

Revised 05/21/19

Sample Gross Lease

THIS LEASE, between _____ (the "Lessor"), whose address is _____ Wisconsin, and the BOARD OF REGENTS OF THE UNIVERSITY OF WISCONSIN SYSTEM (the "Lessee");

The parties agree as follows:

1. **PREMISES.** Lessor hereby leases to Lessee and Lessee leases from Lessor the following (the "Premises"):

Approximately _____ square feet of office space (the "Premises") in Lessor's building (the "Building"), together with all appurtenances and access to common areas, located at _____, in the City of _____, Wisconsin (the "Building"), which Premises are further described on Exhibits A (site plan) & B (floor plan) attached.
2. **USE OF PREMISES.** Except as otherwise authorized in writing by Lessor, Lessee shall use the Premises as space for the of University of Wisconsin-_____, or such other agency that may be designated by Lessee (collectively, the "Tenant").
3. **TERM.** The lease term hereunder shall begin on _____ 1, 20__ and end on _____ 30, 20__. In addition, the Lease includes two 3-year renewal options.
 - a) If the actual Commencement Date differs from the stated lease term beginning date, the Lessor and Lessee shall execute a 'letter of addendum' which shall designate the exact Rent Commencement Date/Lease Term Begin Date and the Termination Date of this Lease, such that it shall be a full 3-year term. This Lease term, including renewal options as may have been provided for herein, may be extended under mutually agreeable terms, conditions and rental rate via a letter of addendum.
 - b) Tenant or Tenant's vendors shall have access to Premises prior to rent commencement at no charge in order to:
 - i. install cabling for data and phones lines if needed during Lessor's construction period. Exact timing to be determined by Lessor and Tenant once Lessor's construction schedule is finalized. Tenant and/or Tenant's vendors shall not interfere with Lessor's contractor or cause an unreasonable delay to the Lessor's construction schedule; and

- ii. set up the work space in the Premises so Tenant's operations can begin on the Commencement Date/Lease Term Begin Date. Tenant shall have access at least weeks prior to the beginning of the Rent Commencement Date/Lease Term Begin Date for this purpose.

4. **INITIAL TERM RENTAL.** The Lessee shall pay the Lessor rent for the Premises during the first year of the initial 3-year Lease term at the following rate: The sum of Eight Thousand And 00/100Dollars (\$8,000.00) per annum, in equal monthly installments of _____And /100 Dollars (\$_). The annual rental rate for the first and each subsequent year of the initial term shall be in accordance with the following schedule.

Initial Term Rental Rate Schedule			
Begin Date	End Date	Annual Rent	Monthly Rent
		\$	
		\$	\$
		\$	\$

The annual rent throughout the entire lease term, including optional extensions, shall be payable in advance in monthly installments as shown above on the first day of each month, except for the month of July during which the monthly installment is not due until the 15th day. Said rental payments shall be made to Lessor at the address for notices hereinafter set forth.

5. **RENEWAL RENTALS.** Provided that the Lessee is not then in default, this Lease may, at the option of the Lessee, be renewed for successive -year periods from and after _____subject to the availability of funds for the payment of rentals, upon the same terms and conditions herein specified, provided written notice be given to Lessor at least days before the Lease would otherwise expire. The annual rental rate for the first and then each subsequent year of the renewal terms, if exercised, shall be in accordance with the following schedule. Annual increases of % shall apply to_____.

If Exercised, Renewal Rental Rate Schedules				
Begin Date	End Date	Office Square Feet	Annual Rent	Monthly Rent
First Renewal Term				
Second Renewal Term				

Prior to the termination of the initial term of this Lease and all renewal options included herein, Lessor and Lessee may upon mutual consent and agreement negotiate terms and conditions for additional renewal periods.

6. **ASSIGNMENTS. SUBLETTING.** Lessee shall not assign this Lease in any event, and shall not sublet the Premises, and will not permit the use of said Premises by anyone other than the Lessee, and the agents, contractors, grantors and grantees, and servants of the Lessee, without prior written approval of the Lessor, which shall not be unreasonably withheld.

7. **COVENANTS OF LESSOR.** Lessor hereby agrees with Lessee as follows:

a) Lessor warrants that Lessee shall have quiet use and enjoyment of the Premises; that Lessor has complete interest, right in and title to the Premises so as to enable Lessor to enter into this Lease; and that the Premises is not encumbered in any way so as to hinder or obstruct Lessee's proposed use thereof, including no encumbrance or obstruction due to existing easements, zoning ordinances or building restrictions. Lessor shall obtain a certificate of occupancy or any other authorizations required by local ordinance or regulations prior to Lessee's occupancy.

- b) The Lessor shall duly carry out the various obligations and duties imposed upon it at the time and in the manner called for by this Lease.
- c) Lessor shall furnish during the term of this Lease the goods, services and other items listed on Schedule I attached hereto and incorporated by reference.
- d) Lessor shall be responsible for the costs of all improvements necessary to meet and maintain the standards and specifications set forth in Schedules I and/or II and Exhibits A and/or B. Lessor shall maintain, at Lessor's expense, the Premises so as to comply with all federal, state and local codes applicable to the Premises.

Lessor agrees to complete, at Lessee's sole cost and expense, any reasonable improvements to the Premises which the Lessee requests to improve the health, safety and security of the Premises, which are in excess of code requirements and not required by Schedule I and/or II.

- e) In connection with the performance of work under this Lease, the Lessor agrees not to discriminate against any employee or applicant for employment because of age, race, religion, color, handicap, sex, physical condition, developmental disability as defined in s. 51.01(5), sexual orientation, or national origin. This provision shall include, but not be limited to, the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation and selection for training, including apprenticeship. Except with respect to sexual orientation, the Lessor further agrees to take affirmative action to ensure equal employment opportunities. The Lessor agrees to post in conspicuous places, available for employees and applicants for employment, notices to be provided by the Lessee, setting forth the provisions of the non-discrimination clause.
- f) Pursuant to 2019 Wisconsin Executive Order 1, Lessor agrees it will hire only on the basis of merit and will not discriminate against any persons performing under a contract, subcontract or grant because of military or veteran status, gender identity or expression, marital or familial status, genetic information or political affiliation.
- g) The Lessor as part of this Lease certifies that to the best of its knowledge both the Premises and the Building of which the Premises are a part do not contain any asbestos bearing material which is unsafe or which is not encapsulated. If during the Lessee's occupancy of the Premises such asbestos bearing material is found, and the Lessor has been notified by the Lessee that such

asbestos bearing material exists, the Lessor shall within fourteen (14) days after receipt of such notice, be required to take such action as may be necessary to encapsulate or remove the asbestos bearing material. Upon determination that unsafe or un-encapsulated asbestos bearing material exists, the Lessee may at its option vacate the Premises until such time as the material has been encapsulated or removed to the satisfaction of the Lessee. If the Lessee vacates the Premises during the encapsulation or removal process, the Lessor shall reimburse the Lessee for all move related costs. No rent shall accrue to the Lessor during the period of time the Lessee is not in occupancy of the Premises. In the event the Lessor fails to encapsulate or remove the asbestos bearing material within the time specified, this Lease may be cancelled by the Lessee and the Lessor shall thereafter not have any claim against the Lessee on account of the cancellation of this Lease.

- h) The Lessor attests that neither the space covered by this Lease nor the Lessor's business is owned by a state public official or state employee as defined in section 19.45, Wisconsin Statute. The Lessor further attests that no university employee has any ownership of the space or Lessor's business, amounting to more than 10% as provided in Wis. Admin. Cod chapter UWS8.
- i) For the purposes of this Lease, "Hazardous Materials, Substances, or Air Pollutants" shall include, but not be limited to any and all substances, materials, waste, or air pollutants determined currently or in the future as hazardous or capable of posing a risk of injury to health, safety, or property by any Federal, State, or local statute, law, ordinance, code, rule, regulation, order, or decree. The Lessor attests that the Premises are free of any hazardous materials, substances, or air pollutants as defined above, and the Lessor will now and forever after the termination of this Lease hold Lessee

harmless and indemnify the Lessee from and against any and all claims, liability, damages or costs arising from or due to the presence of hazardous materials, substances, or air pollutants as defined above, except liability resulting from Lessee's use and occupancy of the Premises.

If during the Lessee's occupancy of the Premises such hazardous materials, substances, or air pollutants are found, the Lessor shall as soon as possible after receipt of notice take such action as may be necessary to render the Premises safe.

Upon determination by the Lessee that unsafe hazardous materials, substances, or air pollutants as defined above affecting the Lessee's quiet enjoyment of the Premises exists, the Lessee may vacate the Premises until such time as the hazardous materials, substances, or air pollutants have been repaired or remediated to the satisfaction of the Lessee. If the Lessee vacates the Premises during the repair or remediation process, the Lessor shall reimburse the Lessee for all related or relocation costs and rent shall abate during the period of time the Lessee is not in occupancy of the Premises. In the event the Lessor fails to repair or remediate the hazardous materials, substances, or air pollutants as soon as practicable as determined by the Lessee, this Lease may by written notice to the Lessor be cancelled by the Lessee and the Lessor shall thereafter not have any claim against the Lessee due to the cancellation of this Lease.

Lessor will immediately advise Lessee in writing of any actions or claims relating to any hazardous materials, substances, or air pollutants on the Premises. If the Lessor has conducted or conducts any testing for hazardous materials, substances, or air pollutants on the Premises before or during the term of the Lease, then the Lessor shall provide a copy of any test results to the Lessee. The Lessee, at its own expense, may also conduct such testing as it deems appropriate on the Premises.

- j) In the event of any water damage to the Premises and/or common areas, Lessor agrees to begin the process of addressing the damage within twelve (12) hours of discovery or notification, and shall cause any water damaged (saturated, water spotted and/or dirty) materials to be dry within forty eight (48) hours of the time of discovery of such damage. If such materials are not completely dry by the end of the 48 hour period, the Lessee may require that the saturated materials (i.e. carpet, drywall, ceiling tiles, etc.) shall be removed from the premises and immediately replaced with new materials of identical quality or better quality.

- k) Lessor agrees to provide prior notification and provision of safety data sheets (SDS) if applicable to the Tenant on-site staff when any construction, renovation, maintenance, repairs, remodeling or cleaning work will be done within the building of which the Premises are a part of by the Lessor, contractors or other representative of the Lessor. The project notification and SDS documents should be provided to the on-site staff no less than five (5) workdays before the anticipated start of the actual work.
- l) The default by Lessor of any covenant or agreement contained in any paragraph or provision of this Lease, shall constitute a material default of the Lease, and shall entitle the Lessee to terminate this lease, PROVIDED, that prior to such termination, the Lessee shall notify the Lessor in writing of the nature of the default and shall grant the Lessor a period of thirty (30) days from the date of service of such notice to remedy or cease such act of default, and upon such remedy or cessation by the Lessor within said thirty (30) days, the Lessee shall waive the right to terminate for such default. In the event the act of default is such that it cannot be remedied within said thirty (30) day period, the Lessee shall waive the right to terminate for such default if corrective actions are commenced within such period and diligently pursued to completion by the Lessor.
- m) Lessor shall be responsible for paying to taxing authority the real estate taxes and any assessments on the Premises.

8. COVENANTS OF LESSEE. Lessee hereby agrees with Lessor as follows:

- a) Lessee does hereby promise, and agree to pay the rent in the manner specified, and to duly comply with all other provisions of this Lease at the time and in the manner herein provided.
- b) At the expiration of this Lease or any renewal thereof, the Lessee will return the Premises to the Lessor in as good condition as they were at the time the Lessee went into possession, ordinary wear, damage by the elements and fire excepted.

- c) The Lessee's Tenant will not make or permit anyone to make any alterations, improvements or additions in or to the Premises, without the prior written consent of the University of Wisconsin, System Administration, as Lessee, and the Lessor.
- d) The default by Lessee (a) If Lessee shall be late in the payment of any rent or any other sum of money payable by Lessee to Lessor and if Lessee shall fail to cure said late payment within (30) days after receipt of notice of said late payment from Lessor, or (b) if Lessee shall be late in the performance or observance of any other agreement or condition in this Lease to be performed or observed and if Lessee shall fail to cure said late performance or observance within thirty (30) days after receipt of notice from Lessor of said late performance or observance (unless Lessee commences to cure said late performance or observance within (30) days after receipt of notice thereof and expedite the curing of the same to completion with due diligence), then, in any of said cases and without waiving any claims for breach of agreement, Lessor may send written notice to Lessee of the termination of the term of this Lease, and, on the fifth (5th) day next following the date of the sending of the notice, the term of this Lease shall terminate, Lessee hereby waiving all rights of redemption.
- e) Lessee agrees that any improvements to the Premises made by Lessor for the benefit of Lessee shall be the property of Lessor. Such improvements exclude any of Lessee's system furniture, conventional furniture and all other Lessee personal property.

9. **INSURANCE.** Lessor agrees to procure and maintain, during the term of this lease, "All Risk" property insurance for the building containing the Premises. Lessor also agrees to procure and maintain, during the term of this lease, commercial general liability insurance in the amount of not less than **\$1.0 million each occurrence and \$2.0 million general aggregate**. Under all conditions noted above, the commercial general aggregate limits are to apply on a per location basis. In addition, Lessor shall provide upon signing of the lease and thereafter annually, a certificate of insurance to Lessee evidencing such coverage. Lessor shall add the Lessee, the "Board of Regents of the University of Wisconsin System" as an additional insured under the commercial general liability policy.

Lessee agrees to maintain liability coverage for its officers, employees and agents under the State of Wisconsin Self-Funded Liability Program. Lessee also agrees to maintain property coverage under the State of Wisconsin Self-Funded Property Program for contents, fine arts, or equipment owned by the University.

10. **HOLD HARMLESS.** Lessor agrees to protect, indemnify and save the BOARD OF REGENTS OF THE UNIVERSITY OF WISCONSIN SYSTEM harmless from and against any and all claims, and against any and all loss, cost, damage or expense, including without limitation reasonable attorneys' fees, arising out of any negligent acts of Lessor, its invitees or agents, or any failure of Lessor in any respect to comply with and perform all the requirements and provisions of this Lease.

The Lessee shall provide liability protection for its officers, employees and agents while acting within the scope of their employment. The Lessee further agrees to indemnify and hold harmless the Lessor for any and all liability, including claims, demands, losses, costs, or damages to persons or property arising out of, or in connection with, or occurring in connection with this Lease, where such liability is founded upon or grows out of acts or omissions of any of the Lessee's officers, employees or agents while acting within the scope of their employment, where protection is afforded by § 893.82 and 895.46(1), Wis. Stats.

11. **MAINTENANCE.** The Lessor shall maintain the Premises in good repair and tenantable condition, and as required by §704.07, Wis. Stats., throughout the term of this Lease, except in case of damage arising from a willful act or the negligence of the Lessee's agents or employees. For the purpose of so maintaining the Premises, the Lessor reserves the right at reasonable times to enter and inspect the Premises and to make any necessary repairs thereto.

12. **DAMAGE OR DESTRUCTION.** In the event the Premises are partially damaged or destroyed by fire or other casualty or happening such that Lessee may continue to use a part of the Premises, Lessor shall promptly repair such damage and restore the Premises to its condition immediately prior to said damage or destruction. In such event, the rental and any other obligations of Lessee payable hereunder shall abate proportionally by the ratio that the damaged area bears to the total area of the Premises. Should Lessor fail to complete said restoration within 60 days of the partial damage or destruction, Lessee may terminate this Lease.

In the event the Premises are damaged or destroyed such that Lessee is unable to occupy the Premises (un-tenantable) without undue hardship and/or disruption of its business, Lessee may elect to terminate this Lease by providing Lessor written notice of such termination within 14 days after such damage or destruction, and, in that event, all rent and other obligations of the Lessee hereunder shall terminate as of the date of such damage or destruction. In the event the Premises are un-tenantable and Lessee does not

elect to terminate this Lease, Lessor shall proceed immediately to rebuild and restore the Premises to its condition immediately prior to said damage or destruction. In the case of Lessee's election not to terminate, all rent and other obligations of the Lessee hereunder shall abate from the date of un-tenantability until the date Lessee retakes possession of the Premises. In the event Lessor fails to complete the restoration within 120 days of the un-tenantability, Lessee may terminate this Agreement.

13. **NOTICES.** Notice in writing referred to herein shall not be construed to mean personal notice, but such notice shall be given in writing, by mail, by depositing the same in the post office or letter-box, in a postpaid envelope, addressed to the Lessor at Lessor's last known address, and such notice shall be deemed to be given at the time when the same shall be thus mailed. Such notices provided hereunder shall be addressed as follows:

If to Lessor: -----

Rent sent to: Same as above

If to Lessee: Real Estate Specialist
University of Wisconsin System
Capital Planning and Budget
780 Regent Street
Madison, WI 53715-2635

14. **FUNDING.** The payment of rents under this Lease is subject to the availability of funds that may lawfully be used for such payment. As a result, the Lease does not constitute the contracting of public debt under Article VIII, Section 4 of the Wisconsin Constitution. The continuation of this Lease beyond the limits of the funds already available is contingent upon the future availability of funds to support the payment of rent for the programs housed in the facility covered by this Lease. In the event such funding is not made available to the program or programs involved, the Lessee may at its option and upon sixty (60) days prior written notice to the Lessor, terminate this Lease. Use beyond the limits of the funds already available is contingent upon the future availability of funds.

15. **RIGHT TO LEASE ADJACENT SPACE.** Lessee may lease any available adjacent space at any time during the term of this Lease or renewal options. Improvements for such space will be of the same nature and quality as that of the space contained herein. Such additional space shall be made available under

mutually agreeable terms, conditions, and rental rate as mutually agreed upon. Such additional space may be added to this Lease via a letter of addendum.

16. **BROKERS.** Lessor and Lessee represent and warrant to each other that they have had no dealings with any broker or agent in connection with this Lease, and Lessor agrees to pay and hold Lessee harmless from any claims made by anyone for any compensation, commissions and charges claimed with respect to this Lease or the negotiations thereof.
17. **HOLDING OVER.** If Lessee holds over after the term hereof, with or without the express written consent of Lessor, such tenancy shall be from month to month only, with no renewal hereof or an extension for any further term, and in such case basic monthly rent shall be payable at the rate during the last month of the term hereof. Such month-to-month tenancy shall be subject to every other term, covenant and agreement contained herein.
18. **SUBORDINATION.** This Lease shall be subordinate to any and all mortgages hereafter placed against the Premises by Lessor, provided that any such mortgage (or a separate written agreement, in recordable form, from the mortgagee in favor of and delivered to the Lessee) contains provisions to the effect that, so long as this Lease shall remain in force, in any action to foreclose the mortgage, Lessee will not be made a party defendant, that Lessee's possession of the Premises will not be disturbed and that Lessee's Leasehold estate will not be affected, impaired, or terminated by any such action or proceeding or by any judgment, order, sale or conveyance made or rendered therein or pursuant thereto, so long as (at the time of the commencement of such action or foreclosure proceeding or during the pendency thereof) Lessee is not in default under the terms, covenants, and conditions of this Lease beyond any grace period provided in this Lease for curing same.
19. **FORCE MAJEURE.** In the event either party hereto shall be delayed or hindered in or prevented from the performance of any act required hereunder by reason of strikes, lockouts, labor troubles, inability to procure materials, failure of power, riots, insurrection, war, acts of God, inclement weather, or other reason beyond that party's reasonable control, then performance of such act shall be excused for the period of the delay and the period for the performance of any such act shall be extended for a period equivalent to the period of such delay.
20. **EMINENT DOMAIN.** In the event the entire Premises shall be appropriated or taken under the power of eminent domain by any public or quasi-public authority, this Lease shall terminate and expire as of the

date of such taking, and Lessee shall then be released from any liability thereafter accruing under this Lease.

In the event a portion of the Premises shall be so appropriated or taken and the remainder of the property shall not be suitable for the use then being made of the property by the Lessee, or if the remainder of the property is not one undivided parcel of property, Lessee shall have the right to terminate this Lease as of the date of the taking on giving to Lessor written notice of termination within thirty (30) days after Lessor has notified Lessee in writing that the property has been so appropriated or taken.

In the event of the termination of this Lease by reason of the total or partial taking of the Premises by eminent domain, then in any such condemnation proceedings, Lessor and Lessee shall be free to make claim against the condemning or taking authority for the amount of any damage done to them, respectively, as a result of the condemning or taking.

21. **CONSTRUCTION OF IMPROVEMENTS.** On or before the Term Begin Date/Rent Commencement Date, unless such date is extended by mutual written consent, Lessor shall complete or cause to be completed certain building improvements, all as more specifically set forth in Exhibit B (floor plan) and Exhibit C (scope of work) attached hereto and incorporated by reference. In the event that this Lessor's work is not completed by the Commencement Date, or an alternate date mutually agreed to by both parties to this Lease, then Lessee may contract directly for this work, and shall with 30-days' notice to the Lessor, deduct the cost of this work from the next, and any subsequent as needed, month's rent payment. Lessee, through its authorized agents only, may, at its option, revise said building improvements prior to commencement of construction and request changes during construction, provided, however, that such changes must first be approved by Lessor. The method and amount of payment by Lessee for any increase or decrease in costs, if applicable, resulting from said changes in construction shall be negotiated between the parties and document in writing at the time of said requested changes. The Lessor/contractors shall comply with prevailing wage requirements if any are applicable to this construction project.
22. **LESSEE COSTS.** Lessee shall be responsible for the monthly phone and data costs for the Premises.
23. **CAPTIONS.** The item captions contained herein are for convenience only and do not define, limit, or construe the contents of such items, paragraphs, or sections.

24. **AUTHORIZATION. BINDING EFFECT.** This Lease, together with all amending instructions subsequent thereto (collectively, the "Lease"), is not valid or effective for any purpose until approved by all authorities or signatories, and no work is authorized until the Lease is fully executed.
25. **WAIVER.** The rights and remedies of either party under this Lease, as well as those provided or accorded by law, shall be cumulative, and none shall be exclusive of any other rights or remedies hereunder or allowed by law. A waiver by either party of any breach or breaches, default or defaults, of the other party hereunder shall not be deemed or construed to be a continuing waiver of such breach or default nor as a waiver of or permission, expressed or implied, for any subsequent breach or default.
26. **CHOICE OF LAW.** This Lease shall be governed by and construed and interpreted in accordance with the laws of the State of Wisconsin.
27. **EXECUTED LEASE.** This Lease when fully executed shall be binding upon the respective heirs, executors, administrators, successors, and assigns of the parties hereto.

The parties have hereunto subscribed their names as of the date first above written or the date of the last signature below, whichever is later.

LESSOR:

By: _____

Printed Name, Title

Dated: _____

LESSEE:

Board of Regents of the University of Wisconsin System

By: _____

VP ADMINISTRATION

Dated: _____

File No. XXX-XXX

SCHEDULE I

The Lessor shall furnish to the Lessee during the term of this Lease, as part of the rental consideration, the following:

1. The environmental control system shall maintain a comfortable humidity level and temperatures for an estimated use of 60 hours per week as follows:

Summer	Winter
76 Degrees (+/- 2 ^o)	70 Degrees (+/- 2 ^o)
50% Humidity Level (+/- 10%)	25% Humidity Level (+/- 5%)

The temperature range during unoccupied times (generally 6 p.m. to 6 a.m.) may be varied by up to +/- 10^o of the above temperatures.

2. Provide, maintain and service heating, air conditioning, plumbing and ventilating equipment as per manufacturers and/or installers recommendations.

Must be compliant with State of Wisconsin Administrative Codes SPS 363 and 364, and ASHRAE 62.1-2004, in addition to all other applicable Federal, State and local codes. Relative to ventilation codes, where SPS 364 and ASHRAE 62.1-2004 conflict, apply SPS 364 to existing HVAC and ASHRAE 62.1-2004 to new HVAC equipment selections ensuring in all circumstances, that HVAC ventilation requirements will always meet or exceed State of Wisconsin Administrative Code SPS 364 minimum guidelines.

Lessor shall meet the following requirements:

- a. All new HVAC units and equipment installed shall be high-efficiency type; gas-fired heating is required in all new construction.
 - b. All rooms shall have sufficient air movement to meet the Wisconsin code for air exchanges and CFM for office space and have adequate zoning to meet:
Seasonal set points shall be as follows:
Summer: 76 Degrees (+/- 2 degrees) and humidity of 50% (+/- 10%)
Winter: 70 Degrees (+/- 2 degrees) and humidity level of 25% (+/-5%)
 - c. Provide a fully ducted supply and plenum return HVAC system with adequate zoning.
 - d. All new exterior walls and ceilings must meet minimum insulation code requirements.
 - e. Provide perimeter heating for exterior walls if required to meet seasonal set-points.
 - f. Provide space heating for airlocks and lobbies, if necessary.
 - g. All air-handling equipment filters are changed quarterly.
 - h. Provide automatic temperature adjustment capability for unoccupied modes.
 - i. Provide separate venting/fans for restrooms.
 - j. Provide an approved "Test and Balance" report, for newly constructed and /or remodeled space, which is taken and completed after the space is fully occupied and the construction and/or remodeling projects are completed.
 - k. Thermostat locations in open office area to be 70" AFF.
 - l. Thermostat locations in all enclosed rooms to be above light switch, unless zoning does not allow.
 - m. The use of non-tenant adjustable thermostats or locking thermostat covers.
3. Install and maintain fire extinguishers according to any governmental building code and underwriters' (UL) recommendations.

4. Provide safe drinking water with hot and cold running water for restrooms, counter sinks and janitorial facilities. Such drinking water shall meet minimum State of Wisconsin Drinking Water Quality Standards.
5. All areas to have ambient light level of 50 foot-candles throughout the demised area with 70 foot-candles at desktop. Provide a minimum of 30 foot-candles in corridors. Provide a minimum of 1 foot candle security lighting for on-premise parking areas.
6. Provide (2) master keys for entrance doors.
7. At Lessor's cost provide Water and Sewer & Heat and Air conditioning.
8. At Lessor's cost provide electricity for lights and other electrical equipment necessary for operation of the Premises.
9. At Lessor's cost furnish, install and replace during the term of this Lease and any extension thereof, light bulbs, fluorescent tubes, starters, ballasts or transformers.
10. All demised and common areas of the facility and exterior areas, including parking, utilized under this lease, including restrooms and any elevator(s) **must meet all requirements of new construction** for accessibility, health and safety standards in compliance with and in accordance with Wisconsin Administrative Code, Chapters SPS 332, 360 - 365, and the ANSI A117.1. ANSI Regulations will take precedence over Wisconsin Administrative Codes, except when such codes shall be equal to or exceed the ANSI Regulations. All elevators shall meet the Wisconsin Administrative Codes, SPS 318 and SPS 362 and ANSI A117.1.
11. Furnish building occupancy or use permit(s) if required.
12. Furnish all necessary janitorial and maintenance equipment and supplies for restrooms including soap, towels and toilet tissue.
13. JANITORIAL SERVICES Lessor is to provide all services, supplies and equipment required to clean and keep clean all areas of the building, sidewalks, parking areas, and grounds. This includes, but is not limited to, the plowing and removal of snow, ice removal and salting, removal of trash, pest control and the proper disposal of recyclable materials separated by Lessee. Beginning January 1, 1995, proper disposal of materials shall comply with sections 16.15(3) and 287.07 Wis. Stats., which require recycling the following items: aluminum containers, corrugated paper or other container board, foam polystyrene packaging, glass containers, magazines, newspaper, office paper, plastic containers, steel containers, and waste tires. Lessor shall provide a central collection area and separate collection containers as require for the deposit of all such recyclable and non-recyclable waste generated at the leased premises. Lessor further agrees to comply with all applicable municipal recycling requirements adopted under section 287.13, Wis. Stats.

The following is a list of required activities to be performed at least as often as indicated. While this list may omit some minor activities, it is the intent of this list to promote a building with a High Standard of Cleanliness.

AREA AND FREQUENCY INDICATION:

TWICE WEEKLY

- a. All Common Areas (Entrances/ Hallways/ Stairways/Snack or Break Area/Janitor Closet/Storeroom/etc.) - Clean glass in doors and metal framework; Empty/clean exterior ashtrays, waste containers and replace can liners; Sweep, mop floor, steps, landings, etc.; Vacuum carpet and walk-off mats and remove spots/stains; Clean, de-scale and polish water fountains; and spot clean walls and doors.
- b. Restrooms - Clean and disinfect dispensers, sinks, toilets, urinals and polish bright work.

- c. Office Areas - Empty waste containers and replace can liners, if used; Dust and/or damp wipe accessible furnishings, fixtures, vents and sills; Spot clean doors, walls and sidelights; Sweep/mop floors; and vacuum carpet and remove spots/stains.

ONCE-WEEKLY

- a. Restrooms - Clean inside toilet bowls and urinals; and damp wipe walls.
- b. Offices - Common Areas - Dust and/or damp wipe furnishings, moldings, handrails, fixtures, etc. Clean/disinfect and polish brightwork.
- c. Offices - Vacuum upholstered furniture; and edge-vacuum carpet.

SEMI-ANNUAL

- a. Resilient/Hard floor Areas - Strip, seal and refinish floors in spring and fall.
- b. Carpet Areas - Wet extract carpet and apply soil retardant in spring and fall.
- c. Restrooms - Wash walls, ceilings, doors and partitions in winter and summer.
- d. Windows - Wash windows and storms both inside and outside and vacuum screens in spring and fall.
- e. Light Fixtures - Clean fixtures and diffusers
- f. Air Vents - Clean supply air diffusers and return air grilles.

- 14. Provide signage, including building directory listing, suite identification, and any other Lessor provided signage consistent with others in the Building (this does not include Tenant's own exterior signage.)
- 15. Provide parking places in adjacent parking area, which is understood by the parties hereto to include overnight parking for State-owned vehicles.
- 16. Provide snow and ice control and removal. Snow and ice will be removed from designated walking surfaces on Lessor controlled parking lots and sidewalks on building grounds by 6:30 AM each working day and 9:00 AM on non-working days. These walk areas shall be maintained in a reasonably slip resistant condition and passable for people with disabilities (i.e. individuals who use walkers, canes, crutches, wheelchairs, etc.). Walking surfaces will be maintained snow and ice free during working hours. Particular attention shall be paid during on-going snowfalls, ice storms or when melting snow and ice re-freezes on walking surfaces. Parking lots shall be cleared within 24 hours of a 2-inch or greater snowfall (or sooner if weather permits).

In the event that the Lessor fails to remove the snow and ice from the leased facility in accordance with the terms of the paragraph above, the Lessee may cause the same to be done and deduct the cost of such snow and ice removal from the rent due the Lessor.

Lessee's removal of snow and ice shall not release Lessor of liability or obligation under the provisions of this lease or any law or regulation.

- 17. If Lessee exercises the first renewal period, Lessor will at Lessor's cost repaint the demised area as needed during the eighth year of occupancy. Lessor will at Lessor's sole cost will re-carpet the demised area at least by the eighth year of occupancy. Lessor is responsible for moving Tenant's furniture and equipment as required for the painting and installation and/or repair of carpeting.
- 18. In the event the Lessor does not furnish the aforementioned services and items in this Schedule or the demised Premises are untenable for any other reason which is not due to the negligence of the Lessee, the Lessee may provide such services and items at its own expense and deduct these expenses from rental payments, provided Lessee notifies Lessor thirty (30) days in advance of any deduction, and provides an itemized statement listing the services and items not being furnished.

19. Lessor agrees to construct and/or remodel and equip the building in accordance with State and local building codes, in accordance with mutually agreed upon plans attached hereto.

Schedule II

CONSTRUCTION REQUIREMENTS

GENERAL CONDITIONS All workmanship shall be done in compliance with standard and accepted trade practice. All regulations of the Federal Government, State of Wisconsin, and the local municipality will be complied with fully. After completion of work, the leased premises will be left in a clean and orderly condition, ready for occupancy. Wherever practical, construction and remodeling will conform to the Division of State Facilities' Sustainable Facilities Guidelines and Master Specifications available at:

http://www.doa.state.wi.us/dsf/masterspec_view_new.asp?catid=63&locid=4

1. Ceilings:

- a. Offices, open office, conference, data/phone closet, reception/waiting areas: acoustical drop ceiling, with 2 x 2 or 2 x 4 x 3/4" grid, drop-in tile, color white, STC 35-39, minimum; NRC 50-60, minimum, light reflectance 75% minimum. Some rooms may require insulation above the dropped ceiling for noise abatement.
- b. All other areas such as restrooms, entrances, service closets, storage rooms, file rooms: may be finished, painted drywall
- c. Finished height: Ideal 8'6" to 9' (minimum of 8' up to 12' maximum). (Room size and open area dependent.)
- d. Attic stock: Provide approximately 4% of ceiling tile

2. Floors: All floors will be level

- a. Offices, clerical area, conference room, (unless otherwise specified below): Broadloom carpet: 28-30 oz., tufted, min. average tuft bind 10-12 lbs., average FHA density 4500-5599, pile must be ADA compliant.
- b. Restrooms: Ceramic floor tile.
- c. Storage room, data/phone closet, waiting areas, entries, etc.: vinyl tile or sheet goods.
- d. Vestibule/lobby: provide recessed mats similar to DecoGard "Pedimat".
- e. Cove Base: (unless wood or carpet is preferred by Lessor) all spaces, except where ceramic and vinyl flooring is used. (FS SS-W-40, 4" x 1/8" cove base for vinyl.
- f. Lessor will at Lessor's sole cost, repair the carpeting as needed and re-carpet as needed the demised area at least by the seventh year of occupancy if the first 5-year renewal option has been exercised. Lessor is responsible for moving Lessee's furniture and equipment as required for the installation and/or repair of carpeting.

3. Walls:

- a. All new walls to be drywall: one layer 1/2" or 5/8" type X gypsum wallboard applied to each side of 3-5/8" metal or wood studs; with 1" type S drywall screws 8" on center, to vertical edges and 12" on center to intermediate studs. Stagger joints on each side.
- b. All interior walls to be insulated for sound abatement
- c. Walls to extend to finished ceiling
- d. Provide expansion joints as necessary
- e. All walls to receive painted finish of sealer coat and two finish coats of semi-gloss or orange peel, eggshell textured finish.
- f. Corner guards: provide 44" guards on all outside corners and columns, color clear or match wall color
- g. Restrooms: Desirable to include 48" wainscoting of ceramic wall tile or other hard washable surface.
- h. Provide touch-up painting after move-in.
- i. Provide 3"-4" hardwood chair rails around perimeter in all offices, clerical area, and conference room at chair back height.

- j. The Lessor will hang/install bulletin boards, pictures, tack strips, chalkboards, screens, etc. as provided by the Tenant.
- k. Lessor will at Lessor's cost repaint the demised area as needed during the seventh year of occupancy if the first 5-year renewal option has been exercised. The Lessor is responsible for moving Lessee's furniture and equipment as required for the painting.

4. Doors, door frames, hardware:

- a. The primary accessible entry doors may require ADA compliant power door openers.
- b. All interior doors: solid core construction, 3'-0" x 6'-8" x 1-3/4", SLC-5 construction (glue-blocked, 5 ply), stained and varnished.
- c. Exterior metal doors, all door frames, window frames: 16 gauge, 2" width, shall be factory painted or 1 coat primer, 2 coats satin enamel
- d. All doors to have appropriate ADA compliant hardware including but not limited to: ADA compliant levers, pulls, panic hardware, compatible latches; kick-plates for restroom and service room doors; wall/floor stops, door silencers; ADA compliant closures for all exterior entrance/exit, suite and restroom doors; passage and/or keyed latch sets as specified, minimum 3 keys per lockset
- e. All solid core doors to be warranted from warpage and defect for 1 year from occupancy.
- f. The doors in the offices, clerical area, from the hall into the waiting room and into the conference room, and the main entry door shall have a window or sidelight window.

5. Windows: (It is desirable that at least 10% of the entire area have direct natural lighting. This may be accomplished by using skylights.

- a. All new exterior windows shall be insulated Low-E glass.
- b. All exterior windows shall have mini-blinds.
- c. Windows may be either fixed or operable.

6. Provide, maintain and service heating, air conditioning, plumbing and ventilating equipment as per manufacturers and/or installers recommendations.

Must be compliant with State of Wisconsin Administrative Codes SPS 363 and 364, and ASHRAE 62.1-2004, in addition to all other applicable Federal, State and local codes. Relative to ventilation codes, where SPS 364 and ASHRAE 62.1-2004 conflict, apply SPS 364 to existing HVAC and ASHRAE 62.1-2004 to new HVAC equipment selections ensuring in all circumstances, that HVAC ventilation requirements will always meet or exceed State of Wisconsin Administrative Code SPS 364 minimum guidelines.

Lessor shall meet the following requirements:

- a. All new HVAC units and equipment installed shall be high-efficiency type; gas-fired heating is required in all new construction.
- b. All rooms shall have sufficient air movement to meet the Wisconsin code for air exchanges and CFM for office space and have adequate zoning to meet:
Seasonal set points shall be as follows:
Summer: 76 Degrees (+/- 2 degrees) and humidity of 50% (+/- 10%)
Winter: 70 Degrees (+/- 2 degrees) and humidity level of 25% (+/-5%)
- c. Provide a fully ducted supply and plenum return HVAC system with adequate zoning.
- d. All new exterior walls and ceilings must meet minimum insulation code requirements.
- e. Provide perimeter heating for exterior walls if required to meet seasonal set-points.
- f. Provide space heating for airlocks and lobbies, if necessary.
- g. All air-handling equipment filters are changed quarterly.
- h. Provide automatic temperature adjustment capability for unoccupied modes.
- i. Provide separate venting/fans for restrooms.

- j. Provide an approved "Test and Balance" report, for newly constructed and /or remodeled space, which is taken and completed after the space is fully occupied and the construction and/or remodeling projects are completed.
 - k. Thermostat locations in open office area to be 70" AFF.
 - l. Thermostat locations in all enclosed rooms to be above light switch, unless zoning does not allow.
 - m. The use of non-tenant adjustable thermostats or locking thermostat covers.
- 7. Electrical:** All work and materials are to conform in every detail to applicable rules and requirements of the Wisconsin Administrative Code chapter SPS 316, the National Electrical Code (ANSI/NFPA 70), other applicable National Fire Protection Association codes, the National Electrical Safety Code, present manufacturing standards (including NEMA).
- a. Each enclosed room shall have a minimum number of duplex electrical outlets (as required by code) and a minimum of 2 each telephone and data outlets.
 - b. Standard office requirements shall include provisions for copiers, faxes, computers and related equipment, and other standard office equipment.
 - c. Electrical installation shall be everything for an end-to-end installation including all wiring, junction boxes, conduit, grounding, switches, panels, boxes, circuits, switch- plates, faceplates, receptacles, etc.
 - d. Conference room shall have sufficient outlets for a refrigerator, microwave, and coffee maker.
- 8. Lighting:** All work and materials are to conform in every detail to applicable rules and requirements of the Wisconsin Administrative Code SPS 316, the State Energy Code, SPS Chapter 363 and the National Electrical Code.
- a. All areas to have ambient light level of 35 foot-candles throughout the demised area with 50 foot-candles at desktop. Provide a minimum of 15 foot-candles in corridors.
 - b. Provide 2' x 4' drop-in florescent fixtures. Lamps shall be high-performance T8, F32T8, 5000° K lamps to conform to the specification of the Consortium for Energy Efficiency unless otherwise specified.
 - c. Lamps shall be TLCP requirements for low mercury and all mercury in the product shall be recycled material.
 - d. Prismatic acrylic lenses are acceptable for file storage, data/telephone room, mechanical room, restrooms, waiting area, and halls.
 - e. Provide adequate lighting in restrooms with light fixtures above the sinks.
 - f. Provide florescent strip lighting below cabinets in conference room.
 - g. Each constructed space to have separate light switch.
 - h. Provide lighting at all exterior entrances/exits.
 - i. Provide adequate security lighting for on premise parking areas.
 - j. Prior to construction, lighting design will be reviewed for approval by Lessee to ensure compliance with tenant requirements.
 - k. Lessor to furnish and install light bulbs, fluorescent tubes, starters, ballasts and transformers required for occupancy. Incandescent light bulbs are prohibited. Compact fluorescent lamp temperature shall be 5000° K with a color rendering index (CRI) at or above 80. Ballasts shall be instant start and conform to CEE Guideline above.
 - l. Occupancy sensors shall be used as much as practical (occupancy sensors shall typically be used for required automatic light shut off instead of central time-clock controls or central energy management system control). Consider their use in all restrooms, interview rooms, conference rooms, individual offices, and corridors.
- 9. Data and Telephone Wiring:**
- a. All outlets to be installed according to approved plan. Each room, as identified will have at least two outlets consisting of 3/4" - 1" conduit in all new walls from above the suspended ceiling and terminating in a 4" x 4" electrical box.
 - b. Conduit, raceways or clear paths will be provided from the data/telephone room to the ceiling area of each enclosed room and clerical area to accommodate the data/telephone lines.
 - c. Data and telephone wiring shall be furnished and installed by the Lessee.

10. **Cabinetry/Carpentry:** All areas provided must meet minimum standards of ADA compliance.
 - a. The conference room and or break area shall have a 6'-8' counter of standard depth and height with a single bay sink.
 - b. The counter will have upper and lower cabinetry with 2 adjustable shelves in each section, all having laminated fronts, countertop and splashguard.
 - c. Provide a coat closet with shelving.
 - d. Provide a counter of approximately 6' in length with 2 shelves under it in the clerical area.

11. **Plumbing:**
 - a. The conference room and or break area counter(s) shall meet the minimum ADA requirements and must have include a sink or sinks with hot/cold running water and a garbage disposal(s).
 - b. All rest room fixtures and furnishings will be ADA compliant.
 - c. Insulate all under sink lavatory piping in restrooms.
 - d. One janitorial sink shall be provided in the mechanical room.
 - e. Water will be available if needed for connection to coffee maker and refrigerator in conference room and or break room.

12. **Accessibility and Security:**
 - a. All demised and common areas of the facility and exterior areas, including parking, utilized under this lease, including restrooms and any elevator(s) **must meet all requirements of new construction** for accessibility, health and safety standards in compliance with and in accordance with Wisconsin Administrative Code, Chapters SPS 332, 360 - 365, and the ANSI A117.1. ANSI A117.1 will take precedence over Wisconsin Administrative Codes, except when such codes shall be equal to or exceed the ANSI Regulations. All elevators shall meet the Wisconsin Administrative Codes, SPS 318 and SPS 362 and the ANSI A117.1.
 - b. Provide door locks as required.

13. **Exterior of Building and Landscaping:**
 - a. Provide landscape as necessary or required by city ordinance.
 - b. Provide sufficient parking spaces. Parking areas to be paved and striped and complying will all Wisconsin Administrative Codes and ANSI A117.1. Include all signage required for accessible parking stalls.
 - c. All entrances and exterior doors to be accessible with grade complying with ANSI A117.1 and Wisconsin Admin Code.
 - d. Ensure all exterior walls, windows, roof, walkways are in good repair.

14. **Signage:**
 - a. Provide and install signage on the exterior of the building and/or parking lot (if allowed by local ordinance) identifying tenants and address which is visible from the main street.
 - b. Provide and install ADA compliant directional signage in main entrance and in hallways as necessary to direct clientele to offices, which are not located at the main entrance. Signage to be visible and legible from a 15'-0" distance and well lighted.
 - c. Provide and install ADA compliant restroom signage utilizing Grade 2 Braille and pictographs.
 - d. Provide and install miscellaneous signage such as Emergency Exit Only, Employees Only, No Admittance, etc.

15. **Fire Protection:**
 - a. Provide, hardwire install, and maintain smoke/heat detectors with local fire alarm pull stations, all connected to strobe and audible alarms meeting ADA guidelines, and any other detectors and enunciators if required by any government codes and regulations.
 - b. Provide, install, and maintain fire extinguishers as required by all governing codes and regulations and Underwriters Lab (UL) recommendations.

16. Other Requirements:

- a. Provide safe drinking water with hot and cold running water for restrooms, counter(s) and janitors sink.
- b. Heat and air conditioning costs
- c. Furnish, install, and replace light bulbs, fluorescent tubes, starters, ballasts or transformers.
- d. Water and sewer costs.
- e. Provide electricity for lights and other electrical equipment necessary for operation of the office.
- f. Furnish building occupancy or use permit if required.

17. Plans/Submittals: Prior to commencement of any work, Lessor shall submit to the Department of Administration preliminary plans for review and signature, and provide a copy of the final signed/sealed copy of plans (if required by code). The plan package shall consist of, but not limited to the construction and demolition plans including the following:

- a. Mechanical/HVAC plans
- b. Electrical, data/telephone, and lighting cut sheets
- c. Door and finish schedules
- d. Plumbing plans
- e. Site plans with parking indications
- f. General construction drawings with dimensions.
- g. Cabinetry drawings
- h. Materials list and samples including:
 - 1) Paint and finishes
 - 2) Ceiling
 - 3) Flooring