purpose for which the wires respectively are used, together with the name of the concern, if any, operating same.

9. **Machinery.** Lessee shall not put up, nor operate, any engine, boiler, dynamo, or machinery of any kind, nor carry on any mechanical business in the Premises, nor place any explosive therein, nor use any kerosene or oils, or burning fluids, in the Premises.
10. **Supplemental HVAC.** Lessee shall not use any method of heating, air conditioning or air cooling other than that provided by Lessor.
11. **Excessive Loads.** Lessee shall not place weights anywhere beyond the safe carrying capacity of the Building which is designed to normal office building standards for floor loading capacity. Lessor shall have the right to exclude from the Building heavy furniture, safes and other articles which may be hazardous or to require them to be located at designated places in the Premises.
12. **Parking.** Lessee shall comply with all parking regulations promulgated by Lessor from time to time for the orderly use of the vehicle parking areas, including without limitation the following: Parking shall be limited to automobiles, passenger or equivalent vans, motorcycles, light four wheel pickup trucks and (in designated areas) bicycles. No vehicles shall be left in the parking lot overnight without Lessor's prior written approval. Parked vehicles shall not be used for vending or any other business or other activity while parked in the parking areas. Vehicles shall be parked only in striped parking spaces, except for loading and unloading, which shall occur solely in zones marked for such purpose, and be so conducted as to not unreasonably interfere with traffic flow within The Frontier campus or with loading and unloading areas of other tenants. Employee and tenant vehicles shall not be parked in spaces marked for visitor parking or other specific use. All vehicles entering or parking in the parking areas shall do so at owner's sole risk and Lessor assumes no responsibility for any damage, destruction, vandalism or theft. Lessee shall cooperate with Lessor in any measures implemented by Lessor to control abuse of the parking areas, including without limitation access control programs, tenant and guest vehicle identification programs, and validated parking programs, provided that no such validated parking program shall result in Lessee being charged for spaces to which it has a right to free use under its Lease. Each vehicle owner shall promptly respond to any sounding vehicle alarm or horn, and failure to do so may result in temporary or permanent exclusion of such vehicle from the parking areas. Any vehicle which violates the parking regulations may be cited, towed at the expense of the owner, temporarily or permanently excluded from the parking areas, or subject to other lawful consequence. Bicycles are not permitted in the Building.
13. **No Smoking.** Lessee and its agents shall not smoke in the Building or at the Building entrances and exits.
14. **Move-In/Out.** Lessee shall comply with any move-in/move-out rules provided by Lessor and with any rules provided by Lessor governing access to the Building outside of Lessor's normal business hours. Throughout the Term, no furniture, packages, equipment, supplies or merchandise of Lessee will be received in the Building, except during such hours as shall be designated by Lessor, and Lessor in all cases shall also have the exclusive right to prescribe the method and manner in which the same shall be brought in or taken out of the Building.
15. **Trash Removal.** Lessee shall not place oversized cartons, crates or boxes in any area for trash pickup without Lessor's prior approval. Excessive amounts of trash or other out-of-the-ordinary refuse loads may be removed by Lessor at Lessee's expense.
16. **Pest Control.** If the Premises becomes infested with vermin or pests as a direct result of the actions of Lessee or its employees, Lessee, at Lessee's sole cost and expense, shall have such pests exterminated by contractors approved in advance by Lessor.