

946- FYI  
7/24/06

STATE OF NORTH CAROLINA

LEASE AGREEMENT

COUNTY OF WAKE

THIS LEASE AGREEMENT (the "Lease") made and entered into this the 13<sup>th</sup> day of June 2006 (the "Effective Date"), by and between GREENFIELD NORTH TWO, LLC, a Delaware limited liability company hereinafter referred to as LESSOR; and THE STATE OF NORTH CAROLINA, hereinafter referred to as LESSEE;

WITNESSETH:

WHEREAS, the State of North Carolina, Department of Transportation, has requested and approved the execution of this instrument for the purposes herein specified; and,

WHEREAS, the execution of this agreement for and on behalf of the State of North Carolina has been duly approved by the Governor and Council of State at a meeting held in the City of Raleigh, North Carolina, on the 4<sup>th</sup> day of April 2006; and,

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

NOW, THEREFORE, in consideration of the premises 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 the Town of Garner, County of Wake, North Carolina, as more particularly shown on Exhibit A attached hereto and incorporated herein and described as follows and referred to herein as the "Premises":

BEING approximately 54,602 net square feet of office space located in that certain office building located at 720 Greenfield Parkway, Garner, NC (the "Building"). As set forth herein, "net square feet" shall mean the square footage to be leased exclusively for occupancy by state personnel and equipment.

THE TERMS AND CONDITIONS OF THIS LEASE AGREEMENT ARE AS FOLLOWS:

1. TO HAVE AND TO HOLD the Premises for a term of five (5) years, commencing on 11th day of January 2007, or as soon thereafter as possession of the Premises is ceded to Lessee, (the "Commencement Date") and terminating on the 10<sup>th</sup> day of December 2012 or the date which is five (5) full years after the Commencement Date (the "Expiration Date").

2. The Lessee shall pay to the Lessor as rental for the Premises the following sums:

RENT SCHEDULE

<u>LEASE YEAR</u>	<u>ANNUALLY</u>	<u>MONTHLY</u>
1	\$856,705.38	\$71,392.12
2	\$882,368.32	\$73,530.69
3	\$908,577.28	\$75,714.77
4	\$935,878.28	\$77,989.86
5	\$963,725.30	\$80,310.44

said rental to be payable on or before the first day of each calendar month. In this regard, Lessor shall deliver to Lessee on or before the first day of the first Lease Year (i.e., the period commencing on the Commencement Date and ending on the day immediately prior to the first anniversary of the Commencement Date) and on or before the first day of each subsequent Lease Year a coupon book for the upcoming Lease Year which sets forth the aggregate amounts of monthly rental payable hereunder for the upcoming Lease Year. If possession of said Premises is not delivered to Lessee upon the 1st day of a calendar month, then the first payment of rental shall be made within fifteen (15) days after occupancy by Lessee and upon receipt of invoice in triplicate from Lessor, and shall be for a pro rata part of the first month's rent.

The Lessee agrees to pay the aforesaid rental to Lessor at the address specified in Paragraph 12 hereof, or to such other address as the Lessor may designate by a notice in writing at least fifteen (15) days prior to the due date.

3. Renewal Options. (a) Provided that as of the time of the giving of the Extension Notice and the Commencement Date of the Extension Term, (x) Lessee is the Lessee originally named herein and (y) no Event of Default exists or would exist but for the passage of time or the giving of notice, or both; then Lessee shall have at its sole option the right to extend the Lease Term for three (3) consecutive additional Terms of five (5) years each (each, an "Extension Term", collectively, the "Extension Terms") commencing on the day following the expiration of the Lease Term, or the applicable Extension Term (hereinafter referred to as the "Commencement Date of the Extension Term"). Lessee shall give Lessor notice (hereinafter called the "Extension Notice") of its election to extend the term of the Lease Term at least nine (9) months, but not more than twelve (12) months, prior to the scheduled expiration date of the Lease Term or applicable Extension Term.

(b) The Rent payable by Lessee to Lessor during the Extension Terms shall be as set forth below:

FIRST EXTENSION TERM:

<u>LEASE YEAR</u>	<u>ANNUALLY</u>	<u>MONTHLY</u>
6	\$ 992,664.36	\$82,722.03
7	\$1,022,149.44	\$85,179.12
8	\$1,052,726.56	\$87,727.21
9	\$1,084,395.72	\$90,366.31

10	\$1,116,610.92	\$93,050.91
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SECOND EXTENSION TERM:

<u>LEASE YEAR</u>	<u>ANNUALLY</u>	<u>MONTHLY</u>
11	\$1,149,918.12	\$ 95,826.51
12	\$1,183,771.36	\$ 98,647.61
13	\$1,219,808.68	\$101,650.72
14	\$1,256,392.02	\$104,699.34
15	\$1,294,067.40	\$107,838.95

THIRD EXTENSION TERM:

<u>LEASE YEAR</u>	<u>ANNUALLY</u>	<u>MONTHLY</u>
16	\$1,332,834.82	\$111,069.57
17	\$1,372,694.28	\$114,391.19
18	\$1,413,645.78	\$117,803.82
19	\$1,455,689.32	\$121,307.48
20	\$1,499,370.92	\$124,947.58

(c) Except for the Base Rent as determined above, Lessee's occupancy of the Premises during each Extension Term shall be on the same terms and conditions as are in effect immediately prior to the expiration of the initial Lease Term (or the applicable Extension Term).

(d) If Lessee exercises its right to extend the term of the Lease for any Extension Term pursuant to this Addendum, the term "Lease Term" as used in the Lease, shall be construed to include, when practicable, the applicable Extension Terms.

(e) If the Lease is extended for any Extension Term, then Lessee shall prepare and both parties shall execute a letter agreement confirming the extension of the Lease Term and the other provisions applicable thereto.

4. The Lessor shall furnish to the Lessee during the Lease term, at Lessor's sole cost (subject to the provisions of Paragraph 4 of the Addendum attached hereto) and at a level and quality consistent with that provided in similarly situated office buildings in the market area of the Building, the following:

- A. Heating facilities, air conditioning facilities, hot and cold water facilities, adequate lighting fixtures, electrical sockets, adequate toilet facilities and proper ventilation.

- B. Required fire extinguishers and servicing, pest control, and outside trash disposal including provision for the handling of recyclable items such as aluminum cans, cardboard and paper.
- C. All utilities except telephone.
- D. Janitorial and cleaning services during after-hours or other such reasonable time and supplies. This shall include maintenance and cleaning of lawns, shrubbery, sidewalks and parking areas, if applicable.
- E. Elevator service, if applicable.
- F. Heating and air conditioning during the following hours: typical agency hours of operation are 6 a.m. to 6 p.m., Monday through Friday; however, frequent late weekday and occasional holiday and weekend operations are required. Notwithstanding the foregoing, in no event shall Tenant use the Premises in any manner (i) that requires continuous use or operation of the HVAC; or (ii) that requires materially more HVAC usage than a typical state agency as of the date hereof.
- G. Two hundred and sixty-three (263) undesignated parking spaces, for use on a non-exclusive basis, in the automobile parking areas serving the Building (as more particularly described in the Addendum).
- H. Stormwater and fire or safety inspection fees.

5. During the Lease term, the Lessor shall keep the following portions of the Premises in good repair and tenantable condition, to the end that such portions of the Premises are kept in an operative condition: (a) the roof, roof membrane, foundations, exterior walls and windows, and all structural parts of the Building; (b) all common areas serving the Building; (c) all base Building utility, sprinkler service, electrical and plumbing lines and HVAC systems outside the Premises but which serve the Premises (collectively, the "Building Systems"); and (d) all Building Systems and related components within the Premises. Maintenance shall also include, but is not limited to, furnishing and replacing electrical light fixture ballasts, tubes and bulbs and air conditioning and ventilating equipment filter pads, if applicable. Lessor shall, within a reasonable period of time after notice in writing from the Lessee in regard to a specified condition, commence and perform to completion, using all due diligence, all repairs required of Lessor hereunder. The Lessor reserves the right to enter and inspect the Premises, at reasonable times, and to make necessary repairs to the Premises. In no event shall Lessor be responsible for any repairs or replacements that arise from the negligence of Lessee or Lessee's employees, agents, contractors, subcontractors, sublessees, assignees or invitees. In the event such repairs or replacements are necessary, then Lessee shall make such repairs or replacements or, if Lessor

elects, Lessor may perform the work for Lessee's account and Lessee shall reimburse Lessor for expenses incurred.

6. It is understood and agreed that Lessor shall, at the beginning of said Lease term as hereinabove set forth, have the Premises delivered to Lessee in the condition prescribed by Paragraph 18 hereof.

7. The Lessee shall have the right during the term of this Lease, with the Lessor's prior consent, to make non-structural 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 by Lessee shall be and remain the property of the Lessee and may be removed therefrom by the Lessee prior to the termination of this Lease or any renewal or extension thereof (as long as Lessee repairs any damage to the Premises resulting from such removal).

8. If the said Premises be destroyed by fire or other casualty, without fault of the Lessee, this Lease shall immediately terminate and the rent shall be apportioned to the time of the damage. In case of partial destruction or damage by fire or other casualty without fault of the 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. If such damage, in Lessor's reasonable judgment, cannot be repaired within one hundred twenty (120) days of the occurrence of the relevant casualty, Lessor shall have the right to terminate this Lease by giving forty-five (45) days written notice to Lessee. During such period of repair, Lessee shall have the right to obtain similar office space at the expense of Lessee or the Lessee may terminate the Lease by giving fifteen (15) days written notice to the Lessor.

9. If any part of the Premises or the project of which it is a part should be taken for any public or quasi-public use under governmental law, ordinance, or regulation, or by right of eminent domain (a "Taking" or "Taken") so as to impair, in the sole opinion of the Lessee, the mission of Lessee, or, in Lessor's reasonable judgment, would materially interfere with or impair Lessor's ownership or operation of the project of which the Building is a part, then upon ninety (90) days' written notice by Lessor, this Lease shall terminate. The effective date of such termination shall be the date that possession of a portion of the Premises shall be so taken by the appropriating or condemning authority and Rent shall be apportioned as of said date. If part of the Premises shall be Taken, and this Lease is not terminated as provided above, the Rent payable hereunder during the un-expired Lease Term shall be reduced to such extent as may be fair and reasonable under the circumstances. In the event of any such Taking, Lessor shall be entitled to receive and retain the entire condemnation award for the Taking of any portion of the project of which the Building is a part. Lessee shall have no right or claim against Lessor for any part of any award received by Lessor for the Taking. Lessee, however, shall not be prevented from making a claim against the condemning party (but not against Lessor) for any moving expenses, loss of profits, or for costs of removal, relocation, business interruption expense or taking of Lessee's personal property and Lessee's trade fixtures to which Lessee may be entitled or any other damages arising out of such Taking; provided that any such award shall not reduce the amount of the award otherwise payable to Lessor for the taking of any portion of the project of which the Building is a part.

10. 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; provided, however, in no event shall Lessor be deemed to be in default under this Lease unless Lessee has given Lessor notice of any relevant breach of this Lease by Lessor and Lessor has failed to cure such breach within a reasonable time (not to exceed thirty (30) days) of receipt of such notice (or such longer time as may be required, given the circumstances surrounding such breach). Notwithstanding any other provisions in this Lease, Lessor shall not be liable to Lessee for any special, consequential, incidental or punitive damages. Notwithstanding anything to the contrary contained in this Lease, Lessee agrees that it will look solely to Lessor's interest in the Building and the project of which it is a part and the rent therefrom, subject to the rights of the holder of any priority lien thereon, as the sole asset for collection of any claim, judgment or damages or enforcement of any other judicial process requiring the payment of money.

11. Upon termination of this Lease, the 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 or to restore any portion of the Premises altered by it, provided that any relevant improvements or alterations were approved by Lessor. 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.

12. 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 the Lessor at c/o Craig Davis Properties, 940 NW Cary Parkway, Cary, North Carolina 27513 and to the Lessee at c/o Facilities Management, 1525 Mail Service Center, Raleigh, North Carolina 27699-1525. 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.

13. The Lessee shall not assign this Lease or sublet all or any portion of the Premises without the written consent of the Lessor, which shall not be unreasonably withheld.

14. The Lessor agrees that the Lessee, upon keeping and performing the covenants and agreements herein contained, shall at all times during the term of this Lease peaceably and quietly have, hold, and enjoy the Premises free from the adverse claims of any person.

15. 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.

16. Any holding over after the expiration of the said term or any extension thereof shall be construed to be a tenancy at sufferance, 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.

17. The parties to this Lease agree and understand that the continuation of this Lease 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 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 on the Premises leased herein, it may choose to terminate the Lease set forth herein by giving Lessor written notice of said termination, and the Lease shall terminate immediately without any further liability to Lessee.

18. As a condition of this Lease and prior to the Commencement Date, the Lessor agrees to (i) construct the Building (and associated parking); and (ii) construct and upfit the Premises in accordance with the advertised specifications of the Department of Transportation attached hereto as Exhibit C (the "Specifications"), which have been partially incorporated into the floor plans as of the date hereof (the "Plans"). The Specifications have been approved by Lessor, Lessee and the State Property Office. Lessor shall perform the work set forth in the Plans; provided, however, the cost for the following items shall be borne by Lessee: (i) all furniture, fixtures, telephones and wiring, and computers and wiring; (ii) workstations and any movable partitions; and (iii) any improvements to the Premises requested by Lessee that are not included in the Specifications.

19. Each party represents and warrants to the other that it has not dealt with any real estate broker, finder or other person with respect to this Lease in any manner, except Craig Davis Properties ("Broker"). Lessor shall pay any commissions or fees that are payable to the Broker with respect to this Lease pursuant to Lessor's separate agreement with the Broker.

[SIGNATURE PAGE FOLLOWS]

STATE OF NORTH CAROLINA  
COUNTY OF WAKE

I, Jonene B Ursprung, a Notary Public in and for the aforesaid County and State do hereby certify that Richard A Manning, Managing Member of **GREENFIELD NORTH TWO, LLC**, personally came before me this day and acknowledged the due execution of the foregoing instrument for the purpose therein expressed.

IN WITNESS WHEREOF, I have hereunto set my hand and Notarial Seal, this the 8th day of June, 2006.

Jonene B Ursprung  
Notary Public

My Commission Expires:

5/24/2010

Jonene B. Ursprung  
Notary Public - North Carolina  
County of Wake  
My Commission Expires May 24, 2010.

STATE OF NORTH CAROLINA  
COUNTY OF \_\_\_\_\_

I, \_\_\_\_\_, a Notary Public in and for the County of \_\_\_\_\_ and State of North Carolina, do hereby certify that JOSEPH H. HENDERSON, personally appeared before me this date and acknowledged the due execution by him of the foregoing instrument as Director of the State Property Office of the Department of Administration of the State of North Carolina, for the purposes therein expressed.

WITNESS my hand and Notarial Seal, this the \_\_\_\_ day of \_\_\_\_\_, 2006.

\_\_\_\_\_  
Notary Public

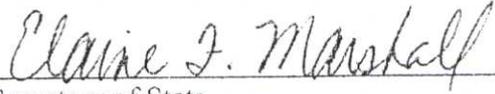
My Commission Expires:

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STATE OF NORTH CAROLINA

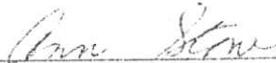
  
\_\_\_\_\_  
Governor

ATTEST:

  
\_\_\_\_\_  
Secretary of State

APPROVED AS TO FORM:

ROY COOPER  
Attorney General

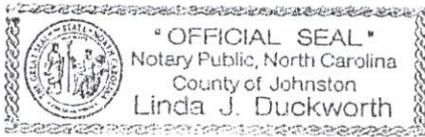
  
\_\_\_\_\_  
Ann Stone  
Assistant Attorney General

STATE OF NORTH CAROLINA

COUNTY OF WAKE

I, Linda J. Duckworth, 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 the act of the State, the foregoing instrument was signed in its name by MICHAEL F. EASLEY, 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 13<sup>th</sup> day of June, 2006.



*Linda J. Duckworth*  
Notary Public

My commission expires: 6-22-2008

## LEASE ADDENDUM

This Lease Addendum (this "Addendum") is hereby made a part of that certain Lease Agreement dated \_\_\_\_\_, 2006, between GREENFIELD NORTH TWO, LLC, a Delaware limited liability company, as Lessor, and The State of North Carolina, as Lessee (the "Lease"). If and to the extent that any of the provisions hereinafter set forth conflict with the provisions of the Lease, the provisions of this Addendum shall govern.

1. During the term of the Lease, Lessee shall have, without charge, the non-exclusive right to use, in common with Lessor, other tenants of the 700 Greenfield Parkway Building in Garner, North Carolina (the "Building"), and their respective guests and invitees, the automobile parking areas, driveways, and footways serving the Building. Notwithstanding the terms and provisions in the immediately preceding sentence, (i) Lessee and Lessee's guests and invitees shall not, at any given time, be entitled to use more than two hundred sixty-three (263) parking spaces, and (ii) Lessor shall have the right during the term of the Lease to reserve parking spaces for the exclusive use of other tenants in the Building so long as such use does not interfere with Lessee's use of the two hundred sixty three (263) spaces that it has been allocated pursuant to the Lease.

2. With respect to Lessee's use and occupancy of the Premises, Lessee agrees to comply with all applicable laws, ordinances, rules and regulations of any governmental entity or agency having jurisdiction over the Premises. Notwithstanding anything to the contrary contained herein, in no event shall Tenant, its employees, agents, contractors, assignees or sublessees change the use of the Premises from the initial use, which for the purposes of this Lease is general office use only, or permit the Premises to be used in any manner whatsoever that would necessitate the undertaking of any modifications or any other actions relating to the Premises in order to comply with the Americans With Disabilities Act or any other federal, state or local statute, law, or ordinance or that would cause the Premises to violate any applicable laws, ordinances, rules and regulations of any governmental entity or agency having jurisdiction over the Premises. So long as Lessee's use of the Premises does not change from the initial use and so long as Tenant does not permit the Premises to be used in any manner whatsoever (excepting the initial use) that would necessitate the undertaking of any modifications or any other actions relating to the Premises in order to comply with the Americans With Disabilities Act or any other federal, state or local statute, law, or ordinance, Lessor shall ensure that throughout Lessee's tenancy, the Premises shall comply with local and State building codes, specifically including OSHA, provisions for the disabled, and applicable sections of the State Building Code, Volumes I through V and the Americans with Disabilities Act of 1990 (42 United States Code, Section 12101 et seq.) as required by law. Non-compliance shall be grounds for lease termination at the discretion of Lessee provided Lessor was provided with prior, written notice of such non-compliance and a reasonable grace period to cure such non-compliance prior to lease termination.

3. The failure by Lessor to furnish, or the interruption or termination of, any of the services to be provided by Lessor under the Lease, in whole or in part, resulting from any matters beyond the reasonable control of Lessor shall not (i) render Lessor liable in any respect, (ii) be construed as an eviction of Lessee, (iii) work an abatement of rent (provided, however, if an interruption or cessation of utilities results in the Premises not being tenantable for the conduct of Lessee's business, the rent payable under the Lease shall be abated for the period commencing one (1) business day after the date Lessee gives Lessor notice of such interruption and ending on the date

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1. During the term of the Lease, Lessee shall have, without charge, the non-exclusive right to use, in common with Lessor, other tenants of the 700 Greenfield Parkway Building in Garner, North Carolina (the "Building"), and their respective guests and invitees, the automobile parking areas, driveways, and footways serving the Building. Notwithstanding the terms and provisions in the immediately preceding sentence, (i) Lessee and Lessee's guests and invitees shall not, at any given time, be entitled to use more than two hundred sixty-three (263) parking spaces, and (ii) Lessor shall have the right during the term of the Lease to reserve parking spaces for the exclusive use of other tenants in the Building so long as such use does not interfere with Lessee's use of the two hundred sixty three (263) spaces that it has been allocated pursuant to the Lease.
2. With respect to Lessee's use and occupancy of the Premises, Lessee agrees to comply with all applicable laws, ordinances, rules and regulations of any governmental entity or agency having jurisdiction over the Premises. Notwithstanding anything to the contrary contained herein, in no event shall Tenant, its employees, agents, contractors, assignees or sublessees change the use of the Premises from the initial use, which for the purposes of this Lease is general office use only, or permit the Premises to be used in any manner whatsoever that would necessitate the undertaking of any modifications or any other actions relating to the Premises in order to comply with the Americans With Disabilities Act or any other federal, state or local statute, law, or ordinance or that would cause the Premises to violate any applicable laws, ordinances, rules and regulations of any governmental entity or agency having jurisdiction over the Premises. So long as Lessee's use of the Premises does not change from the initial use and so long as Tenant does not permit the Premises to be used in any manner whatsoever that would necessitate the undertaking of any modifications or any other actions relating to the Premises in order to comply with the Americans With Disabilities Act or any other federal, state or local statute, law, or ordinance, Lessor shall ensure that throughout Lessee's tenancy, the Premises shall comply with local and State building codes, specifically including OSHA, provisions for the disabled, and applicable sections of the State Building Code, Volumes I through V and the Americans with Disabilities Act of 1990 (42 United States Code, Section 12101 et seq.) as required by law. Non-compliance shall be grounds for lease termination at the discretion of Lessee provided Lessor was provided with prior, written notice of such non-compliance and a reasonable grace period to cure such non-compliance prior to lease termination.
3. The failure by Lessor to furnish, or the interruption or termination of, any of the services to be provided by Lessor under the Lease, in whole or in part, resulting from any matters beyond the reasonable control of Lessor shall not (i) render Lessor liable in any respect, (ii) be construed as an eviction of Lessee, (iii) work an abatement of rent (provided, however, if an interruption or cessation of utilities results in the Premises not being tenantable for the conduct of Lessee's business, the rent payable under the Lease shall be abated for the period commencing one (1) business day after the date Lessee gives Lessor notice of such interruption and ending on the date

that such utilities are restored), or (iv) relieve Lessee from the obligation to fulfill any covenant or agreement in the Lease.

4. In addition to any other provisions in the Lease which obligate Lessee to perform maintenance, repair and replacement duties relative to the Premises and/or the Building, Lessee shall be responsible for the following maintenance, repair and replacement responsibilities:

(a) Subject to reasonable wear and use and damage by fire, war, riots, insurrection, public calamity, by the elements, by acts of God, or by circumstances over which Lessee had no control or for which Lessor is responsible pursuant to Section 5 of this Lease, Lessee shall, at its expense, keep and maintain the Premises in good order and repair (except for any repairs which are specifically designated in Section 5 of the Lease as repairs for which Lessor is responsible) and not commit or allow any waste to be committed on any portion of the Premises.

5. All letters and numerals on doors or other signs on the Premises shall be in the standard form instituted by Lessor for the Building, and no other lettering or other signage shall be used or permitted without Lessor's prior written consent.

6. Lessee shall comply with the rules and regulations applicable to the Building and the areas around the Building reasonably adopted and altered by Lessor from time to time, and shall also cause all of its agents, employees, invitees and visitors to so comply. The current rules and regulations applicable to the Building are attached hereto as Exhibit B.

7. Lessee agrees to permit Lessor and Lessor's agents and representatives to enter into and upon any part of the Premises at all reasonable hours (and in emergencies at all times) to inspect the same, to show the Premises to prospective purchasers, mortgagees, tenants or insurers, and to clean or make repairs, alterations or additions thereto.

8. Lessor shall not be liable to Lessee, or to Lessee's agents, servants, employees, customers, or invitees for any injury to person or damage to property caused by any act, omission, or neglect of Lessee, its agents, servants, employees, invitees, licensees or any other person entering the Building or the Premises under the invitation of Lessee or arising out of a default by Lessee in the performance of its obligations hereunder. Anything in the Lease or this Addendum to the contrary notwithstanding, Lessor and Lessee each hereby waive any and all rights of recovery, claim, action, or cause of action, against the other, its agents, officers, or employees, for any loss or damage that may occur to the Premises or a part thereof, or any improvements thereto, or any personal property of such party therein, by reason of fire, the elements, or any other cause(s) which are insured against under the terms of the standard fire and extended coverage insurance policies (whether or not any such coverage is actually obtained by Lessor or Lessee), regardless of cause or origin, including negligence of the other party hereto, its agents, officers, or employees. All insurance policies carried by Lessee with respect to the Building or the Premises, if permitted under applicable law, shall contain a provision whereby the insurer waives, prior to loss, all rights of subrogation against Lessor.

9. Intentionally Deleted.

10. Subject to the provisions of the last grammatical sentence of this Section 10, Lessee accepts the Lease subject and subordinate to any mortgage, deed of trust, or other lien presently existing or hereafter arising upon the Premises and/or the Building, and to any renewals, modifications, refinancings and extensions thereof, but Lessee agrees that any mortgagee shall

have the right (without seeking or obtaining Lessee's consent) at any time to subordinate such mortgage, deed of trust or other lien to the Lease. Lessee agrees to cooperate and execute and deliver such further instruments subordinating the Lease or attorning to the holder of any such liens as Lessor may request within fifteen (15) days of the date of such request. Provided, however, as a condition to Lessee's subordination hereunder and Lessee's obligation to execute and deliver any such subordination and attornment instrument, the applicable mortgagee must agree that the Lease shall not be divested by foreclosure or other default proceedings under the mortgage documents and that Lessee's tenancy shall not otherwise be disturbed so long as Lessee is not in default under the terms of the Lease beyond any applicable cure period set forth therein.

11. Lessee agrees that it will, from time to time upon request by Lessor and within fifteen (15) days of such request, cooperate and execute and deliver to such persons as Lessor shall request an estoppel certificate in recordable form certifying that the Lease is unmodified and in full force and effect (or if there have been modifications, that the Lease is in full force and effect as so modified), stating the dates to which rent and other charges payable under the Lease have been paid, stating that, to the best knowledge of Lessee, Lessor is not in default hereunder (or if Lessee alleges a default, stating the nature of such alleged default) and further stating such other matters as Lessor shall reasonably require (to the extent such statements required are in fact true).

12. Lessor shall have the right to transfer and assign, in whole or in part, all its rights and obligations under the Lease and in the Building, and in such event and upon such transfer Lessor shall be released from any future obligations under the Lease, and Lessee agrees to look solely to such successor in interest of Lessor for the performance of such obligations, except those obligations of Lessor with respect to which a default exists as of the effective date of such transfer or assignment.

13. Throughout the term of the Lease, Lessee shall not knowingly cause, permit or allow any chemical substances, asbestos or asbestos-containing materials, formaldehyde, polychlorinated biphenyls, and no toxic, carcinogenic, radioactive, dangerous or hazardous material, substance, waste, contaminant, or pollutant regulated now or hereafter by any governmental entity or agency (collectively, "Hazardous Materials") to be placed, stored, dumped, dispensed, released, discharged, used, sold, transported, or located on, within or around any portion of the Premises or the Building by itself or its servants, agents, employees, contractors, subcontractors, licensees, assignees or subtenants; provided, however, minor quantities of Hazardous Materials may be used or stored in the Premises for cleaning purposes only or in connection with the use of office equipment and the normal operation of Lessee's office only, so long as such quantities and the use thereof are permitted by or are exempt from applicable governmental regulation. Lessee agrees to give Lessor prompt written notice of any discovery, discharge, release or threatened discharge or threatened release of any Hazardous Materials on or about the Premises or the Building. The terms and provisions in this Paragraph 13 shall survive the termination or earlier expiration of the Lease.

14. (a) The following events shall be deemed to be events of default by Lessee under the Lease: (i) Lessee fails to pay any installment of rent or additional rent when due and such failure continues for more than fifteen (15) days after Lessee is given written notice of such failure; (ii) Lessee fails to comply with any provision of the Lease (other than as described in clauses (iii), (iv), (v) and (vi) in this Paragraph 14(a)), all of which terms, provisions and covenants shall be deemed material, and such failure continues for more than thirty (30) days after Lessee is given written notice of such failure (provided such 30-day notice and cure period for non-monetary defaults shall

be decreased or dispensed with, as reasonably required, in cases of emergency or in circumstances where such failure will result in a default by Lessor under other leases of space in the Building); (iii) the leasehold demised under the Lease is taken on execution or other process of law in any action against Lessee; (iv) Lessee becomes insolvent or unable to pay its debts as they become due; (v) Lessee takes any action to or notifies Lessor that Lessee intends to file a petition under any section or chapter of the United States Bankruptcy Code, as amended from time to time, or under any similar law or statute of the United States or any State thereof; or a petition shall be filed against Lessee under any such statute, or Lessee or any creditor of Lessee's notifies Lessor that it knows such a petition will be filed, or Lessee notifies Lessor that it expects such a petition to be filed; or (vi) a receiver or trustee is appointed for Lessee's leasehold interest in the Premises or for all or a substantial part of the assets of Lessee. Provided, however, and notwithstanding the foregoing provisions in this Paragraph 14(a), Lessee shall not be entitled to any notice and cure period in connection with Lessee's obligation to vacate the Premises at the end of the term of the Lease.

(b) Upon the occurrence under the Lease of any event or events of default by Lessee, whether enumerated in Paragraph 14(a) herein or not, Lessor shall have the option to pursue any one or more of the following remedies: (i) terminate the Lease, in which event Lessee shall immediately surrender the Premises to Lessor; and (ii) exercise all other remedies and seek all damages available to Lessor at law or in equity, including, without limitation, injunctive relief of all varieties. All of Lessor's remedies under the Lease shall be cumulative and not exclusive. Forbearance by Lessor to enforce one or more of the remedies herein provided upon an event of default shall not be deemed or construed to constitute a waiver of such default or an election of remedies.



## EXHIBIT B

### RULES AND REGULATIONS

1. The sidewalk, entries, and driveways of the Building shall not be obstructed by Lessee or its agents, or used by them for any purpose other than ingress and egress to and from the Premises.
2. Lessee shall not place any objects in the parking areas, landscaped areas or other areas outside of its Premises, or on the roof of the Building.
3. Except for seeing-eye dogs, no animals shall be allowed in the offices, halls, or corridors in the Building.
4. Lessee shall not disturb the occupants of the Building or adjoining buildings by the use of any radio or musical instrument or by the making of loud or improper noises.
5. If Lessee desires telegraphic, telephonic or other electric connections in the Premises, Lessor or its agent will direct the electrician as to where and how the wires may be introduced; and, without such direction, no boring or cutting of wires will be permitted. Any such installation or connection shall be made at Lessee's expense.
6. The use of oil, gas or inflammable liquids for heating, lighting or any other purpose is expressly prohibited. Explosives or other articles deemed extra hazardous shall not be brought into the Building; provided, however, Lessor shall permit Lessee to store the items listed on Exhibit E attached hereto and incorporated herein within the Premises provided that Lessee complies with all with all laws, rules and regulations in the use, storage, handling and disposal of all such materials and does not have any greater quantities of such items other than as listed on Exhibit E.
7. Parking any type of recreational vehicles is specifically prohibited on or about the Building. Except for the overnight parking of operative vehicles, no vehicle of any type shall be stored in the parking areas at any time. In the event that a vehicle is disabled, it shall be removed within 48 hours. There shall be no "For Sale" or other advertising signs on or about any parked vehicle except for Lessee's employees' vehicles removed nightly. All vehicles shall be parked in the designated parking areas in conformity with all signs and other markings.
8. Lessor and Lessee shall maintain the Premises free from rodents, insects and other pests.
9. Lessor reserves the right to exclude or expel from the Building any person who, in the judgment of Lessor, is intoxicated or under the influence of liquor or drugs or who shall in any manner do any act in violation of the Rules and Regulations of the Building.
10. Lessee shall not cause any unnecessary labor by reason of Lessee's carelessness or indifference in the preservation of good order and cleanliness.

11. Lessee shall give Lessor prompt notice of any defects in the water, lawn sprinkler, sewage, gas pipes, electrical lights and fixtures, heating apparatus, or any other service equipment affecting the Premises, as provided in Section 5 of the Lease, and Lessor shall repair the same in accordance with Section 5 of the Lease. Notwithstanding the foregoing, Lessee may provide Lessor with telephonic or oral notice of any recurring, routine maintenance items and Lessor shall commence and perform to completion the same within a reasonable time thereafter.
12. Lessee shall not permit storage outside the Premises or dumping of waste or refuse or permit any harmful materials to be placed in any drainage system or sanitary system in or about the Premises.
13. No auction, public or private, will be permitted on the Premises or the Building.
14. No blinds or similar coverings shall be placed over the windows in the Premises except with the prior written consent of Lessor (except the blinds to be installed by Lessor pursuant to the Plans).
15. The Premises shall not be used for lodging, sleeping or cooking (except for cooking by Lessee's employees for employee meals, office functions, etc.) or for any immoral or illegal purposes or for any purpose other than office purposes. No gaming devices shall be operated in the Premises.
16. Lessee shall not install or operate on the Premises any machinery or mechanical devices of a nature not directly related to Lessee's ordinary use of the Premises and shall keep all such machinery free of vibration, noise and air waves which may be transmitted beyond the Premises.

EXHIBIT C  
LESSEE'S 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, February 28, 2006**

<u>MAILING ADDRESS:</u> STATE PROPERTY OFFICE 1321 MAIL SERVICE CENTER RALEIGH, NORTH CAROLINA 27699-1321	<u>STREET ADDRESS:</u> 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 Transportation
- (B) Cut-Off Date for Receiving Proposals: – February 28, 2006
- (C) City/Town: Raleigh, NC

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

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: 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.

PROPOSERS CONFERENCE

All leases exceeding \$150,000.00 annually

In accordance with the North Carolina Administrative Code a proposer's meeting will be required following the cut-off date for receiving proposals. After the original proposals are received and site visits made, all selected proposers must be present at a proposer's meeting to be held 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.

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  
DEPARTMENT OF TRANSPORTATION

I. GENERAL

- A. Approximate net usable square feet required are 52,015

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 and 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 to be on contiguous floors.

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, C.)

D. **CUT-OFF DATE FOR RECEIVING PROPOSALS IS 4:00 PM, FEBRUARY 28, 2006 IN THE STATE PROPERTY OFFICE.**

II. LOCATION: Raleigh, NC area.

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 premise 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

A. The attached space analysis will indicate the number of offices desired and contain the approximate office sizes. The lessor shall provide at his expense all necessary partitions, doors, etc. to make the space acceptable for State use. Lessor should include three copies of a to scale floor plan with the Proposal to Lease Form (PO-28) showing proposed layout. If new construction is proposed by lessor 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 PAGES 8-13 OF 13 FOR SPACE GUIDELINES 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 North Carolina State Building Code, Volume I-C and the American With Disabilities Act.**

#### V. THE DATE OF POSSESSION AND LEASE TERM:

- A. Possession of space required by September 1, 2006 or as soon thereafter as possible.
- B. The initial term of the lease will be for 5 Years, with 3 five (5) year renewal option(s) desired.
- C. 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 **1125** 120 Volt duplex electrical outlets are require for offices.  
Unless otherwise approved by the State:
  - 1. All offices including both closed, partitioned and open areas shall have a minimum of (3) duplex receptacles and (2) separate – voice/data connections with (2) voice/data lines for each connection. Each closed, partitioned office will require desktop printer connections.
  - 2. Electrical service shall support a minimum of (4) 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.
  - 3. Break Area shall be provided with sufficient electrical circuitry to accommodate 2 refrigerators, 3 microwave ovens, 2 drink machines, range and coffee makers. Separate circuits should be provided.
  - 4. (1) Duplex receptacle shall be provided for every 50 linear feet of corridor.
- B. A minimum of **400** telecommunications 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  $\frac{3}{4}$  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. Special electrical requirements: A security system provided by the landlord is desired. Secured after-hours access and card key access is desired.  
Two (2) dedicated – 240 volt, 20 amp circuits (located in DMS test room and QPL lab room).  
Three (3) 120 volt, 20 amp circuits in the Controller and DMS test rooms.  
Seventy-five (75) separate 120 volt dedicated, 20 amp circuits for copiers/printers/plotters/scanner locations for management and professional staff and 120 volt, 20 amp receptacles every 6 feet of wall space in the ELT workstations and all lab/testing areas. In addition, the ELT and lab/testing areas require a minimum of 3 separate, dedicated 20 amp circuits available in each area.

## VII. PARKING

- A. 20 Clientele parking spaces shall be included in the per square foot rental charge.
- B. 19 Parking spaces for state owned vehicles shall be included in the per square foot rental charge, ten of these spaces to be provided for larger, oversize vehicles (State bucket trucks, equipment trucks etc.)
- C. 224 Employee parking spaces are desired if supplied at no extra charge to the State.
- D Other: State vehicle parking that is inside a secure, well lit, fenced area with easy access to office space and designated "State Vehicles Only" is required. An additional 10 spaces to be provided for larger, oversize vehicles (State bucket trucks, equipment trucks etc).
- E. All parking areas shall be adequately lighted and located within a reasonable distance of the office as determined by State with appropriate video surveillance. Availability of the above shall be within a safe, convenient distance to the office for wheelchair and foot traffic. Handicapped parking and signage shall be in compliance with the NC Building Code and the Americans with American with Disabilities Act. Paved parking preferred.
- F. Although parking is considered in the evaluation of proposals, the inability to provide parking as described in A, B and C above should not preclude the lessors from submitting proposals unless stated in D above. However, adequate parking shall be located within a reasonable walking distance as determined by the State.

## VIII. CODE 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 office and conference areas.**  
If floors are carpeted, they should be 26 oz. nylon or equivalent acceptable to the lessee. Tile is preferred in the break area and restrooms. 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 during the term of the lease to maintain a neat, clean, high-quality finish at the discretion of the State Property Officer. The ELT work areas and lab/testing and storage areas in the ITS and Signals Unit, shall be a commercial heavy-duty anti-static linoleum flooring. All of these areas with commercial flooring also require appropriate soundproofing.
- 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). Windows are preferred for the entire building to provide sufficient external light for personnel located at the facility.
- D. Space shall have acceptable ceiling acoustical treatment for noise reduction purposes.

## X. 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, frequent late weekday and occasional holiday and weekend operations are required.

- B. Air conditioning and heating system shall be maintained by lessor **including frequent filter cleaning and replacement.**
- C. Year-round ventilation shall be provided **to prevent stale air problems and unacceptable CO2 content.**
- D. A climate controlled telecommunications room (and router closets if needed) is required for telephone wiring equipment and computer LAN/network equipment. A range of 65 degrees to a maximum of 75 degrees is required. This is a 24-hour per day, seven days per week requirement. A separate HVAC system may be required to maintain this temperature range.
- E. Zoning of HVAC system and related control shall be appropriate for division and function of spaces within facility. Separate zoned AC/Heat controls for the conference and training rooms and lab/testing areas are required.
- F. HVAC must be operational and accessible seven days a week, 24 hours a day.

#### XI. DRINKING FOUNTAINS

- A. 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. State policy to dictate utilization.
- B. All lighting and electrical maintenance shall be furnished by lessor **including the replacement of ballasts, light tubes and providing replacement bulbs.**
- C. Control of lighting is required by Lessee 24 hours a day, 7 days a week.
- D. All closed, partitioned areas should have separate light switches.

#### 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.
  1. All utilities, except telephone.
  2. Daily janitorial and cleaning services and supplies.
- B. Maintenance of building and grounds including lawn, shrubbery, sidewalks, parking areas and common areas is required.
- C. Elevator service, if applicable.
- D. Alternate proposals which do not include utilities and/or janitorial service will be considered. (There must be an acceptable method of determining the State's share of costs)

#### XIV. SPECIAL REQUIREMENTS

- A. Lessor shall provide required fire extinguishers and servicing, pest control, and outside trash disposal, including provision for the handling of recyclable items such as aluminum cans, cardboard and paper. (To be included in lease agreement with State). All pesticides must be applied by licensed technician.
- B. Lessor shall provide lighted exit signs.
- C. Lessor shall provide internal and external signage that will provide easy identification of the office by the general public, inclusive of room numbering signage for each office/area.

- D. Break room requires hot & cold running water; two (2) sinks, separate circuits provided for electrical outlets for appliances (220V for range), electrical outlets every two feet along counter space and every six feet along wall areas. Adequate base and top cabinets and counter space for storage and general use for the office. Water line connections required for refrigerators w/icemaker and water supply line for separate ice machine.
- E. All fire or safety inspections fees or storm water fees will be paid by the Lessor.
- F. All storage areas shall be secure, lockable rooms with shelving.
- G. Large conference room shall have soundproofing, including the folding partition, with ceiling mount projection ready capability, electrical outlets and data connections every six feet along exterior walls and at least six floor mounted outlets with data connections. All conference rooms shall have electrical outlets and data connections every six feet along exterior walls, separate light switches, dimmable lights, electrical pull down screens and space for large whiteboards. Conduit large enough to support video cable termination and outlet in floor distribution.
- H. Training room shall have soundproofing, and provide for ceiling mount projection ready capability, electrical outlets and voice/data connections with 2 voice/data lines every six feet along exterior walls and floor distribution with outlets and voice/data connections to each table area (10 tables). Separate light switches, dimmable lights, electrical pull down screen and space for large whiteboards. Elevated floor levels shall be provided with at least 3 levels (floor level, 1<sup>st</sup> level, and 2<sup>nd</sup> level), each elevated in six-inch increments. Conduit large enough to support video cable termination and outlet in floor distribution.
- I. T-3 telecommunication hook-up provided to the facility.
- J. A card-swipe security system with appropriate outside lighting and security is desired.
- K. Covered outside break area is desired with table, chairs and smoking facilities.
- L. Covered smoking area is required.
- M. A covered delivery vehicle area (14' wide x 20' long x 14' high) with electrically, height adjustable dock is required. An 8' x 8' electrical roll-up overhead delivery door with adjacent pedestrian access door is required.
- N. After hours daily janitorial and cleaning services is preferred.
- O. Acoustical rated, retractable partition to be installed in conference room to divide the area into two approximately equal smaller rooms. Please provide specifications for partition and confirm that the unit will be either new or otherwise in excellent working and aesthetic condition.
- P. Double doors for entry and exit.
- Q. The number of keys to be provided to State for each lockset shall be reasonably determined by the State prior to occupancy, at no cost to the State.
- R. Lessor shall provide card access electrical power to all doors necessary to maintain security. The number of locations shall be determined by the State and will depend upon the layout of the premises.
- S. Locking hardware will be required on all storage rooms, file rooms and LAN rooms.

Prior to entering into a lease with the successful proposer the space or building plans are subject to inspection 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.

SPACE ANALYSIS

AGENCY: DOT - Raleigh Consolidation  
Summary  
DATE: 10/27/2005

DIVISION / LOCATION

SQ. FT

Traffic Engineering and Safety Systems Branch	2123
Congestion Management and Signing Unit	10562
ITS and Signals Unit	22534
Traffic Safety Unit	8130
Common Areas	6189
Total:	49538
Multi-Suite Circulation (@ 5%):	2477
Grand Total:	52015

**SPACE ANALYSIS**

AGENCY: DOT - Raleigh Consolidation  
Traffic Engineering & Safety Systems Branch

**FULL HEIGHT PARTITIONED AREAS:**

Quantity	Use	Dimensions			Unit Sq.Ft.	Total Sq. Ft.
1	Director	15	x	16	240	240
1	Supervisor	10	x	13	130	130
6	Professional Staff	9	x	12	108	648
1	Equipment Storage	5	x	10	50	50
1	Director's Conference	10	x	15	150	150
Subtotal for Full Height Partitioned Areas:						1218

**OPEN AREAS:**

Quantity	Use	Dimensions			Unit Sq. Ft.	Total Sq. Ft.
4	Clerical	8	x	8	64	256
1	Files	10	x	16	160	160
1	Scanner Workstation	8	x	8	64	64
Subtotal for Open Areas:						480
Total:						1698
Circulation (@ 25%):						425
Grand Total:						2123

SPACE ANALYSIS

AGENCY: DOT - Raleigh Consolidation  
 Congestion Management & Signing Unit

FULL HEIGHT PARTITIONED AREAS:

Quantity	Use	Dimensions	Unit Sq.Ft.	Total Sq. Ft.
1	Asst. Director	12 x 18	216	216
2	Manager	10 x 16	160	320
8	Supervisor	10 x 13	130	1040
7	Professional Staff	9 x 12	108	756
1	Storage	8 x 12	96	96
1	Rodeo Storage	12 x 15	180	180
Subtotal for Full Height Partitioned Areas:				2608

OPEN AREAS:

Quantity	Use	Dimensions	Unit Sq. Ft.	Total Sq. Ft.
30	Professional / Technical Staff	8 x 10	80	2400
15	Temporary	8 x 10	80	1200
3	Clerical	8 x 8	64	192
2	Work/Meeting Area	8 x 10	80	160
1	Vertical/Flat/Hanging Files/Plotter	30 x 40	1200	1200
1	Scanner Workstation	8 x 8	64	64
Subtotal for Open Areas:				5216
Total:				7824
Circulation (@ 35%):				2738
Grand Total:				10562

**SPACE ANALYSIS**

AGENCY: DOT - Raleigh Consolidation  
ITS & Signals Unit

**FULL HEIGHT PARTITIONED AREAS:**

Quantity	Use	Dimensions			Unit Sq.Ft.	Total Sq. Ft.
1	Asst. Director	12	x	18	216	216
3	Manager	10	x	16	160	480
12	Supervisor	10	x	13	130	1560
5	Professional Staff	9	x	12	108	540
8	Electronic Lab Tech.	12	x	14	168	1344
1	Preemption Testing	12	x	15	180	180
1	Cabinet / Controller Testing	25	x	30	750	750
1	DMS Testing	30	x	30	900	900
1	QPL Testing	20	x	20	400	400
1	Closed Loop Testiing	10	x	20	200	200
1	Lab & Testing	12	x	20	240	240
1	Secured Parts Storage	10	x	16	160	160
1	Secure Computer Storage	10	x	12	120	120
1	Equipment Storage	10	x	12	120	120

Subtotal for Full Height Partitioned Areas: 7210

**OPEN AREAS:**

Quantity	Use	Dimensions			Unit Sq. Ft.	Total Sq. Ft.
56	Professional / Technical Staff	8	x	10	80	4480
13	Temporary	8	x	10	80	1040
2	Clerical	8	x	8	64	128
3	Work/Meeting Area	8	x	10	80	240
1	Systems Workstation	10	x	15	150	150
1	Shared Equipment Area	15	x	20	300	300
1	Parts Storage	20	x	20	400	400
1	Production Inventory Storage	15	x	20	300	300
1	Packaging Material Storage	15	x	20	300	300
1	Vertical/Flat/Hanging Files/Reference Mat'l	40	x	52	2080	2080
1	(Includes 1 Clerical Position) Scanner Workstation	8	x	8	64	64

Subtotal for Open Areas: 9482

Total: 16692  
Circulation (@ 35%): 5842

Grand Total: 22534

SPACE ANALYSIS

AGENCY: DOT - Raleigh Consolidation  
Traffic Safety Unit

FULL HEIGHT PARTITIONED AREAS:

Quantity	Use	Dimensions			Unit Sq.Ft.	Total Sq. Ft.
1	Asst. Director	12	x	18	216	216
3	Manager	10	x	16	160	480
4	Supervisor	10	x	13	130	520
4	Professional Staff	9	x	12	108	432
1	Equipment Storage	10	x	12	120	120
Subtotal for Full Height Partitioned Areas:						1768

OPEN AREAS:

Quantity	Use	Dimensions			Unit Sq. Ft.	Total Sq. Ft.
22	Professional / Technical Staff	8	x	10	80	1760
9	Temporary	8	x	10	80	720
3	Clerical	8	x	8	64	192
2	Work/Meeting Area	8	x	10	80	160
1	Vertical, Flat Files/Reference Mat'l (Includes 1 Clerical Position)	27	x	50	1350	1350
1	Map Area	12	x	20	240	240
1	Scanner Workstation	8	x	8	64	64
Subtotal for Open Areas:						4486
Total:						6254
Circulation (@ 30%):						1876
Grand Total:						8130

**SPACE ANALYSIS**

AGENCY: DOT - Raleigh Consolidation  
Common Areas

**FULL HEIGHT PARTITIONED AREAS:**

Quantity	Use	Dimensions			Unit Sq.Ft.	Total Sq. Ft.
1	Large Conference (With Folding Divider)	20	x	30	600	600
3	Small Conference	12	x	15	180	540
1	Training	15	x	25	375	375
1	Bulk Storage/Recycling	12	x	20	240	240
1	Mail	10	x	10	100	100
1	LAN	12	x	15	180	180
2	Satellite Telephone Rooms	6	x	8	48	96
1	Break	20	x	30	600	600

Subtotal for Full Height Partitioned Areas: 2731

**OPEN AREAS:**

Quantity	Use	Dimensions			Unit Sq. Ft.	Total Sq. Ft.
8	Copy/Fax/Work	8	x	10	80	640
1	Plotter Room	20	x	20	400	400
1	Shipping/Receiving/Storage	20	x	20	400	400
1	Waiting (Does not include Receptionist)	12	x	15	180	180

Subtotal for Open Areas: 1620

Total: 4351  
Circulation (@ 25%): 1088  
Restrooms: 750  
Grand Total: 6189

EXHIBIT E  
 PERMITTED MATERIALS  
**Traffic Electronics Center Chemical List**

Manufacturer	Product Number	Product Name	Container	Quantity	MSDS
Alconox	1701	Detergent 8	1 Gallon Jug	1	Y
Brilliance Co.		Brilliance	8 fl oz Bottle	1	Y
Chase Products		Glass Cleaner with Ammonia	19 oz Can	1	Y
Chemtronics	CW8100	No Clean Flux Dispensing Pen		24	Y
	237CH800				
Chemtronics	CW9100	No Clean Flux Remover Pen		24	Y
Chemtronics	ES805	Label Adhesive Remover	6 oz Can	1	Y
	ES805C				
	ES835B				
Chemtronics	ES1035	Flux-Off 2000	6.8 oz Can	1	Y
	ES1035CB	(CFC Free Flux-Off 2000)	6.8 oz Can	1	Y
Chemtronics	ES892B	Flux-Off No Clean	7 oz Can	12	Y
	ES1692	(Heavy Duty Flux-Off 2000)	7 oz Can	12	Y
	ES892BC				
	ES1692C				
Chemtronics	ES1050	Freez-It	10 oz Can	12	Y
	ES1550	(Freez-It 2000)	10 oz Can	12	Y
Chemtronics	ES1051, ES1251, ES1551	Freez-It Antistat	10 oz Can	12	Y
	ES1051C, ES1551C				
Chemtronics	ES1210	Electro-Wash PX	12.5 oz Can	20	Y
	ES810B	(CFC-Free Electro-Wash 2000)			
	ES1210C				
	ES810BC				
Chemtronics	ES1620	Ultra-Jet	10 oz Can	1	Y
Circuit Works	CT40-5	Heat Sink Grease	5 oz Tube	3	Y
Continental Res. Corp.		Guard Insect Repellant	5 oz Can	1	Y

Manufacturer	Product Number	Product Name	Container	Quantity	MSDS
Cortec Corporation	Eco Clean	Gel Rust Remover 423	16 fl oz Bottle	1	Y
Cortec Corporation	Electricorr VCI-238	Electricorr Spray	3 oz Can	1	Y
Cortec Corporation	VCI-286	Acrylic Based Conformal	3 oz Can	1	Y
Dyna Systems	600-3-5185	Termi-Kleen II	11 oz Can	3	Y
GC Electronics	10-634	Jif Action Contact Cleaner	6 oz Can	1	Y
GC Electronics	10-8101 Type Z5	Silicone Compound	1 fl oz Tube	3	Y
GC Electronics	10-8120 Type 44	Heat Sink Compound	1 fl oz Tube	3	Y
GC Electronics	22-245	Silicone Resin Lacquer	5 oz Can	2	Y
Handi Clean Products		Screen Clean	18 oz Can	1	Y
Henkel Cons Adhesives	01-30622	Quicktite	8.5 fl oz Tube	5	Y
Johnson SC + Son	11840-15	Deep Woods Off!	6 oz Can	5	Y
Kester	1429	All Purpose Soldering Flux	4 oz Bottle	2	Y
Kester	24-6040-0018	*44' Rosin Core Solder	1 lb Roll	25	Y
Maxell	ER17/33	Lithium Battery	1 Battery	25	Y
MicroCare	MCC-FRC	Flux Remover C	12 oz Can	50	Y
	MCC-FRCNA				
	MCC-FRCG				
	MCC-FRCP				
	MCC-FRCD				
MicroCare	MCC-2004	Genesolv 2004	12 oz Can	12	Y
	MCC-2004G				
	MCC-2004T				
	MCC-2004P				
	MCC-2004D				
Miller-Stephenson	MS-180	Freon	16 oz Can	2	Y
		CO2 TF Solvent			
Multicore	6381-25	Flux	1 Gallon Jug	1	Y
	6381-35				
Multicore	SN60PPB40	Solder, Tin Alloy	1 lb Roll	50	Y
Nonfections Inc		Ongard	1.5 oz Tube	1	Y

<u>Manufacturer</u>	<u>Product Number</u>	<u>Product Name</u>	<u>Container</u>	<u>Quantity</u>	<u>MSDS</u>
Oatey	31017, 31018, 31019	Medium Clear PVC Cement	4 fl oz	1	Y
	31020, 31021, 31535				
	31536, 31537, 31538				
	31539, 31550, 31551				
	31552, 31553, 31947				
	31948, 31949, 32222				
	32223, 32224, 32225				
	1200-0147				
	1200-0148				
	1200-0149				
Pace Inc.	1200-0150	ThermoBond Adhesive	1 circuit frame	20	Y
	1200-0151				
	1200-0152				
	BR-2/3 A				
	All BR Models				
	2015				
	2012				
	2022				
	2013/2023				
	2017				
Panasonic	Universal Black No 203	Lithium Battery	1 Battery	25	Y
	1050				
	400, 401, 500, 501, 502, 504				
	505, 506, 507, 508, 510, 512				
	520, 533, 534, 450, 451, 452				
	453, 454, 455, 460, 461, 462				
	4334/4335				
	Engine Enamel				
	Eye saline solution				
	33 lb cartridge				
Parks	32 oz Can	Paint Thinner	32 oz Can	1	Y
	11 oz Can				
	1 oz Can				
	33 lb cartridge				
	400, 401, 500, 501, 502, 504				
	505, 506, 507, 508, 510, 512				
	520, 533, 534, 450, 451, 452				
	453, 454, 455, 460, 461, 462				
	4334/4335				
	Wasp + Ant Killer				
Plasti-Kote	12 oz Can	Wasp + Ant Killer	12 oz Can	6	Y
	2.5 oz Can				
	4 fl oz Jar				
	1 Gal Jug				
	Engine Enamel				
	Eye saline solution				
	33 lb cartridge				
	400, 401, 500, 501, 502, 504				
	505, 506, 507, 508, 510, 512				
	520, 533, 534, 450, 451, 452				
Pureflow	11 oz Can	Butane Fuel	2.5 oz Can	1	Y
	33 lb cartridge				
	400, 401, 500, 501, 502, 504				
	505, 506, 507, 508, 510, 512				
	520, 533, 534, 450, 451, 452				
	453, 454, 455, 460, 461, 462				
	4334/4335				
	Engine Enamel				
	Eye saline solution				
	33 lb cartridge				
Rainbow Tech Corp	32 oz Can	Rubber Cement	4 fl oz Jar	2	Y
	11 oz Can				
	1 oz Can				
	33 lb cartridge				
	400, 401, 500, 501, 502, 504				
	505, 506, 507, 508, 510, 512				
	520, 533, 534, 450, 451, 452				
	453, 454, 455, 460, 461, 462				
	4334/4335				
	Wasp + Ant Killer				
Ronson	12 oz Can	IC Work Station Cleaner	1 Gal Jug	2	Y
	2.5 oz Can				
	4 fl oz Jar				
	1 Gal Jug				
	Engine Enamel				
	Eye saline solution				
	33 lb cartridge				
	400, 401, 500, 501, 502, 504				
	505, 506, 507, 508, 510, 512				
	520, 533, 534, 450, 451, 452				
Ross	11 oz Can	IC Work Station Cleaner	1 Gal Jug	2	Y
	33 lb cartridge				
	400, 401, 500, 501, 502, 504				
	505, 506, 507, 508, 510, 512				
	520, 533, 534, 450, 451, 452				
	453, 454, 455, 460, 461, 462				
	4334/4335				
	Engine Enamel				
	Eye saline solution				
	33 lb cartridge				
R + R Lotion	12 oz Can	IC Work Station Cleaner	1 Gal Jug	2	Y
	2.5 oz Can				
	4 fl oz Jar				
	1 Gal Jug				
	Engine Enamel				
	Eye saline solution				
	33 lb cartridge				
	400, 401, 500, 501, 502, 504				
	505, 506, 507, 508, 510, 512				
	520, 533, 534, 450, 451, 452				

<u>Manufacturer</u>	<u>Product Number</u>	<u>Product Name</u>	<u>Container</u>	<u>Quantity</u>	<u>MSDS</u>
Rustoleum	7769402	Rust-Oleum Oil Based Primer	12 oz Can	3	Y
	7780402				
	1280504				
	7769504				
	7780730				
	7769504				
	7780504				
	7775402				
	7738402				
	7765402				
	7727402				
	7748402				
	7770402				
	7776402				
	7779300				
	7779402				
	7781402				
	7786402				
	7790402				
	7792300				
	7792402				
	7771402				
Sawyer Products		Sun Block	4 oz Can	3	Y
Sky		AntAway	16 oz Can	12	Y
Snap		Windshield Spray De-Icer	12 oz Can	1	Y
Tec Labs, Inc.		Power Deet 25	2 oz Bottle	1	Y
Tech Spray	1610-5G	Isopropyl Alcohol	32 lb 12 oz Cont.	1	Y
Tech Spray	1613-65	Label & Adhesive Remover	4.5 oz Can	3	Y
	75402613				

<u>Manufacturer</u>	<u>Product Number</u>	<u>Product Name</u>	<u>Container</u>	<u>Quantity</u>	<u>MSDS</u>
Tech Spray	1613/CAN/EUR-6S	Label & Adhesive Remover			Y
	75402613				
Tech Spray	1630-6S	Blue Shower G3	12 oz Can	12	Y
	1630-16S				
Tech Spray	1677-12S	Blue Shower	12 oz Can	1	Y
Tech Spray	1697 Aerosol	Vortex Duster		12	Y
	758CH697				
Tech Spray	7580Z134	Techni-Tool Duster	10 oz Can	7	Y
Tech Spray	HFC-134a	Dusting Gas	10 oz Can	50	Y
	1671/CAN/EUR-10S, 10RS, 15S, 10SK				
Unisource Worldwide	U17572	Allstar Blitz	16 oz Can	2	Y
Walter Kidde Portables		ABC Extinguisher		7	Y
WD-40	WD-40	WD-40	5.5 oz Can	1	Y
WD-40	3-in-One	3-in-One Oil	3 fl oz Can	1	Y
	Nitrogen	Nitrogen gas	10 lb cylinder	1	Y

Updated: 4/19/06