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## Investment Summary Package For:

***Veyance Technologies, Inc  
(Global Headquarters)  
703 South Cleveland Massillon Road  
Fairlawn, Ohio 44333***

Submitted By:  
Robert P. Garber, SIOR  
Principal

Cresco Real Estate  
3 Summit Park Drive, Suite 200  
Cleveland, Ohio 44131  
[www.crescorealestate.com](http://www.crescorealestate.com)

216.520.1200

Information submitted herein was received from sources deemed to be reliable. It is subject to errors, omissions, prior sale, and withdrawal from market without notice.



## **LIMITING CONDITIONS**

This Offering Memorandum was prepared by CRESCO Real Estate, an independently owned and operated member of the Cushman & Wakefield Alliance ("Team"). It contains selected information pertaining to the Property and does not purport to be all-inclusive nor contain all of the information that a prospective purchaser may desire. An opportunity to inspect the Property will be made available to qualified prospective purchasers.

The Owner and the Team expressly reserve the right, at their sole discretion, to reject any or all expressions of interest or offers to purchase the Property and/or to terminate discussions with any party at any time with or without notice. Owner shall have no legal commitment or obligation to any purchaser reviewing this Offering Memorandum or making an offer to purchase the Property unless a written agreement for the purchase of the Property has been fully executed, delivered, and approved by the Owner and any conditions to Owner's obligations hereunder have been satisfied or waived. Neither the Team, nor the Owner's property manager/leasing agent, is authorized to make any representations or agreements on behalf of Owner.

This Offering Memorandum is the property of the Team and may be used only by parties approved by the Owner. The Property is privately offered, and by accepting this Offering Memorandum, the party in possession hereof agrees (i) to return it to the Team and (ii) that this Offering Memorandum and its contents are of a confidential nature and will be held and treated in the strictest confidence. No portion of this Offering Memorandum may be copied or otherwise reproduced or disclosed to anyone without the prior written authorization of the Team and Owner or its advisors.

Additionally, in the event a transaction is consummated, CRESCO Real Estate shall receive a consulting fee, per separate agreement from Owner as its exclusive representative. Should a buyer elect representation, Buyer shall be solely responsible for the payment of any and all related fees associated with its representation. The terms and conditions set forth above apply to this Offering Memorandum in its entirety.





## Investment Summary Package For:

***Veyance Technologies, Inc.***  
***703 South Cleveland Massillon Road***  
***Fairlawn, Ohio 44333***

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Cresco Real Estate  
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[www.crescorealestate.com](http://www.crescorealestate.com)

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## **CONFIDENTIALITY AGREEMENT**

The following “Investment Property Information” is being supplied to the Prospective Investor on a confidential basis and pursuant to the Confidentiality Agreement which was supplied and executed prior to the submission of the enclosed information.





## CONFIDENTIALITY AGREEMENT

This Confidentiality Agreement (this "Agreement") is made and entered into this \_\_\_\_ day of \_\_\_\_\_, 2012 by and between Fairlawn Office Park One, LLC ("Seller") and \_\_\_\_\_ ("Purchaser").

### **W I T N E S S E T H:**

**WHEREAS**, Seller desires to consider a business arrangement or transaction; and

**WHEREAS**, Purchaser requires certain confidential information concerning Seller for the purpose of evaluating such business arrangement or transaction; and

**WHEREAS**, Seller is agreeable to supplying certain information to Purchaser subject to the terms and conditions hereof.

**NOW, THEREFORE**, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, it is agreed as follows:

- 1) Purchaser shall hold in confidence, unless compelled to disclose by judicial order or by other requirements of law, all information received from Seller in connection with the proposed transaction, except to the extent such information can be shown to have been (a) previously known on a non-confidential basis by Purchaser, (b) developed independently by Purchaser, (c) in the public domain through no fault of Purchaser, or (d) later lawfully acquired by Purchaser from sources other than Seller; provided that Purchaser may disclose such information to its directors, officers, employees, accountants, legal counsel, and agents in connection with the proposed transaction, so long as such persons are informed by Purchaser of the confidential nature of such information and are directed to treat such information confidentially. In this regard, Purchaser shall limit distribution of such information solely to those persons who, in Purchaser's sole discretion, must be involved in the analysis of the transaction. If the transaction is not consummated, Purchaser agrees that it will, at the direction of Seller, either return such information to Seller or destroy the same. Purchaser further agrees that it will, at the direction of Seller, permanently delete all computer files and destroy such analyses, compilations, studies or documents prepared by Purchaser, which contain or otherwise reflect such information.
- 2) Purchaser acknowledges and agrees that Seller would suffer irreparable loss and damage if Purchaser should breach or violate any of the provisions contained in this Agreement. Purchaser further acknowledges and agrees that each of the terms contained herein is reasonably necessary to protect and preserve the business and the assets of Seller. Purchaser therefore agrees and consents that in addition to any other remedies available to Seller shall be entitled to injunctive relief to remedy a breach or contemplated breach by Purchaser of any of the terms of this Agreement.
- 3) This Agreement shall be and is for the express benefit of Seller and any successors and assigns thereto.

## Confidentiality Agreement

### Page 2

- 4) Purchaser acknowledges that Owner nor Broker make, nor have either of them made, any representation or warranty to you as the accuracy or completeness of the Property Evaluation Materials. You agree that Owner and Broker will not have any liability as a result of your use of the Evaluation Material and that you will perform your own studies and are responsible for such due diligence investigations and inspections of the Property, including investigation of any environmental conditions, on which you intend to rely and as you deem necessary or desirable to make your investment decision.
- 5) The provisions of this Agreement are severable and if any one or more provisions may be determined to be illegal or otherwise unenforceable, in whole or in part, the remaining provisions to the extent enforceable shall nevertheless be binding and enforceable.
- 6) The waiver by one party of a breach of any provision of this Agreement by the other party shall not operate or be construed as a waiver of any subsequent breach of the same or any other provision by the other party.
- 7) This Agreement shall be governed by and construed in accordance with the laws of the State of Ohio.

**IN WITNESS WHEREOF**, the parties have executed this Confidentiality Agreement the day and year first above written.

Fairlawn Office Park One, LLC

By: \_\_\_\_\_  
(Name)

By: \_\_\_\_\_  
(Name)

Its: \_\_\_\_\_  
(Title)

Its: \_\_\_\_\_  
(Title)

*Executive Summary*

# Executive Summary

## **EXECUTIVE SUMMARY**

### **PROPERTY OVERVIEW**

On behalf of the Owner, CRESCO Real Estate is offering for sale 703 South Cleveland Massillon Road in Fairlawn, Ohio 44333. This state-of-the-art Office and Innovation Center is comprised of 97,845 square feet facility on 4.348 acres. It is located just off Interstate 77 in the Fairlawn / Montrose office market (a sub-market of Akron, Ohio).

### **PROPERTY HIGHLIGHTS**

<b>Address:</b>	703 South Cleveland Massillon Road
<b>MSA:</b>	Fairlawn / Montrose / Akron
<b>Year Built:</b>	2007 / 2008
<b>Total SF:</b>	97,845 sq. ft.
<b>Parking:</b>	300 Cars
<b>Number of Tenants:</b>	One (1)

### **CONSOLIDATED FINANCIAL HIGHLIGHTS**

<b>Projected NOI:</b>	\$2,257,968.00
<b>Total Square Feet:</b>	97,845
<b>Current Occupancy:</b>	100%
<b>Asking Sale Price:</b>	\$25,100,000.00
<b>CAP Rate:</b>	9%

*Additional information contained in Financial Terms section of this Investment Summary.*



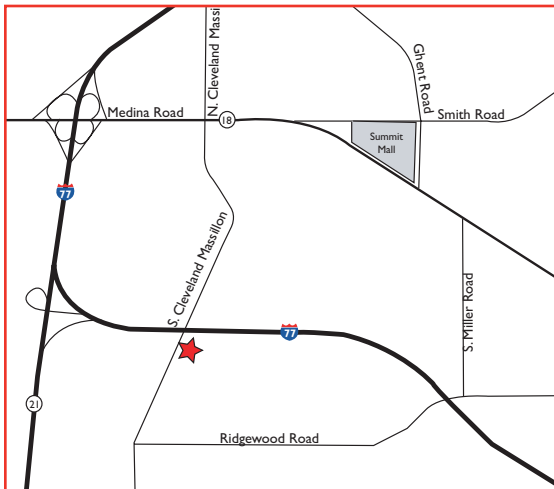
# Investment Offering

**703 South Cleveland Massillon Road • Fairlawn, Ohio**



Freestanding Office and Innovation Center  
Located in Fairlawn, Ohio

- 97,845 sf of Total Space
  - 50,437 sf Office Building
  - 43,286 sf Innovation Center
  - 4,122 sf Connector Building
- Single Tenant
- State-of-the-Art Construction (2007/08)
- Masonry/Aluminum/Glass Facade
- Located in Premier Northeast Ohio Submarket



Leased to Veyance Technologies, Inc., the leading producer of industrial rubber products. Formerly Goodyear Engineered Products.

## Investment Highlights and Summary:

- Leased thru 12/31/2018
- 100% Occupied by Veyance Technologies, Inc.
  - Strong Financial Entity
  - Annual NOI is \$2,257,968.00
- Triple Net Leased; Landlord Replaces Roof, Structure, Sprinklers and Utility Lines
  - 3% Management Fee
  - 9% Cap Rate
- Asking Price is \$25,100,000.00

For a complete Investment Summary Package, please call at your earliest convenience.

**Robert P. Garber, SIOR • Principal • 216.525.1467 • bgarber@crescorealestate.com**

Information herein is not guaranteed. It is obtained from reliable sources, but is subject to errors, omissions, changes and withdrawal without notice.

3 Summit Park Drive  
Suite 200  
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[www.crescorealestate.com](http://www.crescorealestate.com)



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---

*Property Description*

Property Description



## **PROPERTY DESCRIPTION**



The subject property began as a speculative office building with the first phase constructed in 2007 consisting of a four (4) story office building with 50,437 rentable square feet. The building was leased in 2007 to Veyance Technologies, Inc., whom immediately requested an expansion of the facility. In 2008, a three (3) story Innovation Center comprising 43,286 rentable square feet and a one (1) story Connector Building consisting of 4,122 rentable square feet was completed. The property encompasses a site of 4.348 acres.

This all masonry and architectural aluminum façade building is the premier Class “A” facility in the market and is located directly next to Interstate 77 with prominent corporate signage.

The unique construction allows for 14’ ceilings on the top floor of the office building and 14’ ceilings on the first floor of the Innovation Center. The Innovation Center facility accommodates the design, research and development of new rubber products with testing laboratories and large specialized equipment. The spaces were designed to meet precise temperature and humidity environmental control requirements and utilize very specific mechanical dust-removal systems. Specialized electrical, hydraulics and process systems were also included in the project.

The Connector Building is the nexus of the two buildings, providing a high-tech customer presentation room and secured access. It is comprised of a granite and brick entrance with a tall, curved, glass lobby. As reflected on attached floor plans, the building houses executive offices, high-end conference centers, training rooms, bullpens, R & D labs, test center, lunch room and restrooms on all floors.

The building is constructed in such a manner as to accommodate multi-tenancy. This facility is located in the B-4a Commercial Office Park / Research District.

The subject property is the Global Headquarters for Veyance Technologies, Inc. (formerly Goodyear Engineered Products, a subsidiary of Goodyear Tire & Rubber Company). The property is located in the affluent Northeast Ohio suburb of Fairlawn (Summit County) and more specifically in one of the premier office markets. Over 80,000 vehicles a day pass this location.

# 703 South Cleveland Massillon Road

## Fairlawn, Ohio 44333



Highlighted area reflects approximate parcel.

## Sample Photos of Veyance Technologies, Inc.



Building Exterior



Exterior With  
Lighting



## Sample Photos of Veyance Technologies, Inc.



Lobby Area



Reception Area

## Sample Photos of Veyance Technologies, Inc.



Cubical Area



Lab Space



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## Sample Photos of Veyance Technologies, Inc.



Conference Room



Conference Room





LOU RITENOUR  
DECORATORS INC.  
204 GAY PARKWAY SOUTH  
TWINSBURG, OHIO 44097  
7730-425-3357 / 336-9657123

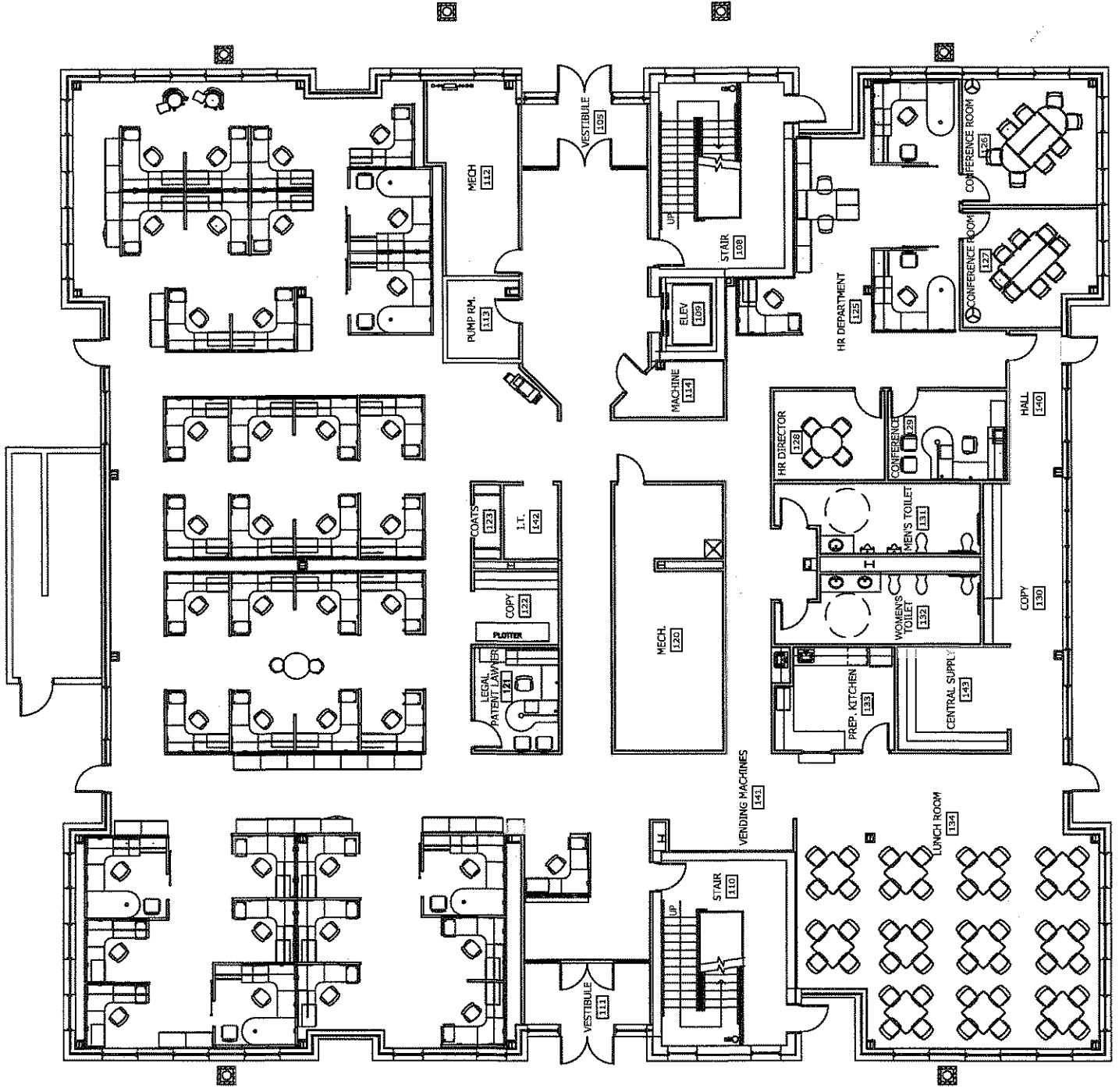
# VEYANCE HEADQUARTERS

703 CLEVELAND-MASSILLON ROAD, FAIRLAWN, OH

DATE:  
04.15.09

SCALE:  
NONE

I-1



FIRST FLOOR PLAN



LOU RITENOUR  
DECORATORS INC.  
206 CLEVELAND AVENUE  
TOLEDO, OHIO 44115  
733-433-3237/235-943-7123

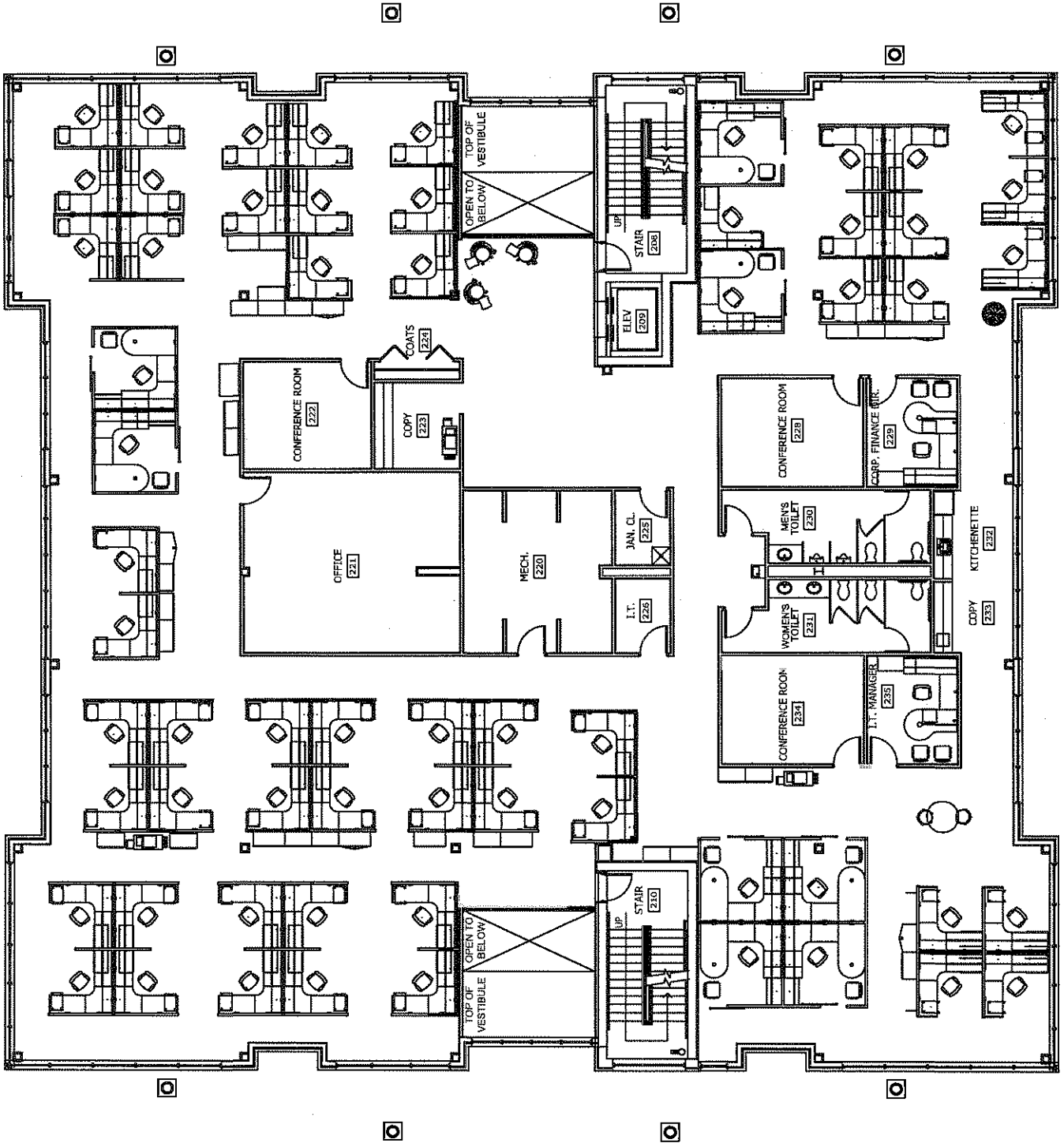
# VEYANCE HEADQUARTERS

703 CLEVELAND-MASSILLON ROAD, FAIRLAWN, OH

DATE:  
04.25.09

SCALE:  
NONE

I-2



SECOND FLOOR PLAN



LOU RITENOUR  
DECORATORS INC.  
284 CASH PARKWAY SOUTH  
FREMINGTON, OHIO 43420  
TELEPHONE (716) 661-1115

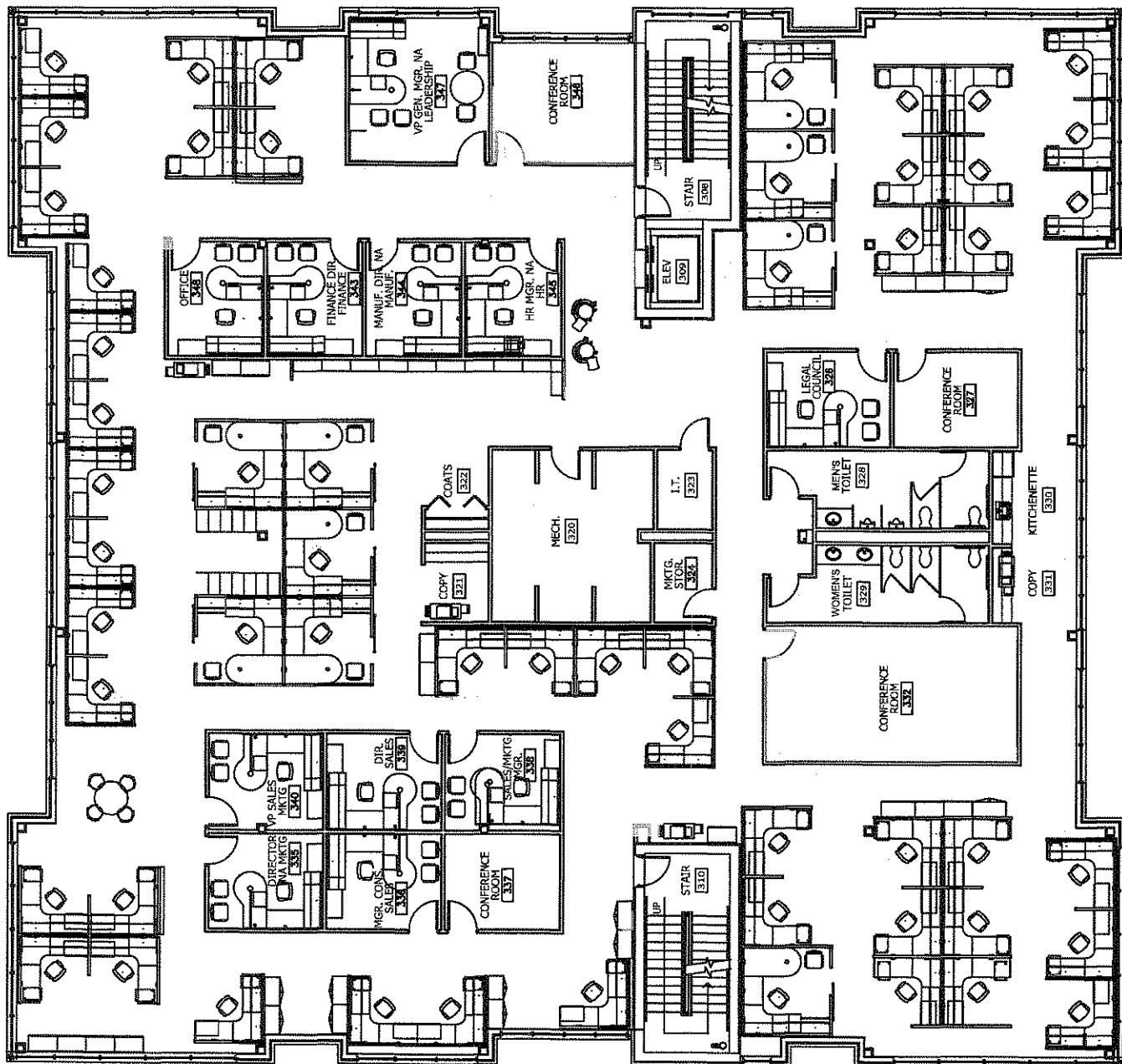
# VEYANCE HEADQUARTERS

703 CLEVELAND-MASSILLON ROAD, FAIRLAWN, OH

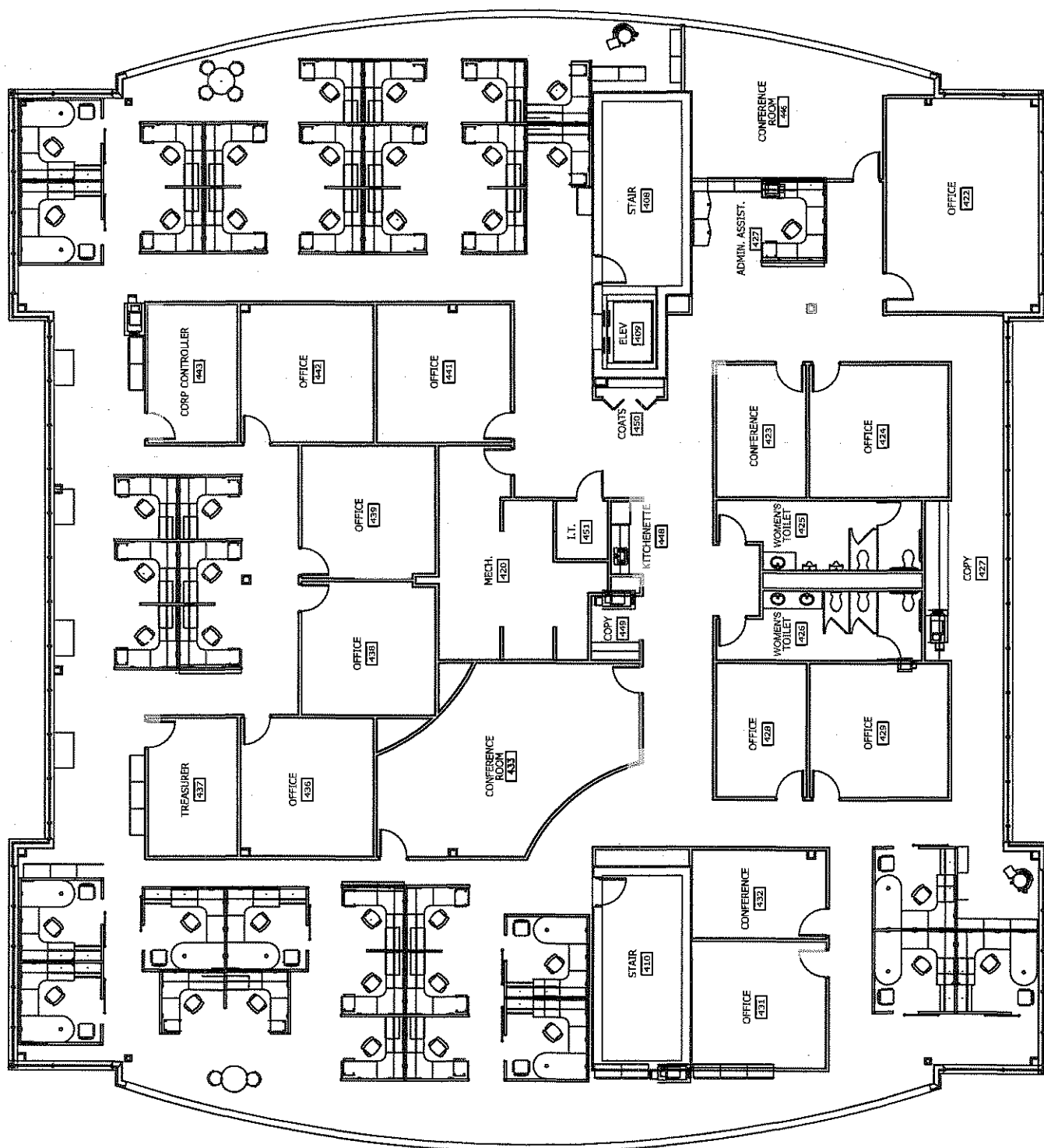
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9/15/99

SCALE:  
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I-3



THIRD FLOOR PLAN



**FOURTH FLOOR PLAN**

# VEYANCE CONNECTOR

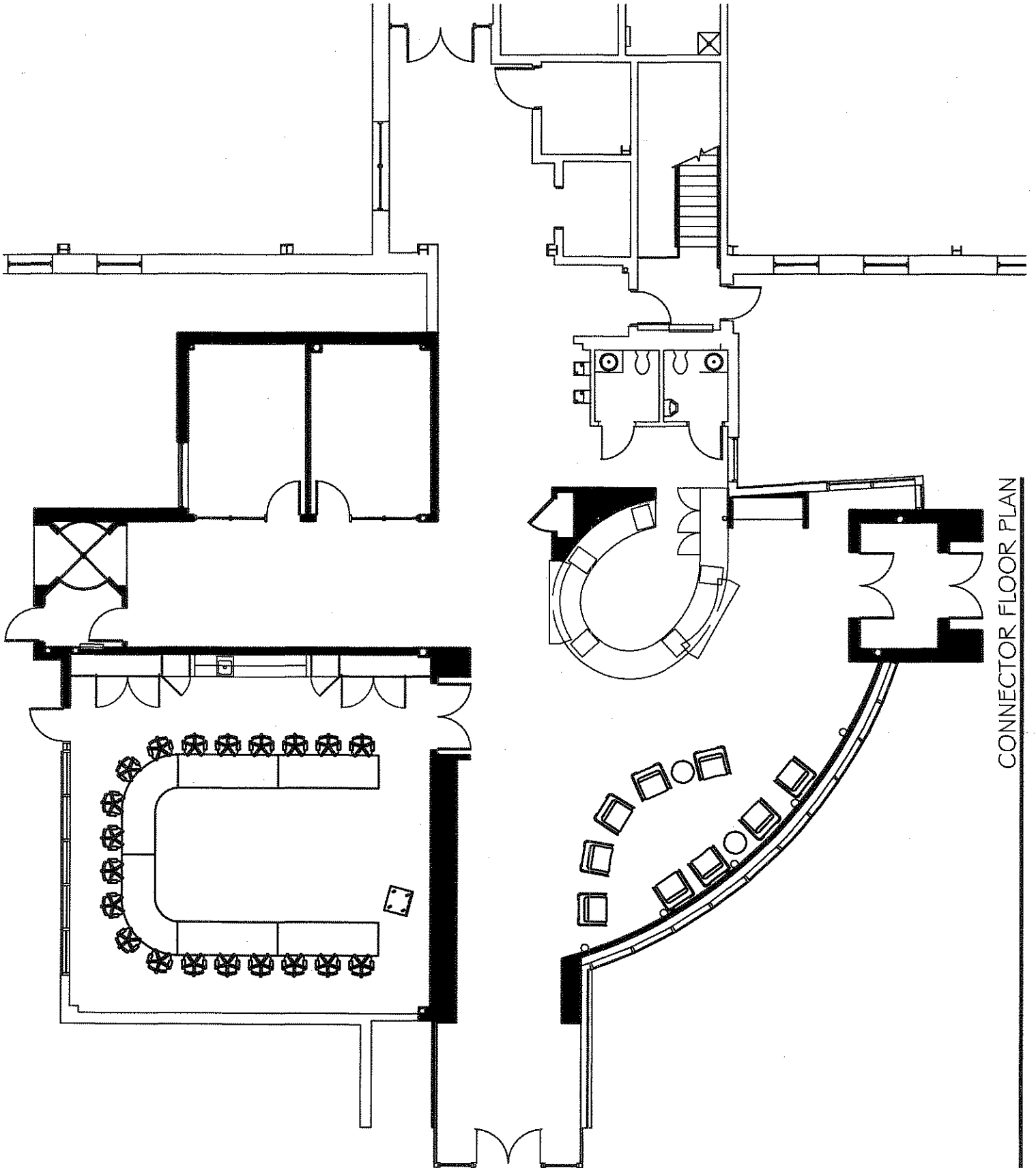
703 CLEVELAND-MASSILLON ROAD, FAIRLAWN, OH

DATE:  
04.15.09

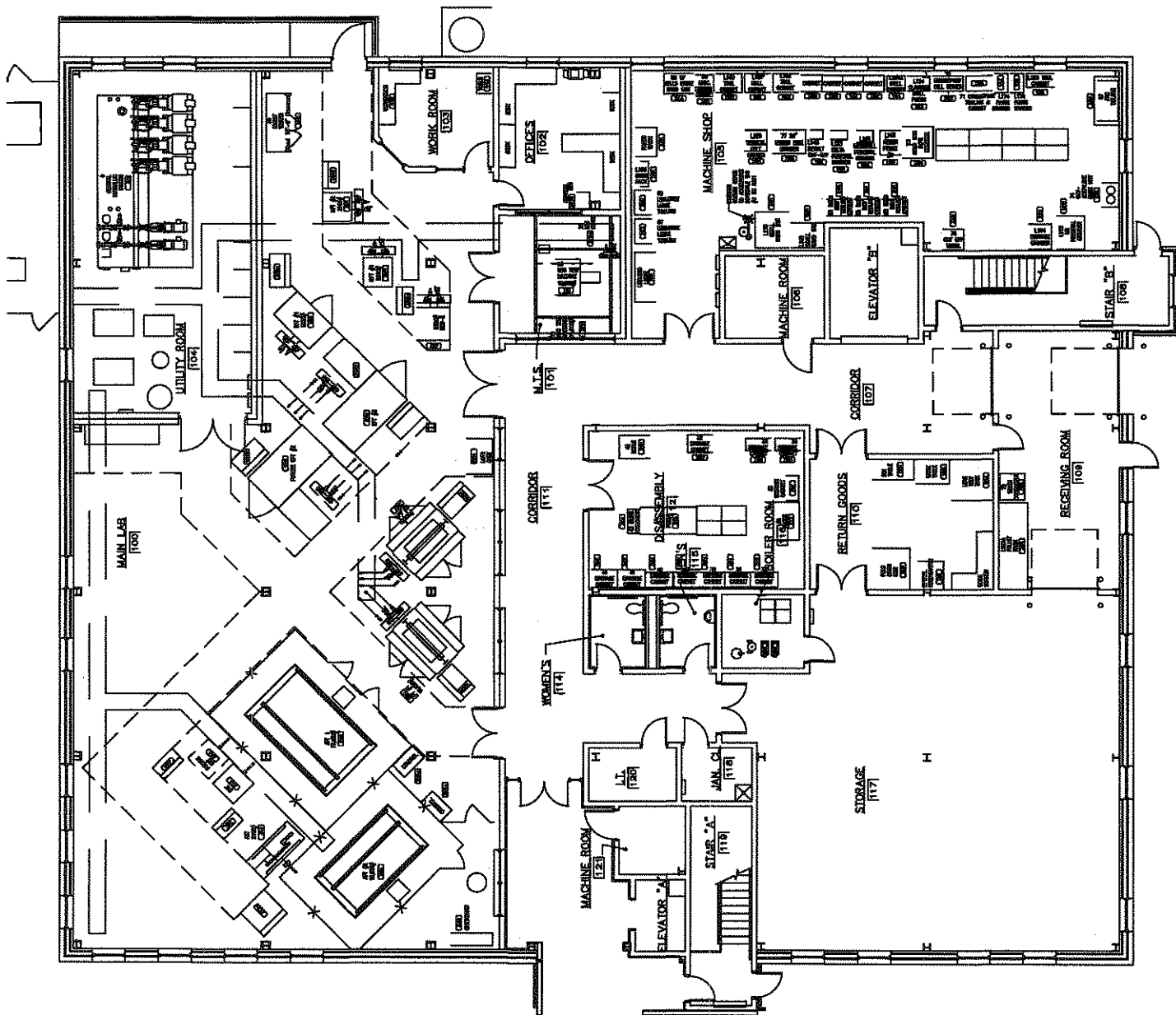
SCALE:  
NONE

LOU RUTENOUR  
DECORATORS INC.  
1846 CASE PARKWAY ROUTE 11  
FAIRLAWN, OH 44126  
P 733-452-3070 F 733-964-2732

I-5



CONNECTOR FLOOR PLAN



**FIRST FLOOR PLAN**





LOU RITENOUR  
DECORATORS INC.  
2586 CASE PARKWAY SOUTH  
CLEVELAND, OH 44115  
7/350-453-5552 / 350-955-7125

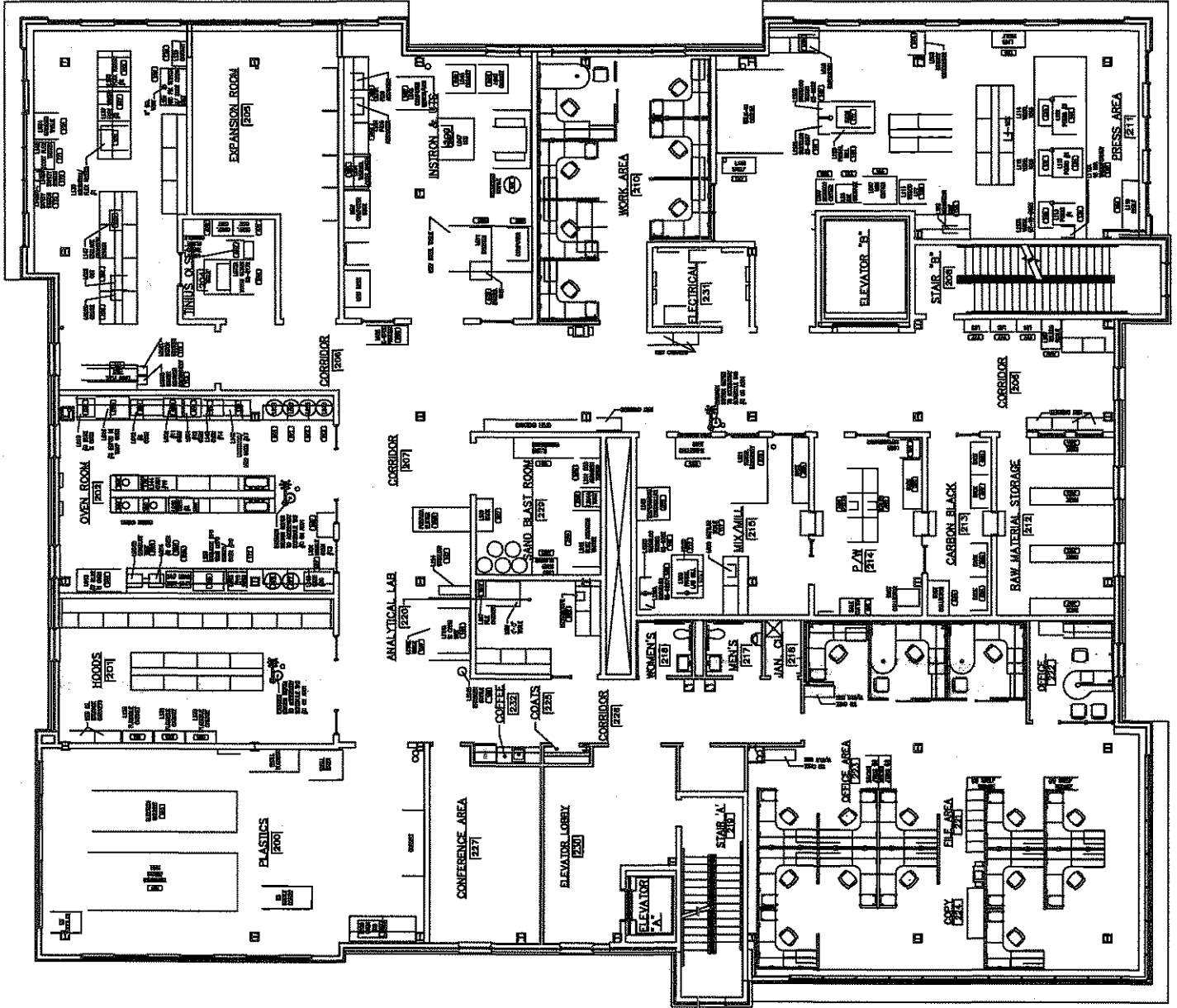
# VEYANCE R&D BUILDING

703 CLEVELAND-MASSILLON ROAD, FAIRLAWN, OH

DATE:  
04/15/09

SCALE:  
NONE

I-7



SECOND FLOOR PLAN

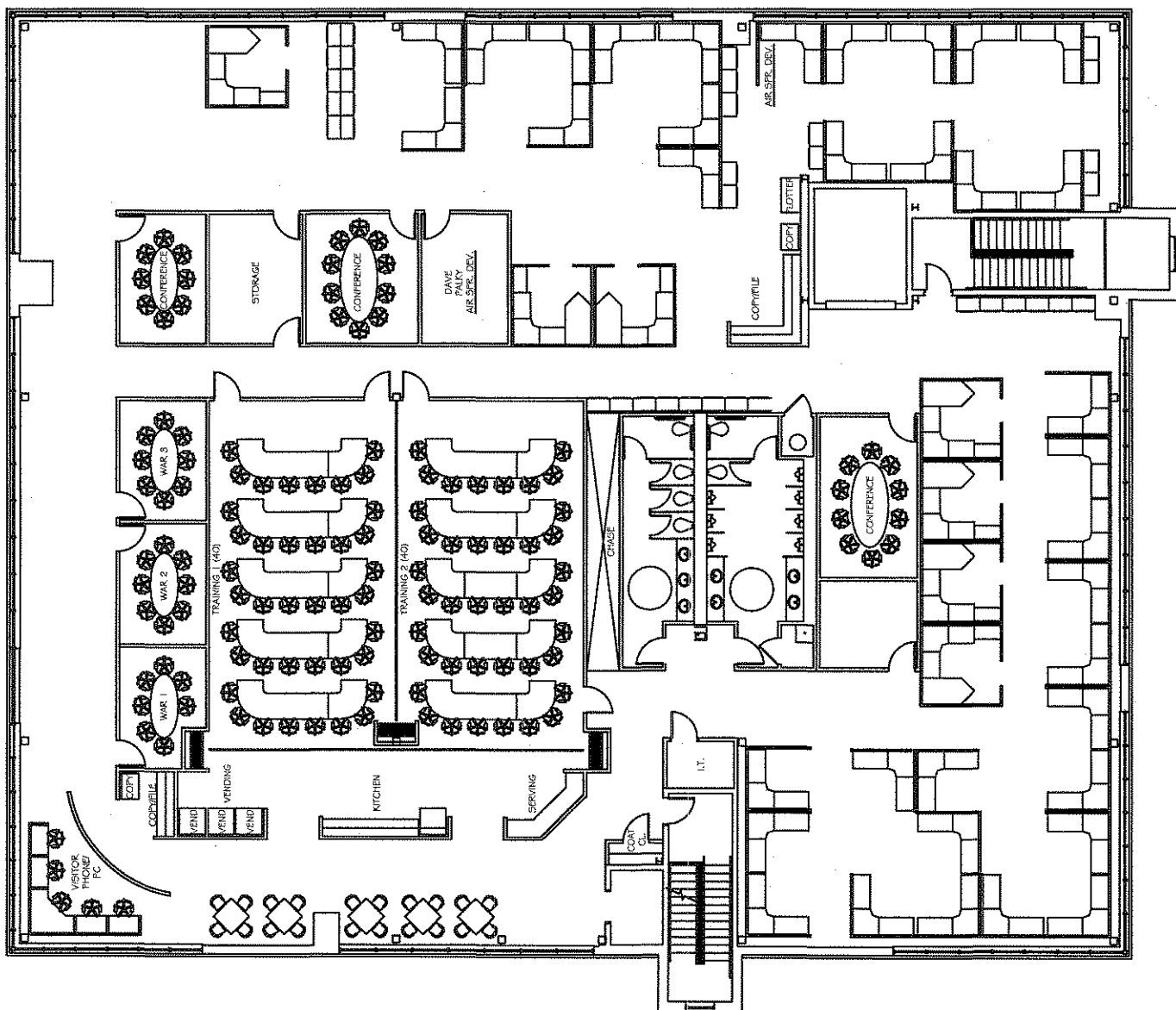


LOU RITENOUR  
DECORATORS INC.  
200 CLEVELAND AVENUE  
TOLEDO, OH 44103  
P/330-425-3227 F/330-890-7129

# VEYANCE R&D BUILDING 703 CLEVELAND-MASSILLON ROAD, FAIRLAWN, OH

DATE:  
04.25.09  
SCALE:  
NONE

I-8



THIRD FLOOR PLAN

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*General Tenant Description*

# General Tenant Description



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## **GENERAL TENANT DESCRIPTION**

Veyance Technologies, Inc. (VTI) was formerly known as Goodyear Engineered Products. In July 2007, The Carlyle Group, a private equity firm, acquired the subsidiary of Goodyear Tire & Rubber Company and Veyance Technologies, Inc. was formed. All Goodyear Engineered Products today are manufactured and sourced exclusively by Veyance Technologies, Inc.

Veyance Technologies is one of the world's largest manufacturers and suppliers of industrial hoses, hydraulics, power and transmission parts, after market auto and truck parts, air springs, conveyer belts, rubber track and numerous other products. VTI serves the industrial, consumer, military and transportation sectors.

Veyance Technologies operates 33 manufacturing plants and 33 distribution centers/warehouses along with 23 other offices worldwide, supported by approximately 8,200 associates. Facilities are in such locations as the United States, Canada, Brazil, Mexico, France, Spain, China, Japan and Australia, just to name a few.

Veyance Technologies, Inc. has estimated sales of over \$2 billion dollars.

Additional information can be found at [www.goodyearep.com](http://www.goodyearep.com).



## PRODUCT CATEGORIES

### Industrial Hose

Rubber, PVC, and Hand-built Hose

### Hydraulics

Hoses, Fittings, Adapters, Crimpers

### Power Transmission Products

Premium Synchronous & V-belt solutions

### Aftermarket Parts - Automotive

Belts, Tensioners, Hoses, Timing Kits

### Aftermarket Parts - Commercial Truck

Belts, Tensioners, Hydraulics

### Air Springs

Bellows, Custom, Rolling Lobe & Sleeve

### Conveyor Belt - Heavyweight

Fabric & Steel Cord, Above & Below Ground

### Conveyor Belt - Lightweight

Food, Treadmill, Package Handling & More

### Rubber Track

Rubber Tracks and Rubberized Components

### Transportation - OE Products

OE Hoses, Belts, Air Springs & Molded Parts

### Home and Garden

Garden Hose & Lawn Mower Belts

### Powersports

ATV belts and Snowmobile Belts

### Marine Fenders

Vessel and Dock Fenders



[Cross  
References](#)



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- [PTP Hub](#)

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[Risk Management](#) | [Part Finder](#) | [Catálogo Electrónico](#)  
**For Distributors:** [EPIX USA](#) | [EPIX Canada](#) | [EPIX Europe](#) | [EPIX Brazil](#) | [South Africa - My Veyance](#)  
**Locations:** [N America](#) | [Brazil](#) | [Europe](#) | [S Africa](#) | [Chile](#) | [Mexico](#) | [Quebec](#)

The GOODYEAR (and Winged Foot Design) trademark is used by Veyance Technologies, Inc. under license from The Goodyear Tire & Rubber Company.

Goodyear Engineered Products are manufactured and sourced exclusively by Veyance Technologies, Inc. or its affiliates.

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## CHOOSE GOODYEAR ENGINEERED PRODUCTS

### Veyance Technologies, Inc. Locations

[North America](#) | [South America](#) | [Europe](#) | [Asia](#) | [Australia](#) | [South Africa](#)

#### North America

##### UNITED STATES

###### North American Headquarters

Veyance Technologies, Inc.  
703 S. Cleveland Massillon Rd  
Fairlawn, OH 44333-3023 USA  
Ph: 330-664-7000

###### Veyance Technologies, Inc.

4021 N 56th Street  
Lincoln, NE 68504  
Ph: 402-467-8311  
Fx: 402-467-8175

###### Veyance Technologies, Inc.

13601 Industrial Parkway  
Marysville, OH 43040  
Ph: 937-644-8984  
Fx: 800-329-4731 or 937-664-8907

###### Veyance Technologies, Inc.

1115 South Wayne Street  
St Marys, OH 45885  
Ph: 419-394-3311  
Fx: -419-394-0477

###### Cosmoflex, Inc.

4142 Industrial Loop Road  
Hannibal, MO 63401  
Ph: 573-221-0242  
Fx: 573-221-9290

###### Veyance Technologies, Inc.

400 N Goodyear Road  
Mt Pleasant, IA 52641-3015  
Ph: 319-385-3196  
Fx: 319-385-3198

###### Veyance Technologies, Inc.

2701 Omaha Avenue  
Norfolk, NE 68701-4421  
Ph: 402-644-2600  
Fx: 402-644-2607

###### Veyance Technologies, Inc.

143 Goodyear Street  
Sun Prairie, WI 53590  
Ph: 608-825-1800  
Fx: 608-825-1802

###### Belt Concepts of America, Inc.

605 N Pine Street  
PO Box 340  
Spring Hope, NC 27882  
Ph: 252-478-2200  
Fx: 800-757-2358

##### CANADA

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Mississauga, Ontario L4Z 1X3  
(905) 366-2010

###### Veyance Technologies Canada, Inc. ([Visiter le site du Québec](#))

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Ph: 418-682-7011  
Fx: 418-683-4947

###### Veyance Technologies Canada, Inc.

3225 East Bayshore Road  
Owen Sound, Ontario, Canada N4K 5N3  
Ph: 519-376-9730  
Fx: 519-376-9941

###### Veyance Technologies Canada, Inc. ([Visiter le site du Québec](#))

127 Rang Parent  
Saint Alphonse de Granby, Quebec, Canada J0E 2A0  
Ph: 450-375-5050  
Fx: 450-375-6254

###### Veyance Technologies Canada, Inc.

45 Raynes Avenue  
Bowmanville, Ontario, Canada L1C 1J3  
Ph: 905-623-2606  
Fx: 905-623-2026



## **MEXICO**

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Ave. Alejandro Dumas #11314  
Complejo Industrial Chihuahua  
Chihuahua, Mexico CP 3119  
Ph: 52-614-442-2300  
Fx: 52-614-442-2316

### **Veyance Productos Industriales S. de R.L. de C.V.**

Eje Central SAHOP No. 215 Manzana 53  
Zona Industrial  
San Luis Potosí, S.L.P. México CP 78395  
Tel.: 52-444-834-6700  
Fax.: 52-444-834-6713

### **Veyance de México, S. de R.L. de C.V.**

Circuito Exportacion # 412  
Parque Industrial Tres Naciones  
San Luis Potosí, S.L.P. Mexico CP 78395  
Ph: 52-444-834-5800  
Fax: 52-444-834-5805

## **South America**

## **BRAZIL**

### **Veyance Technologies do Brasil Produtos de Engenharia Ltda. – Regional Office**

**Alphaville** Alameda Tocantis, 75 12° Floor –  
West Gate Building  
Barueri – São Paulo  
ZIP CODE: 06455-020  
PHONE: + 55 11 3538-8202  
[www.goodyear.com.br](http://www.goodyear.com.br)

### **Veyance Technologies do Brasil Produtos de Engenharia Ltda. – Airsprings Plant**

Avenida Papa João XXIII, 3341  
Mauá - São Paulo  
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PHONE: + 55 11 4544-1400

### **Veyance Technologies do Brasil Produtos de Engenharia Ltda.– Barueri Distribution Center & Brazil Sales Office**

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ZIP CODE: 06421-400  
PHONE: + 55 11 4772-7603

### **Veyance Technologies do Brasil Produtos de Engenharia Ltda.– Fabric Mill**

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Distrito Industrial Americana - São Paulo  
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PHONE: +55 19 3478-5234

### **Veyance Technologies do Brasil Produtos de Engenharia Ltda.– Conveyor Plant**

Rua: Mores Miguel, 180  
Vila Maria Zélia - São Paulo  
ZIP CODE: 03021-200  
PHONE: + 55 11 6618-7277

### **Veyance Technologies do Brasil Produtos de Engenharia Ltda.– P.T.P Plant**

Rodovia Castello Branco, KM 41,5 - Avenida Charles Goodyear, 195  
Cururuquara - Santana de Parnaíba - São Paulo  
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PHONE: +55 11 6802-912

## **ARGENTINA**

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Avenida Cabildo, 2677 - Piso 4° A (1428)  
Ciudad de Buenos Aires  
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Fax: +54 11 4896-1666

## **CHILE**

### **Veyance Technologies Chile Limitada**

Planta Padre Hurtado  
Avenida José Luis Caro 1635, (ex-Camino antiguo a Valparaíso)  
Padre Hurtado - Santiago - Chile  
Phone: (56-2) 495 5300  
Fax: (56-2) 495 5345  
[www.goodyear.cl](http://www.goodyear.cl)

## **VENEZUELA**

### **Veyance Technologies de Venezuela, C.A. Carretera**

Nacional Valencia  
Tinaquillo, KM 46 Tinaquillo  
EdoCojede – Venezuela, Caraborra  
Phone: 58-258-430-0054

## **Europe**

## **SLOVENIA**

### **Regional Offices**

### **Veyance Technologies Europe, d.o.o.**

Škofješka cesta 6  
4000 Kranj  
Slovenia  
Tel: +386 4 207 8 000  
Fax: +386 4 207 8 255  
<http://www.goodyear.eu>  
[info\\_europe@veyance.com](mailto:info_europe@veyance.com)

## **UNITED KINGDOM**

### **Veyance Technologies UK Ltd.**

Unit 2, Zone 4  
Burntwood, Business Park  
Burntwood, Staffordshire, WS7 3XD  
England

**FRANCE**

**Veyance Technologies France SAS**  
Chemin des Hauts de Vallières  
9, Impasse du Château Rouge  
Les Hauts de Vallières F-69530 Brignais  
France

**SPAIN**

**Veyance Technologies Spain, S.L.**  
Registered office at Ayala 66,  
28001 Madrid,  
Business office address:  
C/ Iniciativa, 22,  
Poligono Industrial Los Olivos  
28906 GETAFE, Madrid  
Spain

**CIS & BALTIC countries**

**Veyance Technologies Representative Office**  
Business Center "Silver-Center"  
Bul. I. Lepse 4, 8th floor  
03680 Kiev  
Ukraine

**Asia****CHINA**

**Automotive Hose Products**  
Veyance Engineered Qingdao Elastomers Ltd.  
17 Dasha Road  
Qingdao, Shandong 266042 China  
Phone: 86-0532-8487-3244

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Post Code 720 00  
Czech Republic

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**Industrial & Hydraulic Hose, Power Transmission Products, Air Springs**

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**SOUTH AFRICA**

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Goodyear Engineered Products are manufactured and sourced exclusively by  
Veyance Technologies, Inc. or its affiliates.

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# Corporate Overview

“Our purpose is to invest wisely and create value on behalf of an array of global investors, many of whom are public pensioners. We work for our investors.”

BILL CONWAY, CHIEF INVESTMENT OFFICER

The Carlyle Group is a global alternative asset manager with more than \$159 billion in assets under management across 94 funds and 63 fund of funds vehicles. Founded in 1987 in Washington, DC, Carlyle has grown into one of the world’s largest and most successful investment firms, with more than 1,300 professionals operating in 32 offices in North America, South America, Europe, the Middle East, North Africa, Sub-Saharan Africa, Japan, Asia and Australia.

## We Work For Our Investors

More than 1,400 investors from 73 countries rely on Carlyle to achieve premium returns on their invested capital. Our investors range from public and private pension funds to wealthy individuals and families to sovereign wealth funds, unions and corporations. Through an array of products and geographic specific-funds, we work to meet the dynamic needs of the world’s most sophisticated investors.

## Four Business Segments

- [Corporate Private Equity](#) - buyout and growth capital
- [Real Assets](#) - real estate, infrastructure and energy and renewable resources
- [Global Market Strategies](#) - distressed and corporate opportunities, corporate mezzanine, energy mezzanine, hedge funds and structured credit
- [Fund of Funds Solutions](#) - private equity fund of funds program and related co-investment and secondary activities

## Carlyle Creates Value

Carlyle uses its One Carlyle global network, deep industry knowledge, Executive Operations Group and portfolio intelligence to create and execute a customized value creation plan for each of our corporate private equity and real asset investments.



### CORPORATE OVERVIEW

Carlyle Co-Founders discuss the firm’s history and guiding principles.

[View video](#)

### More Corporate Videos

Overview Fact Sheet

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### *Reach - One Carlyle Global Network*

- [More than 600 investment professionals](#) on six continents with local knowledge and relationships
- Our professionals work together across funds, industries and geographies to help colleagues

### *Expertise - Deep Industry Knowledge*

- Invest in sectors we know, and value depth over breadth
- Sectors of focus: aerospace, defense & government services, consumer & retail, energy & power, financial services, healthcare, industrial, infrastructure, real estate, technology & business services, telecommunications & media and transportation

### *Impact - Executive Operations Group*

- [26-person team of Operating Executives](#) - C-Level executives and sector specialists with an average of over 40 years' experience each
- Advise Carlyle professionals through the investment process, from sourcing deals, conducting diligence, managing companies and exiting transactions

### *Data - Portfolio Intelligence*

- Global portfolio of more than 200 companies and more than 250 active real estate investments as of 3/31/12 generates real-time, actionable data
- Incorporate proprietary analysis of data into investment, operational and exit decisions



▼ AUM BY SEGMENT

▼ EQUITY INVESTED BY INDUSTRY

▼ AUM BY GEOGRAPHY

# Our Business

## CARLYLE'S GLOBAL ALTERNATIVE ASSET MANAGEMENT PLATFORM

We are one of the world's largest and most diversified alternative asset management firms. We manage 94 distinct funds and 63 fund of funds vehicles that invest across four segments, 11 core industries and six continents. Our global size, scale and brand enable us to access opportunities in virtually every market around the world.

Corporate Private Equity

Real Assets

Global Market Strategies

Fund of Funds Solutions

### FEATURED INVESTMENTS



Booz | Allen | Hamilton  
delivering results that endure

---

*Financial Information*

# Financial Terms





## **FINANCIAL TERMS**

### **TENANT:**

Veyance Technologies, Inc. (VTI), a former subsidiary company of Goodyear Tire & Rubber, This company was also known as Goodyear Engineered Products. The current majority shareholder of VTI is The Carlyle Group based in Washington, D.C.

### **LEASE:**

The original lease was entered into on August 9, 2007. An "Amended and Restated Lease" was executed on March 13, 2008. Subsequent Amendment dated December 31, 2008 was also executed by all parties. After the completion of the building expansion, a new ten (10) year lease term was initiated to run for a period through December 31, 2018.

### **RENT:**

The rental amount on a Triple Net (NNN) Basis is as follows:

	<u>Annually</u>	<u>Monthly</u>
1/1/09–12/31/18	\$2,257,968.00	\$188,164.00
(Base Rental Rate of \$23.08 / sf)		

### **NNN LEASE:**

Tenant is responsible for all property expenses, except Landlord's responsibilities are limited to replacement of roof, structure, sprinkler system and utility lines.

### **OPTION TO RENEW:**

Two (2) Options to Renew for five (5) years each with six (6) months prior written notice. The base rent portion for each renewal period shall be equal to one hundred and ten percent (110%) of the aggregate base rate paid during the last month of the immediate prior term.

### **MANAGEMENT FEE:**

Landlord serves as the Property Manager and bills Tenant a three percent (3%) management fee.

### **PROPERTY EXPENSES:**

Tenant pays for the building expenses, but does have a 2009 Base Year as it relates to a cap on increases in Controllable Basic Operating Costs (CBOC). This cap states the CBOC will not increase by more than five percent (5%) per year. (See attached 2009 Actual and 2010 Budget.)





Security Other
<b>Total Security</b>
<b>Utilities (Tenant Responsibility)</b>
Electric
Gas
Meter Readings
Sewer
Water
Other
<b>Total Utilities</b>
<b>Administrative</b>
Management Fees
Office Supplies and expenses
Communications
Elevator phones
Management office phones
Fire Alarm phone lines
EMS phone lines
Security system phone lines
Telephone systems and Cabling for interior suite
Maintenance cell phone
Professional Services(Audit, BOMA dues)
<b>Total Administrative</b>
<b>Total Operating costs before fixed expenses</b>
<b>Minus Tenants responsibilities</b>
<b>Landlord Non-Recoverable Expenses</b>
<b>Fixed Expenses</b>
City Income Tax
Real Estate Taxes
Insurance
<b>Total Fixed Expenses</b>
<b>Total Reimbursable Operating Expenses</b>
<b>Net Operating Income after reimbursable expenses</b>
<b>Non Reimbursable Expenses (Tenant Responsibility)</b>
Interior Window Washing
Electrical(Light bulb replacement)
Computer and Data Cabling
IT cabling and Hardware
Telephone systems and Cabling for interior suite
Appliances
Fire Extinguishers throughout
Interior Doors and repairs
Ceiling tile or grid damage
Paint and wall coverings throughout
Interior and exterior signs
Tenant Utilities-entire building
Interior plumbing clogs or back ups
Any Additional Interior Improvements



## **LEASE**



## **FIRST AMENDMENT TO AMENDED AND RESTATED LEASE**

This **First Amendment to Amended and Restated Lease** (the "Amendment") is made and entered into this 31<sup>st</sup> day of December, 2008, by and between by and between **FAIRLAWN OFFICE PARK ONE, LLC**, an Ohio limited liability company ("Landlord") and **VEYANCE TECHNOLOGIES, INC.** ("Tenant").

### **RECITALS:**

A. Landlord and Tenant entered into a certain Amended and Restated Lease Agreement dated March 13, 2008 (the "Lease") for a certain portion of the building and premises situated at 703 S. Cleveland Massillon Rd. Fairlawn, Ohio 44333 as more particularly described in the Lease.

B. Pursuant to the Lease, Landlord has expended additional Tenant Costs and Excess Construction Costs (as defined in the Lease) in constructing the Premises and pursuant to the Terms of the Lease, Landlord and Tenant have agreed that such amount are to increase the Base Rent for the Premises.

c. Landlord and Tenant therefore desire to amend the Lease as set forth herein, subject to the terms and conditions as set forth in this Amendment.

In consideration of the foregoing premises and for other good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, the parties hereto do hereby agree as follows:

1. **Rent.** For the month of November, 2008, Tenant shall pay to the Landlord as monthly Base Rent the sum of One Hundred Eighty One Thousand Eight Hundred Eighty Three Dollars (\$181,883.00) for the Premises (the new Base Rent (from below) less the costs for the third floor build out). Commencing December 1, 2008, and for the duration of the Initial Term, the annual Base Rent to be paid by Tenant shall be **Two Million Two Hundred Fifty Seven Thousand Nine Hundred Sixty Four and 00/100 Dollars (\$2,257,964.00)** to be payable in equal monthly installments of **One Hundred Eighty Eight Thousand One Hundred Sixty Four Dollars (\$188,164.00)**, payable on the first day of each month during such period. Base Rent escalations in Renewal Terms shall be based on these rent amounts and Landlord shall not make any further claim for rent increases per the terms of Sections 1.B.(4) and 1.B.(5) of the Lease. The increases to Base Rent are pursuant to the attached Exhibit "A" which breaks down the Tenant Costs and Excess Construction Costs.

2. **Term.** The Initial Term shall be extended to run for a period through December 31, 2018 (ten years after January 1, 2009).

3. **Effect on Other Provisions.** Except for the foregoing, the Lease, as amended, shall continue in full force and effect and shall not be affected hereby except as expressly provided herein.

IN WITNESS WHEREOF, said Landlord and Tenant have signed their names as of the day and year first above written.

"Landlord"

FAIRLAWN OFFICE PARK ONE, LLC, an Ohio limited liability company

By: Scott Parker  
Scott Parker, Manager

By: Mike Ritenour  
Mike Ritenour, Manager

"Tenant"

VEYANCE TECHNOLOGIES, INC., a Delaware corporation

By: Michael E. Rasmussen  
Its: Vice President

TENANT'S NOTARY:

STATE OF OHIO

)  
) : SS

COUNTY OF SUMMIT

)

BEFORE ME, a Notary Public in and for said County and State, personally appeared Nathaniel Leonard, the Vice President VEYANCE TECHNOLOGIES, INC., who acknowledged that he did sign the foregoing instrument on behalf of such company, and by authority of said company, and that the same is his voluntary act and deed on behalf of said company, and the voluntary act and deed of said company.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed my official seal on this 22<sup>nd</sup> day of ~~November~~, 2008.

December

Lynne Thomas

Notary Public



LANDLORD'S NOTARY:

STATE OF OHIO

)  
) : SS

COUNTY OF SUMMIT

)

BEFORE ME, a Notary Public in and for said County and State, personally appeared Scott Parker, a Manager, and Mike Ritenour, a Manager, of Fairlawn Office Park One, LLC, who both acknowledged that they did sign the foregoing instrument on behalf of such company, and by authority of said company, and that the same is their voluntary act and deed on behalf of said company, and the voluntary act and deed of said company.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed my official seal on this 16 day of ~~November~~, 2008.

January, 2009

Anne Beznoska

Notary Public

ANNE BEZNOSKA, Notary Public  
Residence: Summit  
State With Jurisdiction, Ohio  
My Commission Expires May 12, 2012

This Instrument Prepared By  
Stark & Knoll  
3475 Ridgewood Rd.  
Akron Ohio 44333



EXHIBIT "A"

**Veyance Technologies**

Item	Interest Rate and Term	Total Base Rent Increase (yearly)
1. PLC upgrades		
• \$25,625.00 @ 6.75% over 10 years		\$3,531.00
2. Added hydrolic lines and valves for future		
• \$27,512.00 @ 6.75% over 10 years		\$3,791.00
3. Plastics Lab		
• \$88,185.00 @ 6.75% over 10 years		\$12,151.00
4. Overtime		
• \$70,000.00 @ 6.75% over 10 years		\$9,646.00
5. Instron Room		
• \$27,480.00 @ 6.75% over 10 years		\$3,787.00
6. Interest expense		
• \$212,677.00 @ 6.75% over 20 years		\$19,406.00
7. Revolving security door		
• \$66,420.00 @ 6.75% over 10 years		\$9,152.00
8. Ohio State Grant shortfall:		
• \$588,855.00 @ 6.75 over 10 years		\$81,132.00
9. Third Floor Built-Out		
• \$826,000.00 @ 6.75% over 20 years		\$75,368.00
Total Added to Base rent of \$2,040,000.00 =		\$217,964.00
<b>Total New Annual Base Rent for Initial Term</b>		<b>\$2,257,964.00</b>

**AMENDED AND RESTATED BASIC LEASE INFORMATION**

LEASE DATE: March 13, 2008

TENANT: Veyance Technologies, Inc., a Delaware corporation

TENANT'S ADDRESS:

703 S. Cleveland Massillon Rd. Fairlawn, Ohio 44333  
Phone: 330-664-7448  
Fax: 330-664-7043  
Attn: Robert Brown

LANDLORD: FAIRLAWN OFFICE PARK ONE, LLC, an Ohio limited liability company

LANDLORD'S ADDRESS: 20 E. North Street  
Akron, Ohio 44304-1023  
Phone: (330)379-0112  
Fax: (330)379-0106  
Attention: Scott Parker

OFFICE BUILDING: A four (4) story building (the "Office **Building**") totaling approximately 50,437 square feet.

INNOVATION CENTER: A three (3) story building (the "Innovation Center") totaling approximately 43,286 square feet.

A one (1) story building (the "Connector Building") connecting the Innovation Center and the Office Building totaling approximately 4,122 square feet.

The Innovation Center, Connector Building and Office Building are herein collectively referred to as the All of the Office Building, Innovation Center and Connector Building are located on approximately 4.348 acres of land known as 703 S. Cleveland Massillon Rd., Fairlawn, Ohio which legal description is contained herein in *Exhibit A-1* (the "Real Estate").

PREMISES: The entire Office Building, Connector Building, Innovation Center and the Real Estate

PERMITTED USE: General Office, Research and Development, and other

related legal uses.

TERM COMMENCEMENT November 1, 2007  
DATE:

LENGTH OF TERM: From the Term Commencement Date until One Hundred Twenty (120) months after the Innovation Center/Connector Building Delivery Date (currently planned for August 1, 2008)

RENT:

Rent for Buildings and  
Real Estate

	Months of Term	Rent Per Rentable Square Foot
Office Building	Months 1-124	Base Rent - \$18.50 per square foot per year
		Operating Rent - \$4.98 per square foot per year (subject to adjustment under Section 6 and 7)
		Total Gross Rent - \$23.48 psf per year (subject to adjustment)
Connector Building and Innovation Center	Months 1-124	Base Rent - \$23.36 per square foot per year subject to adjustment as set forth in the Lease
		Operating Rent - Per Section 6 and 7

SECURITY DEPOSIT: N/A  
BROKERS: Colliers International  
CB Richard Ellis

The foregoing Basic Lease information is incorporated into and made a part of this Lease. Defined terms in the Lease shall have the meanings ascribed to them in the Basic Lease Information unless otherwise stated. Each reference in this Lease to any of the Basic Lease Information shall mean the respective information above and shall be construed to incorporate all

of the terms provided under the particular Lease paragraph pertaining to such information. In the event of any conflict between the Basic Lease Information and the Lease, the latter shall control. The term "days" as used in this Lease means "calendar days" unless the specific term "business days" is used.

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## AMENDED AND RESTATED LEASE

THIS AMENDED AND RESTATED LEASE is made as of this 13<sup>th</sup> day of March, 2008 (the "**Effective Date**"), by and between FAIRLAWN OFFICE PARK ONE, LLC, an Ohio limited liability company, (hereinafter called "**Landlord**") and VEYANCE TECHNOLOGIES, INC., a Delaware corporation (hereinafter called "**Tenant**").

### RECITALS:

WHEREAS, Landlord and Tenant entered into Lease Agreement dated August 9, 2007, for the Office Building (as herein defined) located at the Premises; and

WHEREAS, Landlord and Tenant have agreed that the Landlord will construct and lease to Tenant the Connector Building and Innovation Center (both as herein defined) on the Premises; and

WHEREAS, Landlord and Tenant have agreed to amend and restate the Lease Agreement as set forth herein to encompass the Office Building, Connector Building and Innovation Center.

**NOW THEREFORE**, in consideration of the foregoing and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Landlord and Tenant agree as follows:

### 1. PREMISES AND CONSTRUCTION

A. **Premises.** For and in consideration of the payment of rent and the performance by Tenant of the covenants and agreements hereinafter set forth, Landlord does hereby demise, let and leave unto Tenant, and Tenant does hereby lease from Lessor those certain premises comprised of approximately 4.348 acres of land commonly known as 703 S. Cleveland Massillon Road, Fairlawn, Ohio 44333, and being more particularly described in *Exhibit A-1* (Legal Description) attached hereto and made a part hereof, together with any and all appurtenant easements, ingress and egress access to parking areas, buildings, fixtures and improvements upon such property including all fifty thousand four hundred thirty seven (50,437) square feet of the rentable area the Office Building currently located on the Real Estate, all four thousand one hundred twenty two (4,122) square feet of a building connecting the Office Building and Innovation Center currently to be constructed on the Real Estate (the "Connector Building") and all forty three thousand two hundred eighty six (43,286) square feet of an innovation center currently being constructed on the Real Estate (the "Innovation Center"), all as shown on *Exhibit A-2* (Site Layout) attached hereto and incorporated herein (collectively, the Real Estate, Office Building, Connector Building and Innovation Center are herein referred to as the "Premises").

### B. Construction.

(1) **Construction of Office Building.** Landlord has completed the construction of the Office Building including all tenant improvements to the Office Building which were not included within the scope of the building shell for the Office Building.



**(2) Construction of Innovation Center and Connector Building.** Landlord shall construct, the Innovation Center and Connector Building in accordance with (i) the working drawings attached as Exhibit "B-1" (the "Innovation Center/Connector Building Working Drawings"), and (ii) all existing applicable municipal, local, state and federal laws, statutes, rules, regulations and ordinances. Except as otherwise set forth in this Lease and except as set forth in the next paragraph, Landlord shall pay all costs of constructing the Innovation Center and Connector Building. Landlord shall use reasonable efforts to minimize disruption to Tenant's ongoing operations in the Office Building; provided, however Landlord shall not be obligated to store materials off-site or to incur extraordinary costs to do the same unless Tenant agrees to reimburse landlord for the same.

Based on the Innovation Center/Connector Building Working Drawings, Landlord has completed plans for the Innovation Center and Connector Building which plans are set forth on Exhibit B-1 and has priced the Base Rent based on the costs of completing the Innovation Center and Connector Building pursuant to the approved plans and budget associated therewith; provided, however, Landlord and Tenant agree that there are certain soft cost items which are to be incurred which are not included in Landlord's cost and which will be added as Ten Year Costs or Twenty Year Costs (both, as hereinafter defined). It is agreed that such soft costs shall be comprised only of (i) interest paid on the Landlord's construction loan and the Tenant Improvement Loan (as hereinafter defined) for the Innovation Center and Connector Building from the date of the loan until the Innovation Center/Connector Building Delivery Date and (ii) any overtime approved by Tenant with respect to the construction of the Innovation Center and Connector Building (collectively, "Construction Soft Costs"). The Innovation Center/Connector Building Working Drawings and the Budget shall encompass the building shell and build-out of the entire Innovation Center and Connector Building (unless otherwise agreed). Upon execution of this Amended and Restated Lease, Landlord shall proceed with the construction of the Innovation Center and Connector Building; provided, however, that Tenant shall be responsible for all costs associated with (i) Tenant changes requested in writing to the Innovation Center/Connector Building Working Drawings which cause a net increase in construction costs for the Innovation Center and/or Connector Building, (ii) additional work to the Innovation Center or Connector Building as requested in writing by Tenant, and (iii) Tenant Costs, all of which shall be paid by Tenant, consistent with subsection (4) directly below.

**(3) Restriction on Sale by Landlord.** Landlord expressly acknowledges that Tenant is relying on Landlord's commitment to construct the Connector Building and the Innovation Center pursuant to the terms hereof and Landlord's ability to timely and properly construct the same. Therefore, Landlord covenants and warrants that it will not sell the Premises or assign its interest in the Lease until all such construction on the Innovation Center and Connector Building is complete except for transfers of membership units of Landlord of less than a controlling interest; provided, however, Landlord may sell the Premises after February 7, 2009 in the event the Innovation Center and Connector Building has not been completed by such time. If Landlord violates this covenant, Tenant shall have the right, in addition to other remedies available to it at law or in equity, to terminate this Lease upon written notice to Landlord.

**(4) Payment for Excess Construction Costs.** Landlord and Tenant agree to the extent that Tenant requests changes in writing to the Innovation Center/Connector Building Working Drawings (after they have been approved) which result in net additional construction costs along with any Construction Soft Costs (collectively, the "Excess Construction Costs"), the Tenant shall approve and pay such Excess Construction Costs as follows:

(a) In the event Tenant requests a change in writing in the Innovation Center/Connector Building Working Drawings, or in the event the Landlord determines that it is necessary to utilize overtime labor in order to meet the Tenant's delivery date requirements for the Innovation Center and Connector Building, Landlord shall submit the (i) increased costs thereof along with whether such increased costs are Ten Year Costs or Twenty Year Costs, and/or (ii) the proposed additional overtime, if any, to Tenant. Within two (2) business days thereof, Tenant shall notify Landlord in writing as to whether it wishes to proceed with such change (or obtain a comparable quote from a subcontractor selected by Tenant), or to incur such overtime (provided, however, such consent as to overtime shall not be unreasonably withheld or delayed and, if so withheld or delayed, any required delivery dates for the Innovation Center and Connector Building as set forth in this Lease shall be postponed by such time as could have been saved by incurring such overtime). In the event the parties do not agree on whether an item is a Ten Year Cost or a Twenty Year Cost, Tenant shall have the option of not proceeding with such increased cost or may submit such determination to a mutually agreed upon architect to make such determination. If Tenant selects to have an architect make such determination, Landlord and Tenant shall agree upon an architect within ten (10) days and submit such determination for its decision within such time frame. The architect shall be instructed to make its determination in a timely manner. The loser of such determination shall pay the architect's cost. Pending such determination, Landlord shall continue with the additional construction work pending such determination by the architect, which determination shall be final and binding.

In the event Landlord desires to obtain a comparable quote for an Excess Construction Cost submitted to Landlord, Landlord shall use reasonable efforts to cooperate with Tenant in its effort to obtain such quote. In the event such quote (plus Landlord's 8% overhead and profit) is lower than the Excess Construction Cost, and Landlord does not have a reasonable objection to using the subcontractor which provided such comparable quote, Landlord shall utilize such subcontractor and the Excess Construction Costs shall be so adjusted. Landlord shall not be responsible for any delays in the required delivery dates under this Lease which are caused in procuring such comparable quote or utilizing such new subcontractor.

As used in this Section 4 and in the case of an architect's determination, "Ten Year Costs" shall mean all overtimes costs that are part of the Construction Soft Costs along with such Excess Construction Costs as are special or specific for Tenant's proposed use in the Innovation Center or Connector Building. As used in this Section 4, "Twenty Year Costs" shall mean all interest costs that are part of the Construction Soft Costs plus such Excess Construction Costs as are not special or specific for Tenant's proposed use in the Innovation Center or Connector Building.

(b) Tenant shall have the option of either (i) paying such Excess Improvement Costs in full up front, or (ii) amortizing an amount up to One Million Dollars (\$1,000,000) of such Excess Improvement Costs in monthly installments as follows:

(A) All Ten Year Costs shall be amortized into monthly installments over one hundred twenty (120) months and the resulting monthly payment shall be added to the monthly Base Rent for the last one hundred twenty (120) months of the Initial Term; and

(B) All Twenty Year Costs shall be amortized into monthly installments over two hundred forty (240) months and the resulting monthly payment shall be added to Base Rent for the last one hundred twenty (120) months of the Initial Term.

The interest rate for such amortizations shall be the interest rate Landlord is able to obtain for a ten (10) year fixed loan and a twenty (20) year fixed loan from its lender for permanent post construction financing. In the event Tenant requests Excess Improvement Costs in excess of One Million Dollars (\$1,000,000), then Landlord shall not be obligated to amortize such excess amounts under subsection (b)(ii); provided, however, Landlord may, at its election, amortize such additional costs if it can reasonably obtain construction and permanent financing from its lender for such amounts and any reasonable costs or expenses associated with such additional financing shall be included in the excess amortized amounts. If Landlord does not elect to finance such improvements or such financing cannot be obtained, Landlord shall make payment for such costs under option (b)(i) above. If Tenant is to pay under option (b)(i) above, Landlord may delay construction (and the all delivery dates will be similarly delayed) until payment is received by Tenant.

(5) **Tenant Costs/Credit/Tenant Purchased Items.** Landlord and Tenant agree that the Base Rent is currently based on Tenant making payment for construction costs of One Million Five Hundred Thousand Dollars (\$1,500,000) ("Tenant Costs"). Landlord has, prior to the date of this Amended and Restated Lease, submitted to Tenant a list of construction costs for the Innovation Center and Connector Building. Tenant is seeking an investment tax credit loan (the "Credit") from the State of Ohio for certain improvements in connection with the Innovation Center and Connector Building and, in connection therewith, Tenant must purchase and take title to certain items which are included in the construction costs. Landlord and Tenant have agreed upon the certain items and costs which Tenant is going to submit for the Credit and which are to be purchased by Tenant. Such list is attached to this Lease as Appendix 2 (the "Tenant Purchased Items"), the cost of which will not exceed One Million Five Hundred Thousand Dollars (\$1,500,000). Tenant shall use good faith efforts to pursue the Credit. To the extent Tenant is successful in obtaining the Credit, Landlord will sell to Tenant such items to which the Credit applies at Landlord's cost in order that Tenant can own them and take advantage of the Credit. Title shall transfer on payment for such items. Tenant agrees to pay for the Tenant Purchased Items (or such portion of those items for which Tenant is going to receive a Credit) no later than the Innovation Center/Connector Building Delivery Date. To the extent that the Tenant Purchased Items (or such items on which Tenant is going to receive a Credit) are less than One Million Five Hundred Thousand Dollars (\$1,500,000), such shortfall shall become an additional Ten Year Cost and shall be amortized and added to the Base Rent as in Subsection (4)(B)(ii)(a) commencing on the Innovation Center/Connector Building Delivery Date.

Landlord shall, during the construction of the Innovation Center and Connector Building, obtain financing for the Tenant Costs (the "Tenant Improvement Loan"); provided, however, (i) any bank fees and interest expense associated with the Tenant Improvement Loan shall be Construction Soft Costs (as Twenty Year Costs), and (ii) upon request, Tenant shall provide to Landlord's lender reasonable assurances that Tenant will make the payment for the Tenant Purchased Items as set forth in the prior paragraph and shall provide reasonable information, as requested by Lender, in connection with the application for the Credit.

It is agreed that Tenant shall have title to any Tenant Purchased Items and upon Tenant's election, or upon the termination of the Lease, Tenant may take such items, so long as Tenant complies with Section 12 and 25. Furthermore, any such items which are purchased and part of the Tenant Costs shall constitute Tenant Property under Section 21.D.

(6) **Warranties on Landlord's Work.** Subject to Section 10, Landlord shall provide copies to Tenant of all contractor's and suppliers warranties obtained in connection with the construction of the Office Building, Innovation Center and Connector Building (and enforce them for the benefit of Tenant as applicable) and in addition thereto, shall warrant that the Tenant



Improvements shall be free from defects for a period of one year from the Delivery Date of the Office Building (or for items not completed by the Delivery Date for the Office Building, for one year from the date of completion) and that no expenses associated with repairing or replacing any defects which are covered by such warranties shall be included with the Office Building Basic Operating Costs. Landlord further warrants that the work done on the Innovation Center and Connector Building shall be free from defects for a period of one year from the Innovation Center/Connector Building Delivery Date (or for items not completed by the Innovation Center/Connector Building Delivery Date, for one year from the date of completion) and that no expenses associated with repairing or replacing any defects which are covered by such warranties shall be included with the Basic Operating Costs

**C. Parking.** Landlord shall provide Tenant with the greater of (i) 290 parking spaces or (ii) the number of spaces required by law, unless otherwise requested by Tenant and as set forth in the plans and specification herein. In the event these parking spaces are not sufficient for the Expansion Building and Innovation Center as well as the Office Building, Landlord will use best efforts to add such additional spaces as are required as part of the construction of the Expansion Building and Innovation Center which is included in the Base Rent; provided, however, Landlord shall not be required to acquire any additional land to meet such parking requirements.

## **2. TERM**

**A. Initial Term and Scheduled Commencement Date.** The Initial Term of this Lease commenced on November 1, 2007 (the "Term Commencement Date").

The Lease Term shall continue in full force and effect for the number of months specified as the Length of Term in the Basic Lease Information or until this Lease is terminated or extended or as otherwise provided herein. Within thirty (30) days after the Innovation Center/Connector Building Delivery Date, Landlord and Tenant shall execute an amendment to this Lease stating and confirming the duration of the Initial Term, the Base Rent for the Innovation Center and the Connector Building and Tenant's acceptance of the Connector Building and Innovation Center in a mutually agreeable form. The Initial Term and any Option Term exercised shall be collectively herein referred to as the "Term".

### **B. Extension.**

**1. Options to Extend.** Subject to the terms of this Paragraph 2.B, Tenant is given two (2) options to extend the Lease Term ("Options to Extend") each for a five (5) year period ("Option Term") following the date on which the initial Term would otherwise expire (as to the first Option Term) or First Renewal Term (as to the second Option to Extend) would expire. Such Option Terms may be exercised only by written notice ("Option Notice") from Tenant to Landlord given not less than six (6) months prior to the end of the Initial Term or first Option Term, whichever is applicable ("Option Exercise Date"); provided, however, if a material Event of Default under this Lease (beyond the expiration of any applicable notice period) exists on the Option Exercise Date or on any day thereafter on or before the last day of the then current Term, the Option Notice shall be totally ineffective, and this Lease shall expire on the last day of the then current Term, if not sooner terminated.

**2. Option Term Rent.** In the event Tenant exercises its Option to Extend set forth herein, all the terms and conditions of this Lease shall continue to apply except that the Base Rent portion of the Gross Rent payable by Tenant during each Option Term shall be equal to one hundred and ten

percent (110%) of aggregate Base Rent (for the Office Building, Connector Building and Innovation Center) paid during the last month of the immediately prior Term.

### **3. DELIVERY AND POSSESSION**

(a) **Delivery Date.** Landlord has delivered possession of the Office Building to Tenant. Landlord shall deliver, and (subject to Subsection 3(d) below with respect to earlier delivery and possession of the EPRC Space) Tenant shall accept delivery of and take immediate possession of, the Innovation Center and Connector Building upon the date all of the following has occurred (i) a certificate of occupancy is issued by the City of Fairlawn, Ohio for the Innovation Center and the Connector Building, parking areas and access drives (which means for purposes of this Lease, a certificate of occupancy which allows legal occupancy by Tenant for the operation of the Innovation Center and Connector Building for the Permitted Use); and (ii) the Innovation Center and Connector Building are substantially complete subject only to minor punch list items (the "Innovation Center/Connector Building Delivery Date").

(b) **Early Possession.** Landlord shall permit Tenant, or Tenant's agents, to enter the Innovation Center and Connector Building as soon as Landlord deems (in its reasonable discretion) such areas available, taking into account safety concerns and disruption to ongoing construction activities) ("Early Possession"), for the purpose of installing Tenant's FF&E. If Tenant takes Early Possession, from and after the date on which Tenant or its agent first enters the Innovation Center or Connector Building, all of the terms and conditions of this Lease (including, but not limited to, insurance and indemnity provisions) shall be applicable to Tenant's occupancy, save and except for the requirement to pay Rent.

(c) **Walk Through and Punch List.** Upon substantial completion of the Innovation Center and Connector Building (as determined by Landlord), Landlord shall notify Tenant and Landlord and Tenant shall arrange a walk through inspection of the Innovation Center and Connector Building, which shall occur within five (5) days of Landlord's notice to Tenant. During said walk through, Tenant and its agents shall conduct a full and complete review of Tenant Improvements, which shall allow Tenant and its agents to reasonably conclude that the Innovation Center and Connector Building are completed in accordance with the Innovation Center/Connector Building Working Drawings. During said inspection, Landlord and Tenant and/or their respective agents, shall make a punch list (the "Punch List") of items which Landlord and Tenant mutually agree are to be completed in order to fulfill the Innovation Center/Connector Building Working Drawings. Landlord and Tenant agree that all items on the punch list (the "Punch List") are to be identified at that time in a writing prepared by Landlord and signed by Tenant. Landlord shall be afforded a mutually agreed upon reasonable period of time to address the agreed upon Punch List items (not to exceed sixty (60) days) and, if necessary, Landlord may substitute reasonably items as necessary to complete the Punch List items within such 60 days until such time as the Punch List items can be completed in accordance with the Innovation Center/Connector Building Working Drawings. Punch List items shall not include latent defects which can be raised later by Tenant will be subject to Landlord's warranty set for in Section 1. In the event the Punch List which interfere with Tenant's ability to operate within the Innovation Center or Connector Building are not completed within such 60 day period Tenant shall have one day free Base rent for the Connector Building and Innovation Center for each day the items are not completed beyond such 60 day period. The parties agree that landscaping for the Office Building will not occur until the spring of 2008 and landscaping for the Innovation Center and Connector Building will not occur until after the Innovation Center/Connector Building Delivery Date (but in no event later than 45 days thereafter, weather and season permitting).

(d) **Delivery Requirements and Penalties.** Landlord shall use commercially reasonable efforts to cause the Innovation Center/Connector Building Delivery Date to be no later than November 1, 2008 and is fully bound to move forward with the Lease ("Final Completion Date"). Landlord shall keep Tenant advised of the status of completion of the Innovation Center and Connector Building and the Final Completion Date and shall give Tenant at least sixty (60) days prior written notice of the Innovation Center/Connector Building Delivery Date.

Landlord and Tenant acknowledge that Tenant is currently required to vacate its current premises at 1376 Tech Way Dr., Akron, OH 44316 (the "EPRC Facility") no later than July 31, 2008. The portion of the Innovation and Connector Building which will be occupied by the fixtures, furniture, equipment and personnel from the EPRC Facility is agreed upon to be as defined in Appendix "2" (the "EPRC Space"). Landlord shall deliver possession of the EPRC Space, in order to allow Tenant to move its fixtures, furniture and equipment from the EPRC Facility to the EPRC Space (the "EPRC Occupancy Date") no later than July 31, 2008. Upon such possession, Tenant shall be permitted to commence installation and set up of its fixtures, furniture and equipment, but shall not be permitted to operate for business in such space until the EPRC Delivery Date. Landlord shall procure an occupancy permit enabling Tenant to operate within the EPRC Space no later than the later of (i) four weeks after the EPRC Occupancy Date or (ii) August 28, 2008 (the "EPRC Delivery Date").

In the event the EPRC Occupancy Date is beyond July 31, 2008, and the delay in the EPRC Occupancy Date is not caused by a Tenant Delay or due to a Force Majeure event, Tenant shall receive a credit against the Base Rent equal to Four Hundred Seventy Eight and 78/100 Dollars (\$478.78) for each day the EPRC Occupancy Date is beyond July 31, 2008 (provided, however, Landlord shall not be required to pay such amounts if Tenant does not have to pay holdover rent to Goodyear at the EPRC Facility).

In the event the EPRC Delivery Date is not effected by the later of (i) four weeks after the EPRC Occupancy Date or (ii) August 28, 2008, and the delay in the EPRC Delivery Date is not caused by a Tenant Delay or due to a Force Majeure event, Tenant shall receive a credit against the Base Rent equal to One Thousand Three Hundred Thirty Three and 33/100 Dollars (\$1,333.33) for each day the EPRC Delivery Date is beyond such date.

In the event the Innovation Center/Connector Building Delivery Date is beyond the Final Completion Date, and the delay in the Delivery Date is not caused by a Tenant Delay or due to a Force Majeure event, Tenant shall receive a credit against the Base Rent equal to one day of Base Rent for each day the Innovation Center/Connector Building Delivery Date is beyond the Final Completion Date.

As used herein, "Tenant Delay" shall mean delays caused by (i) any changes requested by Tenant, (ii) any failure of Tenant to give such approvals, make such payments or otherwise comply with this Lease, or (ii) any other act or omission by Tenant or its employees, agents or contractors which causes the construction schedule to be delayed.

(e) **Landlord's Ability to Complete Work.** In the event Landlord ceases work on the construction of the Innovation Center and Connector Building for a period of fifteen (15) days, and such cessation is not due to Force Majeure or actions or inaction of other parties outside of Landlord's control (including, but not limited to Tenant), then upon fifteen (15) days additional notice to Landlord (without cure during such time by Landlord), Tenant shall be permitted to complete the construction of the Innovation Center and Connector Building. Tenant shall, within reason, cooperate with Landlord's lender in such completion of the construction and shall use reasonable efforts to promptly complete the Innovation Center and Connector Building according



to the IC/CB Working Drawings. Tenant shall record, detail and itemize all expenses and costs associated with such construction (the "Default Construction Costs") and, upon completion, present a detailed and itemized list of such Default Construction Costs to Landlord and its lender. Tenant shall then be entitled to amortize such costs and expenses over the remainder of the Initial Term at the interest rate for Ten Year Costs and offset from the monthly Base Rent for the Innovation Center and Connector Building the monthly amortized amount of the Default Construction Costs.

#### **4. USE**

**A. General.** Tenant shall use the Premises for the Permitted Use (as set forth in the Basic Lease Information) and for any other lawful use or purpose. Tenant shall control Tenant's employees, agents, and business invitees, licensees, contractors, assignees and subtenants (collectively, "Tenant Parties"). Tenant and Tenant Parties shall have exclusive use of the Premises and all buildings thereon, all parking areas, the driveways adjacent to the Premises and other areas upon the Real Estate subject to Landlord's construction of the Connector Building and Innovation Center and other rights reserved under this Lease.

**B. Limitations.** Storage outside the Premises of materials, vehicles or any other items is prohibited, with the exception of outside storage in areas designated and approved in advance and in writing by Landlord. Tenant may be required to provide screening for such outside storage, at the discretion of Landlord. Tenant shall not use or allow the Premises to be used for any improper, immoral, unlawful or objectionable purpose, nor shall Tenant cause or maintain or permit any nuisance in, on or about the Premises. Tenant shall not commit or suffer the commission of any waste in, on or about the Premises. Tenant shall not allow any sale by auction upon the Premises, or place any loads upon the floors, walls or ceilings that endanger the structure (provided, however, Landlord represents that basic office loads shall not endanger such structure), or place any harmful liquids (which clog or harm the plumbing) or Hazardous Materials (except in the ordinary course of using the Premises for the Permitted Use and otherwise in compliance with the terms of this Lease) in the drainage system of the Building. No waste, materials, or refuse shall be dumped upon or permitted to remain outside the Building except in trash containers placed inside exterior enclosures designated for that purpose.

**C. Compliance with Regulations.** By entering the Premises and subject to Landlord's representations and warranties set forth in this Lease, Tenant accepts the Premises in the condition existing as of the date of such entry, subject to all existing or future applicable municipal, state and federal and other governmental statutes, building codes, regulations, laws and ordinances, including zoning ordinances and regulations governing and relating to the use, occupancy and possession of the Premises and the use, storage, generation and disposal of Hazardous Materials (hereinafter defined) in, on and under the Premises (collectively "Regulations"). Any addition, alteration, improvement or rebuilding, structural or otherwise, to or of the Premises or any part thereof, which may be necessary or required by reason of any law, rule, regulation or order promulgated by competent governmental authority (collectively an "Required Alteration") shall be promptly (as required by law) made by and at the cost and expense of (a) Landlord, if such Required Alteration is required to be made to the Premises and is necessitated by something other than Tenant's use or Tenant's modifications or changes of or to the Premises, and (b) Tenant, if such Required Alteration is required to be made to the Premises because of the use of the Premises by Tenant or due to Tenant's modifications or changes of or to the Premises.



Except as provided in the previous paragraph, Tenant shall, at Tenant's sole expense, strictly comply with all Regulations now in force or which may hereafter be in force relating to the Premises and the use of the Premises and/or the use, storage, generation of Hazardous Materials in, on and under the Premises after the date hereof. Except for the Certificate of Occupancy, Tenant shall at its sole cost and expense obtain any and all licenses or permits necessary for Tenant's operation of the Premises or its use of the Premises. Tenant shall promptly comply with the requirements of any board of fire underwriters or other similar body now or hereafter constituted if due to Tenant's use of the Premises (landlord to pay such costs otherwise). Tenant shall not do or permit anything to be done in, on, or about the Premises or bring or keep anything which will in any way increase the rate of any insurance paid for by Landlord upon the Premises or the Building, or upon any contents therein or cause a cancellation of said insurance or otherwise affect said insurance in any manner without the written consent of Landlord, which consent shall not be unreasonably withheld, if reasonably related to the conduct of Tenant's business within the Premises. In the event of such written consent by Landlord, Tenant shall pay for any increase in the rate of any insurance paid for by Landlord as set forth above. Tenant shall indemnify, defend, protect and hold Landlord harmless from and against any loss, cost, expense, damage, attorneys' fees or liability arising out of the failure of Tenant to comply with any Regulation or comply with the requirements as set forth herein. Landlord represents and warrants to Tenant that, as delivered on the Delivery Date and on the Innovation Center/Connector Building Delivery Date, the construction of the Premises, including adequacy of parking and intended use of the Premises by Tenant shall comply with all Regulations, including without limitations all zoning laws and shall be compliant with the Americans with Disabilities Act and similar state and local laws and ordinances.

**D. Hazardous Materials.** Prior to the Delivery Date, Tenant and Landlord shall procure (from a mutually agreed upon consultant) a Phase I base line environmental site assessment to determine the environmental status of the Premises prior to Lease Commencement. Tenant and Landlord shall equally share the cost of such assessment and shall each be the beneficiaries thereof and entitled to rely thereon.

If Tenant believes that there are existing areas of environmental concern with the Premises which are reflected in the Phase I, Tenant may, at its cost, perform such further testing as it determines necessary to determine if there is existing environmental contamination of the Premises; provided, Tenant shall minimize any disruption to the Premises or construction activities thereon, return the Premises to its original condition (or as close as reasonably possible) and hold Landlord harmless from its actions in connection with such testing or the actions of its employees, agents and contractors. If such additional testing uncovers existing environmental contamination at levels which would require remediation or removal under applicable Regulations, Landlord (upon notice from Tenant of such contamination) shall (i) promptly commence remediation of the same and diligently pursue the completion thereof (at Landlord's cost), or (ii) give Tenant notice that it will not remediate such contamination in which case Tenant may terminate the Lease within thirty (30) days thereof. If Landlord does not commence and diligently pursue such remediation, Tenant may, upon thirty days notice without cure by Landlord, terminate this Lease. Tenant shall provide to Landlord any and all results and reports it receives with respect to any testing performed hereunder. Tenant confirms that it did procure such Phase I and that no areas of environmental concern existed.

Tenant shall not cause, or allow any of Tenant's Parties to cause, any Hazardous Materials to be generated, stored, used, treated, removed, transported, handled and disposed of on or about the Premises or the Building except in compliance with applicable Regulations. Landlord hereby approves the use of the Hazardous Materials in the quantities, for the purposes and with the

amount of discharges as set forth on Schedule 4-D (the "Disclosed Hazardous Materials") in the Innovation Center only; provided, however, Tenant's use of the Disclosed Hazardous Materials shall be strictly limited to the types, quantities and purposes as disclosed to, and approved by, Landlord, and shall not be construed as an authorization for Tenant to generate, store, use, treat, remove, transport, handle or dispose of any additional quantities of Disclosed Hazardous Materials or any other Hazardous Materials in, on, about or under the Premises. Tenant acknowledges that, if Disclosed Hazardous Materials are permitted, any material change in the purpose, type or quantity of Disclosed Hazardous Materials as approved by Landlord, or any change in the means and methods of generating, storing, treating, removing, transporting, handling or disposing of such Disclosed Hazardous Materials, shall require the prior written approval of Landlord in each instance. Tenant represents and warrants to Landlord that (a) prior to its use of Hazardous Materials on the Premises, it will have received or obtained issuance of, and will maintain in effect, all permits, approvals, licenses, or other authorizations necessary for Tenant's activities with respect to the Disclosed Hazardous Materials, and (b) Tenant has not been cited, fined, or otherwise found to be in violation of any governmental requirement or fire, safety and insurance requirements or regulations applicable to any Disclosed Hazardous Materials or any other Hazardous Materials in any other leased premises. If Disclosed Hazardous Materials are permitted, at least once during each twelve (12) month of the Lease Term, Landlord may request and Tenant shall provide an inventory list describing the minimum and maximum quantities of each of the Disclosed Hazardous Materials generated, stored, used, treated, removed, transported, handled and disposed of on or about the Premises or the Building the succeeding twelve (12) months, and a copy of its Hazardous Materials Management Plan ("HMMP") in the form submitted by Tenant to the fire department. Tenant agrees to notify Landlord immediately if Tenant receives notification or otherwise becomes aware of: (a) any material threatened or actual release, spill or discharge of any Disclosed Hazardous Materials in, on, about or under the Premises or any building, or (b) any threatened or actual lien, action, or proceeding or notice that any Disclosed Hazardous Materials or any other Hazardous Materials is not being generated, stored, used, treated, removed, transported, placed, manufactured, handled, or disposed of in strict compliance with any and all governmental requirements and regulations or applicable fire, safety or insurance requirements and regulations. If Tenant or any of Tenant's Parties is partially or wholly responsible or potentially responsible for such condition, situation, lien, action or notice, Tenant's notice to Landlord shall include a statement as to the actions Tenant proposes to take in response to such condition, situation, lien, action or notice. As used in this Lease, "**Hazardous Materials**" shall include, but not be limited to, hazardous, toxic and radioactive materials and those substances defined as "hazardous substances," "hazardous materials," "hazardous wastes," "toxic substances," or other similar designations in any federal, state, or local law, regulation, or ordinance. Landlord shall have the right at all reasonable times and with reasonable notice to Tenant to inspect the Premises and to conduct tests and investigations to determine whether Tenant is in compliance with the foregoing provisions. The costs of all such inspections, tests and investigations shall be borne by Landlord. In the event the inspection determines that Tenant is in violation of this Paragraph 4.D, Tenant shall be responsible for the cost such inspection. Tenant shall indemnify, defend (by counsel selected by Tenant and approved by Landlord, which approval shall not be unreasonably withheld), protect and hold Landlord harmless from and against all liabilities, losses, actually incurred costs and expenses, demands, causes of action, claims or judgments directly or indirectly arising out of the use, generation, storage or disposal of Hazardous Materials by Tenant or any of Tenant's Parties, which indemnity shall include, without limitation, reasonable attorneys' and consultants' fees, the cost of any required or necessary repair, cleanup or detoxification, and the preparation of any closure or other required plans, whether such action is required or necessary prior to or following the termination of this Lease. Neither the written consent by Landlord to the use, generation, storage or disposal of Hazardous Materials nor the strict compliance by Tenant with all laws pertaining to Hazardous Materials shall excuse

Tenant from Tenant's obligation of indemnification pursuant to this Paragraph 4.D. Tenant's obligations pursuant to the foregoing indemnity shall survive the termination of this Lease.

Landlord represents that neither Landlord nor, to Landlord's knowledge, any other person, has placed, stored, buried, spilled or released, dumped or disposed of, or transported to or from, any Hazardous Materials on, beneath, or about any of the Premises. Tenant shall have the right at all reasonable times to inspect the Premises and to conduct tests and investigations to determine whether such representation is correct. The costs of all such inspections, tests and investigations shall be borne by Tenant, provided, in the event the inspection determines that Landlord's representation is incorrect, Landlord shall be responsible for the cost such inspection. Landlord shall indemnify, defend (by counsel selected by Landlord and approved by Tenant, which approval shall not be unreasonably withheld), protect and hold Tenant harmless from and against all liabilities, losses, actually incurred costs and expenses, demands, causes of action, claims or judgments directly or indirectly arising out of the use, generation, storage or disposal of Hazardous Materials by Landlord or its agents employees or contractor or arising out of the presence of Hazardous materials on the Premises prior to the Delivery Date (unless caused by Tenant or any of Tenant's Parties), which indemnity shall include, without limitation, reasonable attorneys' and, if incurred by Tenant, consultants' fees, the cost of any required or necessary repair, cleanup or detoxification, and the preparation of any closure or other required plans, whether such action is required or necessary prior to or following the termination of this Lease pursuant to this paragraph 4.D. Landlord's obligations pursuant to the foregoing indemnity shall survive the termination of this Lease.

**5. LANDLORD TO MAINTAIN THE PREMISES** Except for Tenant's maintenance obligations provided in Paragraph 11 and consistent with the standards outlined in Exhibit "D", Landlord shall continuously throughout the Lease Term furnish, operate, and maintain the Premises in good operating condition and repair and replacement and keep the Real Estate reasonably clean and free from snow, ice, rubbish and debris; and adequately illuminate, landscape and drain it, including those items set forth in Paragraph 7 which are considered part of the Basic Operating Costs and otherwise consistent with a first class office building in Northeast Ohio. In connection with Landlord's maintenance obligations, Landlord may from time to time prescribe, in writing, and Tenant shall comply with, such reasonable rules and regulations not in conflict with this Lease as may be approved by Tenant.

**6. RENT**

**A. Rent.** Gross Rent for the Premises shall be comprised of Base Rent and Operating Rent, plus any adjustments to the Additional Rent as hereinafter determined. Gross Rent for the Office Building, Connector Building and Innovation Center shall be calculated on the basis of the rentable square feet of the each such building (Office Building - 50,437 square feet, Innovation Center - 43,286 square feet and Connector Building - 4,122 square feet) to be determined based on the Innovation Center/Connector Building Working Drawings, and then as recertified by Landlord's architect upon completion of the Innovation Center and Connector Building; provided, however, if Tenant disagrees with such recertification it shall do so within thirty (30) days of the Innovation Center/Connector Building Delivery Date and the parties shall choose a mutually agreeable architect to certify such square footage and such decision shall be binding. The parties shall split the cost of such new architect).

The initial rate for Base Rent for the Office Building shall be as set forth in the Basic Lease Information, subject to adjustment in an Option Term. The initial rate for Operating Rent for the Office Building shall be as set forth in the Basic Lease Information, subject to adjustment under



Section 6.A.2.(b) and 7.B. The initial rates for Base Rent for the Innovation Center and Connector Building shall be as set forth in the Basic Lease Information, subject to adjustment as provided in this Lease and subject to adjustment in an Option Term. The initial rate for the Operating Rent for the Innovation Center and Connector Building shall be as set forth in Section in this Section 6.A.2(b). As used in this Lease, "Operating Rent" shall be the amount of Basic Operating Costs which are to be paid by Tenant under this Lease.

1. Office Building. Tenant's obligation to pay Gross Rent for the Office Building shall commence on the Term Commencement Date; provided, however, that so long as Tenant is not in Default, Tenant shall have no obligation to pay the Base Rent portion of the Gross Rent for the Office Building for the first four (4) months of the Initial Term; provided, however, Tenant shall still pay the Operating Rent portion of Gross Rent for the Office Building for such period.
2. Innovation Center and Connector Building. Tenant's obligation to pay Gross Rent for the Innovation Center and the Connector Building shall commence on the Innovation Center/Connector Building Delivery Date.

(b) Operating Rent for the Innovation Center and Connector Building shall be determined as follows:

(i) Prior to the Innovation Center/Connector Building Delivery Date, Landlord shall provided Tenant an estimate/budget for the Operating Rent for the entire Premises (including the Office Building) for periods after the Innovation Center/Connector Building Delivery Date through the end of the calendar year during which such delivery date occurs (e.g. through December 31, 2008 based on the scheduled delivery date). Such estimate/budget shall be subject to approval by Tenant, not to be unreasonably withheld or delayed, and shall be itemized by expenses such that Tenant, at its option, shall be able to obtain comparable quote for any or all of the various expenses. In the event Tenant obtains a lower quote than as budgeted, and Landlord does not have a reasonable objection to using the service or provider which provided such comparable quote, Landlord shall utilize such service or provider and the estimate/budget shall be so adjusted. In the event Landlord and Tenant cannot agree on an item in the budget, Landlord shall not be obligated to provide such service; provided, however, in the event Landlord and Tenant are in dispute over a service which, if not provided, would detrimentally affect the systems or structure of any of the Buildings, Landlord may provide such service and charge Tenant so long at Landlord has obtained at least two (2) independent quotes for such service and it chooses the lower in cost.

Tenant shall pay such budgeted/estimated Operating Rent for the entire Premises through the end of such year. Within One Hundred Twenty (120) days after the end of such fiscal year, or as soon thereafter as practicable, Landlord shall deliver to Tenant a statement of Basic Operating Costs for the periods in the fiscal year just ended after the Innovation Center/Connector Building Delivery Date. Such statement shall be reasonably detailed and prepared in accordance with generally accepted accounting principles, certified by an officer of Landlord detailing actual Basic Operating Costs. If such statement shows that Tenant's payment of Operating Rent was less than the Basic Operating Costs for such year, then Tenant shall pay to Landlord the difference within thirty (30) days after receipt of such statement. If such statement shows that Tenant's payments of Operating Rent in such year exceeded the Basic Operating Costs, then Landlord shall credit the difference against the Operating Rent payment next due.

(ii) Prior to the end of the calendar year under subsection (i) above, or as soon thereafter as practicable to Landlord, Landlord shall provide Tenant an estimate for the Operating Rent for the entire Premises (including the Office Building) for next year (the "Base Year") (e.g. the year ending December 31, 2009, based on the scheduled delivery date for the Innovation Center and Connector Building). Such estimate/budget shall be subject to Tenant's approval, not to be unreasonably withheld or delayed, and shall be itemized by expenses such that Tenant, at its option, shall be able to obtain comparable quote for any or all of the various expenses. In the event Tenant obtains a lower quote than as budgeted, and Landlord does not have a reasonable objection to using the service or provider which provided such comparable quote, Landlord shall utilize such service or provider and the estimate/budget shall be so adjusted. In the event Landlord and Tenant cannot agree on an item in the budget, Landlord shall not be obligated to provide such service. Tenant shall pay such budgeted/estimated amount as Operating Rent for the entire Premises through the end of such Base Year. Within One Hundred Twenty (120) days after the Base Year, or as soon thereafter as practicable, Landlord shall deliver to Tenant a statement of Basic Operating Costs for the Base Year just ended. Such statement shall be reasonably detailed and prepared in accordance with generally accepted accounting principles, certified by an officer of Landlord detailing actual Basic Operating Costs. If such statement shows that Tenant's payment of Operating Rent was less than the Basic Operating Costs for such year, then Tenant shall pay to Landlord the difference within thirty (30) days after receipt of such statement. If such statement shows that Tenant's payments of Operating Rent in such year exceeded the Basic Operating Costs, then Landlord shall credit the difference against the Operating Rent payment next due.

(iii) Operating Rent after the Base Year shall be as determined under Section 7.

**B. Payments.** Tenant shall pay to Landlord, without demand throughout the Term, Gross Rent as specified in the Basic Lease Information (and as may be modified per Section 1.B) together with all Operating Rent, payable in monthly installments in advance on or before the first day of each calendar month, in lawful money of the United States, without deduction or offset whatsoever except as specifically provided under this Lease, at the address specified in the Basic Lease Information or to such other place as Landlord may from time to time designate in writing in accordance with Section 31.A hereof. If the obligation for payment of any Rent for the Connector Building and Innovation Center (or the EPRC Space) commences on other than the first day of a month, then such Rent (calculated at the rate applicable to the first full month after the Innovation Center/Connector Building Delivery Date) for the partial month shall be prorated on the basis of the actual number of days in the month and shall be paid on or before the Innovation Center/Connector Building Delivery Date and/or the EPRC Delivery Date (if applicable).

**C. Additional Rent.** All monies other than Base Rent and Operating Rent required to be paid by Tenant hereunder, including, but not limited to, the interest and late charges described in Paragraph 26.D., any monies spent by Landlord pursuant to Paragraph 29, shall be considered additional rent ("Additional Rent"). "Rent" shall mean Base Rent, Operating Rent and Additional Rent.

## **7. BASIC OPERATING COSTS**

**A. Operating Rent and Basic Operating Costs.** Tenant's obligation to pay Operating Rent with respect to the Office Building shall commence on the Delivery Date and the amount due for the period before the Term Commencement Date shall be paid within ten (10) days of the Delivery Date. Tenant's obligation to pay Operating Rent with respect to the Innovation Center and Connector Building shall commence on the Innovation Center/Connector Building Delivery Date and such amount shall be paid within ten (10) days of the Innovation Center/Connector Building Delivery Date.

Landlord shall account for each item of Basic Operating Costs attributable to maintenance, repair and replacement of the Premises and the Office Building, Innovation Center and Connector Building. **"Basic Operating Costs"** shall mean all expenses and costs (except as otherwise provided under this Lease) which Landlord shall pay or become obligated to pay because of or in connection with the management, maintenance, preservation and operation of the Premises (determined in accordance with generally accepted accounting principles, consistently applied) as set forth in subsections 7.A(1) – (6) below. Landlord's obligations under Section 10 are not included in the definition of Basic Operating Costs.

(1) **Taxes.** All real property taxes, including those resulting from any increase in the value of the buildings on the Premises and/or the Premises, service payments in lieu of such taxes, assessments, levies, fees or charges general and special, ordinary and extraordinary, unforeseen as well as foreseen, of any kind (including fees "in-lieu" of any such tax or assessment) which are assessed, levied, charged, confirmed, or imposed by any public authority upon the real property upon which the buildings are located, the Office Building, Connector Building, Innovation Center, their operations or the Rent (or any portion or component thereof) (all of the foregoing being hereinafter collectively referred to as **"real property taxes"**), or any tax imposed in substitution, partially or totally, of any tax previously included within the definition of real property taxes, or any additional tax the nature of which was previously included within the definition of real property taxes, except (a) inheritance or estate taxes imposed upon or assessed against the Premises, or any part thereof or interest therein, (b) taxes computed upon the basis of net income of Landlord or the owner of any interest therein, except as otherwise provided in the following sentence. Basic Operating Costs shall also include any taxes, assessments, or any other fees imposed by any public authority upon or measured by the monthly rental or other charges payable hereunder, including, without limitation, any gross income tax or excise tax levied by the local governmental authority in which the Premises is located, the federal government, or any other governmental body with respect to receipt of such rental, or upon, with respect to or by reason of the development, possession, leasing, operation, management, maintenance, alteration, repair, use or occupancy by Tenant of the Premises or any portion thereof, or upon this transaction or any document to which Tenant is a party creating or transferring an interest or an estate in the Premises. In the event that it shall not be lawful for Tenant to reimburse Landlord for all or any part of such taxes, the Base Rent payable to Landlord under this Lease shall be revised to net to Landlord the same net rental after imposition of any such taxes on Landlord as would have been payable to Landlord prior to the payment of any such taxes. If Landlord, at any time during the Term of this Lease or after termination of this Lease, shall receive a refund of real property taxes applicable to a period within the Term of this Lease for which Tenant has paid real property taxes hereunder, Landlord shall refund to Tenant any amounts to which Tenant would be entitled in excess of the amounts due to Landlord as a result of such Event of Default. If Tenant timely pays real property taxes to Landlord, Landlord alone shall be responsible for any fines, penalties, interest and other charges that result from any late payment of taxes by Landlord. Provided Tenant is not in default of this Lease, Tenant shall have the right in its own name or in Landlord's name, at its cost with attorneys reasonably acceptable to Landlord, to challenge or contest the assessment or charge of any of the amounts hereunder. Landlord agrees to cooperate



in such appeals and to execute any necessary papers in connection with said appeals. Notwithstanding the foregoing, Tenant shall have no obligation to pay the current assessment or any interest thereon against the Property for the widening of Kumho Drive (approximately \$25,000 payable in installments over 5 years), such amounts to be paid by Landlord. Landlord further represents that it has no knowledge of any other future, current or pending assessments.

In the event the Landlord sells the Premises and such sale results in the increase in real estate taxes against the Premises, the parties agree that Tenant shall not be required to pay any of the increase in real estate taxes on a going forward basis after such date resulting from a reappraisal based upon such sale. The parties agree that any real estate tax increases for the year in which a sale occurs shall be presumed to be the result of such sale. By way of example, if the Premises is sold in 2010 and the real estate taxes against the Premises for such year increase by \$30,000, Tenant shall not have to pay this additional \$30,000 of the real estate taxes against the Premises each year going forward. Tenant shall be responsible to pay any other increases in real estate taxes during the Term not resulting from a sale of the Premises.

Further, Landlord and Tenant agree that in the event the real estate taxes for the Office Building when initially assessed upon completion of the Office Building for Tenant exceed Two and 43/100 Dollars (\$2.43 per square foot), Tenant shall be responsible to pay for such additional amounts as additional Basic Operating Costs in an amount not to exceed twenty percent (20%) of such initial amount and Landlord shall pay any amount in excess thereof. This excess amount shall be deemed the "Initial Real Estate Tax Differential". By way of example, if the Premises, when initially assessed for real estate tax purposes by Summit County, is assessed as of the Delivery Date at a value of \$2.50 per square foot then Tenant shall pay an additional \$0.07 per square foot to Landlord for all assessed periods during the Lease prior to such date and the Operating Rent for those periods and going forward shall be adjusted to reflect such increase. Tenant shall be responsible to pay the full amount of any real estate taxes with respect to the Innovation Center and Connector Building.

At the election of Tenant, delivered in writing to Landlord not later than the Delivery Date, Tenant shall have the option of directly paying all real property taxes against the Premises for period during which Tenant occupies the Premises (e.g. from the Delivery Date Office Building until the end of the Term). Real property taxes and assessments on the Premises are currently payable in semi-annual installments which are due and payable in the months of February and August of each year and are for the semi-annual period one (1) year beforehand. By way of example, during the Initial Term, Tenant shall pay for all such invoices or bills for periods from the Delivery Date of the Office Building until the end of the Term. Any invoices for partial semi-annual periods which are partially in and outside of the Term will be prorated based on the number of days. Upon receipt of any bill for real property taxes, Landlord shall promptly invoice Tenant for payment of such Taxes along with a copy of such tax bill. Tenant shall remit payment to Landlord or to the appropriate governmental taxing authority in the amount invoiced no less than ten (10) days before the date such payment is due. Upon the end of the Term of the Lease, the parties recognize that Tenant shall still have remaining liabilities for real property taxes arising for periods during the Term. Upon such termination, Tenant shall pay to Landlord the projected amount of the real property taxes based on the current years amounts and, in the event such real property taxes are different when billed, Tenant and Landlord shall settle up on such difference within thirty (30) days of notice from either party of such difference. Tenant and Landlord acknowledge that the first tax bill for which Tenant will have any obligation (assuming a Delivery Date in 2007) shall be a pro-rata obligation of the real estate tax bill for the second half of 2007, which will be received in July of 2008.



If Tenant fails to pay such Taxes, Tenant shall be responsible for any fines, penalties and interest due thereon, and Landlord may, at its option, pay such Taxes, together with all penalties and interest which may have been added thereto because of Tenant's delinquency or default, and may likewise redeem the Premises, or any part thereof, or the buildings or improvements situated thereon, from any tax sale or sales. Any amounts so paid by Landlord shall become immediately due and payable as rent by Tenant to Landlord, together with interest thereon at the Applicable Interest Rate, from the date of payment by Landlord until paid by Tenant. Any such payment by Landlord shall not be deemed to be a waiver of any other rights which Landlord may have under the provisions of this lease or as provided by law.

In the event Tenant decides to pay real property taxes directly, it shall do so for the remainder of the term and such decision may only be revoked with the consent of Landlord. Furthermore, the amount of the Basic Operating Costs and Operating Rent shall be adjusted accordingly upon such an election by Tenant.

(2) **Insurance.** All insurance premiums and costs, including but not limited to, any deductible amounts, premiums and costs of insurance incurred by Landlord as provided herein, as more fully set forth in Paragraph 8.A. herein. On an annual basis, upon Tenant's written request, Landlord shall share with Tenant its policies and costs for such insurance. Tenant shall within 15 days of receipt of the insurance information from Landlord, to notify Landlord that it can procure substantially identical insurance for less cost. If such insurance is on terms as are acceptable to Landlord in its reasonable determination (including, but not limited to, making Landlord the primary insured and loss payee where applicable and providing Landlord with adequate assurances that such insurance will be and maintain in effect) Tenant shall have the option of procuring the insurance required by Paragraph 8A(2) directly. In the event Tenant procures such insurance, the amount of the Basic Operating Costs and Operating Rent shall be adjusted accordingly.

(3) **Maintenance, Repairs and Improvements.** Such cost and expenses of the items as listed on Exhibit "D" together with such other maintenance, repair and improvements which are not (i) necessitated by Tenant's specific use of the Premises or (ii) required due to changes, alterations or modifications made to or at the Premises by Tenant or at its request.

Prior to the commencement of each calendar year, upon Tenant's request, Landlord and Tenant shall review the costs associated with the foregoing and the method for delivering such services and the scope of services set forth in paragraph 4 below and approve the same.

The foregoing notwithstanding, such repairs, replacements, and general maintenance shall exclude (i) any Landlord obligations under Section 10, (ii) any warranty work of Landlord or its contractors or suppliers as set forth in Section 1.B and (iii) the cost of any capital improvements made to or capital assets acquired for the buildings on the Premises or the Premises after the Term Commencement Date except those that are required under any governmental law or regulation after the date of this Lease and which are Tenant's obligations under Section 4C., provided such costs or allocable portions thereof are to be amortized over the useful life of the improvement, as determined by the Landlord in accordance with GAAP and the Internal Revenue Service guidelines, together with interest on the unamortized balance at rate of eight and one-half percent (8-1/2%)

(4) **Services.** All services as set forth on Exhibit "D" together with such other services which are not (i) necessitated by Tenant's specific use of the Premises or (ii) required due to changes, alterations or modifications to or at the Premises made by Tenant or at its request.

(5) **Utilities.** To the extent such expenses are not the obligation of Tenant under other provisions of this Lease, the cost of all utilities which benefit all or a portion of the Premises,

(6) **Management Fee.** Building management fees not to exceed 3% of the aggregate annual Base Rent.

**B. Payment of Increase in Basic Operating Costs over the Base Year.** If, in any calendar year after the Base Year (as hereinafter defined), the Basic Operating Costs for such year exceed the Basic Operating Costs for the Base Year, then as additional Operating Rent for that calendar year, or partial calendar year, Tenant shall pay for each rentable square foot of floor space as leased hereunder an amount equal to the Basic Operating Cost Differential (as hereinafter defined), all in accordance with the terms herein. As used herein, the Base Year shall be the first full calendar year after the year in which the Innovation Center/Connector Building Deliver Date occurs. As used herein, the "Basic Operating Cost Differential" shall mean the difference in the Basic Operating Costs for the Base Year and the Basic Operating Costs for the year in question. It is hereby agreed that the estimated Operating Rent and Basic Operating Costs for Office Building for 2007 and up through the Innovation Center/Connector Building Delivery Date shall be Four Dollars and 98/100 (\$4.98) plus any Initial Real Estate Tax Differential (as herein defined).

Prior to the commencement of any calendar year (or soon thereafter as practicable) during the term hereof after the Base Year, Landlord shall deliver to Tenant a written estimate of any additional Operating Rent (such expense being herein referred to as "Estimated Basic Operating Cost Differential") which may be due hereunder during such forthcoming year, whereupon the monthly Gross Rent (and Operating Rent) for such full or partial year shall be increased by 1/12<sup>th</sup> of the Estimated Basic Operating Cost Differential for that particular year

If at any time during the course of the calendar year, Landlord determines that Basic Operating Cost Differential is projected to vary from the then Estimated Basic Operating Cost Differential, Landlord may, by thirty (30) days written notice to Tenant, revise the Estimated Basic Operating Cost Differential for the balance of such calendar year, and Tenant's monthly installments for the remainder of such year shall be adjusted so that by the end of such calendar year Tenant has paid to Landlord the revised amount of revised Estimated Basic Operating Cost Differential for such year. Should this Lease terminate at any time other than the first day of the calendar year, the Basic Operating Cost Differential shall be prorated by reference to the exact number of calendar days during such calendar year that this Lease is in effect.

**C. Computation of Basic Operating Cost Adjustment.** "Basic Operating Cost Differential Adjustment" shall mean the difference between Estimated Basic Operating Cost Differential and Basic Operating Cost Differential for any calendar year determined after the Base Year as hereinafter provided. Within One Hundred Twenty (120) days after the end of each fiscal year, as determined by Landlord, or as soon thereafter as practicable, Landlord shall deliver to Tenant a statement of Basic Operating Costs for the fiscal year just ended, accompanied by a computation of Basic Operating Cost Differential Adjustment and such supporting information as reasonably requested by Tenant. Each demand for payment shall include a reasonably detailed statement prepared in accordance with generally accepted accounting principles, certified by an officer of Landlord detailing actual costs and calculating the Basic Operating Cost Differential Adjustment. If such statement shows that Tenant's payment based upon Estimated Basic Operating Cost Differential is less than the Basic Operating Cost Differential, then Tenant shall pay to Landlord the difference within thirty (30) days after receipt of such statement. If such statement shows that Tenant's payments of Estimated Basic Operating Cost Differential exceed the Basic Operating Cost Differential, then Landlord shall credit the difference against the Operating Rent payment

next due. If this Lease has been terminated or the Term hereof has expired prior to the date of such statement, then the Basic Operating Cost Adjustment Differential shall be paid by the appropriate party within thirty (30) days after the date of delivery of the statement and this obligation shall survive termination of the Lease. Should this Lease commence or terminate at any time other than the first day of the calendar year, the Basic Operating Cost Adjustment Differential shall be prorated by reference to the exact number of calendar days during such calendar year that this Lease is in effect.

**D. Tenant Audit.** In the event that Tenant shall dispute the amount set forth in any statement provided by Landlord under Section 6.B, or 7.C above, Tenant shall have the right, not later than one hundred and eighty (180) days following the receipt of such statement to cause Landlord's books and records with respect to Basic Operating Costs for such fiscal year to be audited by certified public accountants selected by Tenant and subject to Landlord's reasonable right of approval. The Basic Operating Costs and/or Basic Operating Cost Differential Adjustment shall be appropriately adjusted on the basis of such audit and the appropriate party shall pay to the other all amounts found by such audit to be owing within thirty (30) days, unless Landlord objects to such determination in which case it may dispute the same. In the event of a dispute, the parties shall (within 30 days of the request of either party) jointly appoint a certified public account to resolve any such dispute, whose determination shall be binding. If Tenant shall not request an audit in accordance with the provisions of this Paragraph 7.E within one hundred and eighty (180) days after receipt of Landlord's statement provided pursuant to Paragraph 6.B or 7.C, such statement shall be final and binding for all purposes hereof. If Tenant's audit reveals that the Basic Operating Costs Differential as reported by Landlord are more than ten percent (10%) over the amounts reported to Tenant, Landlord shall pay Tenant's reasonable costs of such audit.

**E. Cap on Increases on Controllable Basic Operating Costs.** Notwithstanding any other provision of this Lease, after the Base Year, commencing with the calendar year after the Base Year Landlord agrees that the controllable expenses under the Basic Operating Costs for any year shall not cumulatively exceed an amount equal to five percent (5%) per annum over the Basic Operating Costs for the Base Year. For purposes of this section "controllable expenses" shall mean all expenses other than those relating to taxes, insurance and utilities. By way of example, if the controllable Basic Operating Costs for the Base Year are \$3.00/sq. ft, then the controllable portion of the Basic Operating Cost Differential for the year ending December 31, 2010, shall not exceed \$0.15/sq. ft. and the controllable portion of the Basic Operating Cost Differential for the year ending December 31, 2011, shall not exceed \$.31/sq. ft. etc.

## **8. INSURANCE AND INDEMNIFICATION**

**A. Landlord's Insurance.** Landlord agrees to maintain insurance insuring all buildings on the Premises against fire, lightning, flooding, earthquake, vandalism and malicious mischief (including, if Landlord elects, "All Risk" coverage), in an amount of not less than one hundred percent (100%) of the current replacement cost thereof, except where commercially unreasonable, with deductibles and the form and endorsements of such coverage as selected by Landlord. Such insurance may also include, at Landlord's option, insurance against loss of Gross Rent and Additional Rent, in an amount equal to the amount of Gross Rent and Additional Rent payable by Tenant for a period of at least twelve (12) months commencing on the date of loss. Such insurance shall be for the sole benefit of Landlord and under Landlord's sole control. Landlord shall not be obligated to insure any furniture, fixtures, equipment, machinery, goods or supplies which Tenant may keep or maintain in the buildings on the Premises, or any leasehold improvements (other than the Tenant Improvements or otherwise permitted under this Lease),



additions or alterations within the Premises. At Tenant's option (pursuant to Section 7.A(2), it may choose to carry some or all of the insurance outlined in this paragraph.

Landlord shall procure and maintain in full force and effect (i) commercial general liability insurance with no less than One Million Dollars (\$1,000,000.00) combined single limit for bodily injury and property damage per occurrence, One Million Dollars (\$1,000,000.00) policy aggregate including personal injury, products liability, and fire legal liability in the amount of Five Hundred Thousand Dollars (\$500,000.00); and (ii) umbrella liability insurance with limits no less than Four Million Dollars (\$4,000,000.00) over the commercial general liability policy and Four Million Dollars (\$4,000,000.00) in the aggregate. Such insurance shall cover the Premises and shall name Tenant as an additional insured. Any loss shall be paid notwithstanding any act of negligence of Landlord or Tenant. Such costs shall be included in the Basic Operating Costs.

#### **B. Tenant's Insurance.**

(1) **Property Insurance.** Tenant shall procure at Tenant's sole cost and expense and keep in effect from the date of this Lease and at all times until the end of the Term, insurance on all personal property, fixtures, leasehold improvements and all improvements made by or for Tenant to the Premises, insuring such property for the full replacement value of such property, exclusive of reasonable deductibles or self insured retentions.

(2) **Liability Insurance.** Tenant shall procure at Tenant's sole cost and expense and keep in effect from the date of this Lease and at all times until the end of the Term either Comprehensive General Liability insurance or Commercial General Liability insurance applying to the use and occupancy of the Premises and the buildings on the Premises, and any part of either, and any areas adjacent thereto, and the business operated by Tenant, or by any Tenant Parties. Such primary insurance shall include Broad Form Contractual Liability insurance coverage insuring all of Tenant's indemnity obligations under this Lease (except for environmental indemnities). Such primary coverage shall have a minimum combined single limit of liability of at least Two Million and no/100<sup>th</sup> Dollars (\$2,000,000.00), and a general aggregate limit of Four Million and no/100<sup>th</sup> Dollars (\$4,000,000.00). All such policies shall be written to apply to all bodily injury, property damage or loss, personal injury and other covered loss, however occasioned, occurring during the policy term, shall be endorsed to add Landlord and Landlord's members and any lender of which Tenant has been notified holding an interest to which this Lease may be subordinated as an additional insured, and shall provide that such coverage shall be primary as it pertains to the Premises. Such coverage shall also contain endorsements: (i) deleting any employee exclusion on personal injury coverage; (ii) including employees as additional insureds; (iii) providing for coverage of employer's automobile non-ownership liability. All such insurance shall provide for separation of insureds; that insurance applies to each named insured as if it was the only named insured and separately to each insured against whom a claim or suit is brought; and shall afford coverage for all claims based on acts, omissions, injury and damage, which covered claims occurred or arose (or the onset of which occurred or arose) in whole or in part during the policy period. Said coverage shall be written on an "occurrence" basis, if available. If an "occurrence" basis form is not available, Tenant must purchase "tail" coverage for the most number of years available, and Tenant must also purchase "tail" coverage if the retroactive date of an "occurrence" basis form is changed so as to leave a gap in coverage for occurrences that might have occurred in prior years. If a "claims made" policy is ever used, the policy must be endorsed so that Landlord is given the right to purchase "tail" coverage should Tenant for any reason not do so or if the policy is to be canceled for nonpayment of premium.

**(3) General Insurance Requirements.** All coverages described in this Paragraph 8.B shall be endorsed to provide Landlord with thirty (30) days' notice of cancellation or change in terms. All insurance policies required to be carried under this Lease shall be written by companies rated A or better in "Best's Insurance Guide" and authorized to do business in Ohio. In any event deductible or self-insured retention amounts shall not exceed Four Million and no/100<sup>th</sup> Dollars (\$4,000,000.00). Tenant shall deliver to Landlord on or before the earlier of (i) the Delivery Date or (ii) the Term Commencement Date, and thereafter at least thirty (30) days before the expiration dates of the expiring policies or certificates of insurance in a form reasonably acceptable to Landlord, or certified copies of Tenant's insurance policies, showing that all premiums have been paid for the full policy period; and, in the event Tenant shall fail to procure such insurance, or to deliver such policies or certificates, Landlord may after notice of such failure is given by Landlord to Tenant and Tenant's failure to provide the same within 5 days thereafter, at Landlord's option and in addition to Landlord's other remedies in the event of a Default by Tenant hereunder, procure the same for the account of Tenant, and the cost thereof shall be paid to Landlord as Additional Rent.

**C. Indemnification.** Landlord shall not be liable to Tenant for damages caused by Force Majeure or for any damage caused to Tenant's property in the event such damage would be covered by insurance to be acquired by Tenant hereunder (or for damage against which Tenant self insures itself as permitted hereunder), except as expressly otherwise provided in Paragraph 10. Except as otherwise provided in this Section 8.C, Tenant shall indemnify, defend by counsel reasonably acceptable to Landlord, protect and hold Landlord and Landlord's members harmless from and against any and all liabilities, losses, costs, damages, injuries or expenses, including reasonable attorneys' fees and court costs, arising out of or related to: (1) claims of injury to or death of persons or damage to property occurring or resulting directly or indirectly from the use or occupancy of the Premises, or from activities of Tenant or Tenant Parties; (2) claims for work or labor performed by, or for materials or supplies furnished to Tenant in connection with performance of any work done by Tenant or its contractor, agents or employees within the Premises; and (3) claims arising from any breach or Default on the part of Tenant in the performance of any covenant contained in this Lease. The foregoing indemnity shall not be applicable to claims arising from the gross negligence or willful misconduct of Landlord or its agents, employees or contractors and Landlord shall indemnify, hold harmless and defend Tenant for any loss incurred by Tenant as a direct consequence of any such gross negligence or willful misconduct of Landlord or its agents, employees or contractors. The provisions of this Paragraph shall survive the expiration or termination of this Lease with respect to any claims or liability occurring prior to such expiration or termination. Tenant shall not be liable to Landlord for any loss or damage to person or property caused by Force Majeure or damages covered by insurance to be acquired by Landlord hereunder; provided, nothing shall excuse Tenant from its obligation to pay Rent.

Except as otherwise provided in this Section 8.C, Landlord shall indemnify, defend by counsel reasonably acceptable to Tenant, protect and hold Tenant harmless from and against any and all liabilities, losses, costs, damages, injuries or expenses, including reasonable attorneys' fees and court costs, arising out of or related to: (1) claims of injury to or death of persons or damage to property occurring or resulting directly or indirectly from Landlord's use or occupancy of the Premises, or from activities of Landlord or its agents, employees or contractors; (2) claims arising from any breach or Default on the part of Landlord in the performance of any covenant contained in this Lease, and (3) claims for work or labor performed by, or for materials or supplies furnished to Landlord in connection with performance of any work done by Landlord or its contractor, agents or employees within the Premises. The foregoing indemnity shall not be applicable to claims arising from the gross negligence or willful misconduct of Tenant and Tenant

shall indemnify, hold harmless and defend Landlord for any loss incurred by Landlord as a direct consequence of any such gross negligence or willful misconduct of Tenant. The provisions of this Paragraph shall survive the expiration or termination of this Lease with respect to any claims or liability occurring prior to such expiration or termination.

**D. Exculpation.** In no event shall either party be liable under any provision of this Lease (i) for lost profits or other consequential, incidental or special damages arising from any cause or (ii) for any damage which is or could be covered by the insurance the other party is required to carry under this Lease.

## **9. WAIVER OF SUBROGATION**

Notwithstanding anything in this Lease to the contrary, Landlord and Tenant each waive any right to recover against the other for: (a) damages to property; (b) damages to the Premises or any part thereof, and (c) claims arising by reason of the foregoing due to hazards covered by insurance. This provision is intended to waive fully, and for the benefit of each party, any rights and/or claims which might give rise to a right of subrogation in favor of any insurance carrier. The coverage obtained by each party pursuant to this Lease shall include, without limitation, a waiver of subrogation by the carrier which conforms to the provisions of this Paragraph.

## **10. LANDLORD'S MAINTENANCE AND REPAIRS**

Landlord, at its cost and expense, shall keep and maintain in good order, condition and repair and replace, the roof, sprinkler systems, exterior and interior structural walls, floor decks, the foundation, and the utility lines outside the building, as well as any repairs or replacement of the HVAC system. The cost of all such maintenance, repairs or replacements, including those made necessary by the negligence, intentional misuse or default of Landlord shall not be included within the Basic Operating Costs except for those made necessary by the negligence, misuse or default of Tenant or Tenant Parties, in which event they shall be borne by Tenant, who shall be separately billed and shall reimburse Landlord for the same plus reasonable overhead as Additional Rent. Tenant shall give Landlord written notice of any need of repairs which are the obligation of Landlord hereunder and Landlord shall have a reasonable time to perform same. Should Landlord default as provided in Paragraph 20 with respect to its obligation to make any of the repairs assumed by it hereunder with respect to the Premises, Tenant shall have the right to perform such repairs and Landlord agrees that within thirty (30) days after written demand accompanied by detailed invoice(s), it shall pay to Tenant the cost of any such repairs provided that, if not paid within such thirty (30) days Tenant may offset such amounts plus interest at the Applicable Interest Rate against the Gross Rent, Operating Rent, Additional Rent or any other amounts due herein. Except as specifically provided hereinabove, Tenant hereby expressly waives all rights under and benefits under any law, statute or ordinance now or hereafter in effect to make repairs and offset the cost of same against rent or to withhold or delay any payment of rent or any other of its obligations hereunder as a result of any default by Landlord under this Paragraph 10.

## **11. TENANT'S MAINTENANCE AND REPAIRS**

Unless otherwise stipulated herein or covered under Section 7(A)(3), Section 7(A)(4) or Section 10, Tenant shall be responsible for the items or repair, replacement and maintenance of the Premises as set forth on Exhibit E and such other items as are not set forth under Section 7(A) (3), Section 7(A)(4) or Section 10 that arise out of (i) Tenant's specific use of the Premises or (ii) changes, alterations or modifications made to or at the Premises by Tenant or at its request. If Landlord or its agent provides any of these services to Tenant upon Tenant's request, then (i) the cost thereof



shall be billed directly to Tenant (together with a reasonable charge for Landlord's time and overhead) as Additional Rent, which charges (at Landlord's option) may or may not be included in the calculation of the Basic Operating Costs; and (ii) the provision of such services shall not become or be deemed a continuing obligation of Landlord.

Tenant agrees to keep the Premises, both inside and out, clean and in sanitary condition as required by the health, sanitary and police ordinances and regulations of any political subdivision having jurisdiction.

If Tenant refuses or neglects to commence such repairs and/or maintenance for which Tenant is responsible under this Paragraph 11 within a twenty (20) day period (or as soon as practical and in no event later than five (5) days, if the failure to initiate the repair threatens to cause further damage to the Premises) after written notice from Landlord and thereafter diligently prosecute the same to completion, then Landlord may enter the Premises (except in an emergency, upon at least 24 hours advanced written notice) during business hours and cause such repairs and/or maintenance to be made and shall not be responsible to Tenant for any loss or damage occasioned thereby and Tenant agrees that upon demand, it shall pay to Landlord the actual reasonable cost of any such repairs, not exceeding the sum actually expended by Landlord, together with accrued interest from the date of Landlord's payment at the Applicable Interest Rate.

## **12. ALTERATIONS**

Tenant shall not make, or allow to be made, any Alterations or physical additions in, about or to the Premises without obtaining the prior written consent of Landlord, except as stated below, which consent shall not be unreasonably withheld with respect to proposed alterations and additions which: (a) comply with all applicable laws, ordinances, rules and regulations; (b) are in Landlord's opinion, compatible with the Building and its mechanical, plumbing, electrical, heating/ventilation/air conditioning systems, (c) are performed promptly and in a workman like manner; (d) the Premises remains lien free as a result of the construction; and (e) are constructed using all new or like new materials. The term "**Alteration**" as used herein is defined as alterations, additions, substitutions, installations, changes and improvements. So long as Tenant is not in Default under this Lease, Tenant shall have the right to make up to Fifty Thousand and no 100<sup>th</sup> Dollars (\$50,000.00) worth of Alterations to the Premises per year, which would otherwise be permissible under the Lease and which do not involve demolition or effect the structural parts, exterior or materially effect the mechanical systems of any building on the Premises ("De Minimus Alterations"), without obtaining the prior written consent of Landlord. Prior to commencing any construction, except for the Tenant Improvements or De Minimus Alterations, Tenant shall nevertheless submit to Landlord copies of its plans and specification, and Tenant's work shall be performed pursuant to the other requirements of this section. Specifically, but without limiting the generality of the foregoing, Landlord shall have the right of written consent for all plans and specifications, if applicable, for the proposed Alterations or additions, construction means and methods, all appropriate permits and licenses. Tenant shall also supply to Landlord any documents and information reasonably requested by Landlord in connection with Landlord's consideration of a request for approval hereunder. Tenant shall reimburse Landlord for all costs which Landlord may incur in connection with granting approval to Tenant for any such Alterations and additions, including any costs or expenses which Landlord may incur in electing to have outside architects or engineers review of said plans and specifications. All such Alterations, physical additions or improvements shall remain the property of Tenant until termination of this Lease, at which time they shall be and become the property of Landlord. Landlord shall promptly notify Tenant at time of approval whether said Alterations (except for De Minimus Alterations) will need to be removed at Lease Termination. If



improvements are to be removed then Tenant, at Tenant's expense, shall remove any or all Alterations, additions, improvements and partitions made by Tenant and restore the Premises by the termination of this Lease, whether by lapse of time, or otherwise, to their condition existing prior to the construction of any such Alterations, additions, partitions or leasehold improvements, except for initial Tenant Improvements and other Alterations Landlord did not advise in writing as of time of approval would need to be removed. Alterations not requiring Landlord's consent will not need to be removed by Tenant. All such removals and restoration shall be accomplished in a good and workmanlike manner so as not to cause any damage to the Premises whatsoever. If Tenant fails to so remove such Alterations, Tenant's furniture, fixtures and equipment ("Tenant's FF&E"), additions, improvements and partitions they shall be deemed to be abandoned by Tenant and, Landlord may keep and use them or remove any of them and cause them to be stored or sold in accordance with applicable law, at Tenant's sole expense. In addition to and wholly apart from Tenant's obligation to pay Basic Operating Costs, Tenant shall be responsible for and shall pay prior to delinquency any taxes or governmental service fees, possessory interest taxes, fees or charges in lieu of any such taxes, capital levies, or other charges imposed upon, levied with respect to or assessed against its personal property, on the value of the Alterations, additions or improvements within the Premises. To the extent that any such taxes are not separately assessed or billed to Tenant, Tenant shall pay the amount thereof as invoiced to Tenant by Landlord.

### **13. SIGNS**

Subject to the provisions of this Section and all applicable Regulations (including, but not limited to, City of Fairlawn building code), Tenant may, at Tenant's cost, erect signs identifying Tenant upon the Premises as Tenant in its discretion desires including, but not limited to, upon any Building (with all naming rights to the any Building) and upon any portion of the Real Estate. Signage inside the Building shall be at Tenant's discretion and cost. Any installation of signs or graphics on or about the Premises and/or the Building shall be subject to any applicable Regulations. Tenant shall remove all such signs and graphics prior to the termination of this Lease. Such installations and removals shall be made in such manner as to avoid injury or defacement of the Premises or the Building and any other improvements contained therein, and Tenant shall repair any injury or defacement, including without limitation, discoloration caused by such installation or removal (provided, however, Tenant shall not be required to replace the façade of the Office Building, Connector Building or Innovation Center).

### **14. INSPECTION/POSTING NOTICES**

After reasonable written notice, except in emergencies where no such advance written notice shall be required, Landlord, and Landlord's agents and representatives, shall have the right to enter the Premises to inspect the same, to clean, to perform such work as may be permitted or required hereunder, to make repairs or alterations to the Premises, to deal with emergencies, to post such notices as may be permitted or required by law to prevent the perfection of liens, encumbrances or others against Landlord's interest in the Premises or to show the Premises to prospective tenants or purchasers, or for any other purpose as Landlord may deem necessary or desirable; provided, however, that Landlord shall use reasonable efforts not to unreasonably interfere with Tenant's business operations. Provided that Tenant is not in Default hereunder, Landlord shall not advertise or show the Premises to prospective successor tenants except during the last six (6) months of the Term. Tenant shall not be entitled to any abatement of Rent by reason of the exercise of any such right of entry. At any time within six (6) months prior to the end of the Term, Landlord shall have the right to erect on the Premises a suitable sign indicating that the Premises are available for lease. Upon Landlord's request on ten (10) days prior written notice, Tenant shall meet with Landlord for a joint inspection of the Premises at the time of

vacating. In the event of Tenant's failure to participate in such joint inspection, Landlord's inspection at or after Tenant's vacating the Premises shall conclusively be deemed correct for purposes of determining Tenant's responsibility for repairs and restoration. Landlord shall execute any reasonable confidentiality agreement required by Tenant in connection with any such entry on to the Premises.

#### **15. UTILITIES**

Tenant shall pay directly for all water, gas, heat, air conditioning, light, power, telephone, sewer, sprinkler charges and other utilities and services used on or from the Premises, together with any taxes, penalties, surcharges or the like pertaining thereto, and maintenance charges for utilities and shall furnish all electric light bulbs, ballasts and tubes. Except for warranties provided by Landlord hereunder or Landlord's other responsibilities under this Lease, Landlord shall not be liable for any damages directly or indirectly resulting from nor shall the Gross Rent or any monies owed Landlord under this Lease be abated by reason of: (a) the installation, use or interruption of use of any equipment used in connection with the furnishing of any such utilities or services; (b) the failure to furnish or delay in furnishing any such utilities or services when such failure or delay is caused by acts of God or the elements, labor disturbances of any character, or any other accidents or other conditions beyond the reasonable control of Landlord; or (c) the limitation, curtailment, rationing or restriction on use of water, electricity, gas or any other form of energy or any other service or utility whatsoever serving the Premises

Landlord reserves the right, if it so elects, to furnish one or more utility services to the Tenant and in such event the Tenant shall purchase the use of such services as are tendered by Landlord or its designee. provided, however, such rates shall not exceed the rates which would be charged for the same services if furnished directly by the local public utility companies and that such service is provided with a comparable level and quality of service (without normal interruptions) as if supplied directly from the local public utility company. Landlord may at any time discontinue furnishing any such service without obligation to Tenant other than to simultaneously without interruption connect the Premises to the public utility, if any, furnishing such service. Landlord herein hereby reserves unto itself, an easement and right for the benefit of and use by the Landlord and its agents, employees, contractors successors and assigns for ingress and egress by foot, automobile and otherwise, for such utility and facility purposes through and under the Premises.

#### **16. SUBORDINATION**

This Lease shall be subject and subordinate at all times to: (a) all ground leases or underlying leases which may now exist or hereafter be executed affecting the Premises and/or the land upon which the buildings on the Premises are situated, or both; and (b) any mortgage or deed of trust which may now exist or be placed upon the Premises, such buildings, land, or Landlord's interest or estate in any of said items which is specified as security, provided that such lender or lessor has given Tenant a non disturbance agreement reasonably acceptable to Tenant. At the request of Tenant, Landlord will obtain from the secured party under any mortgage or deed of trust which is senior to this Lease, a nondisturbance agreement upon such lender's or Tenant's customary form therefor. Notwithstanding the foregoing, Landlord shall have the right to subordinate or cause to be subordinated any such ground leases or underlying leases or any such liens to this Lease. In the event that any ground lease or underlying lease terminates for any reason or any mortgage or deed of trust is foreclosed or a conveyance in lieu of foreclosure is made for any reason, Tenant shall, notwithstanding any subordination, attorn to and become the Tenant, upon the same terms and conditions of this Agreement, of the successor in interest to Landlord. Within ten (10) days after request by Landlord, Tenant shall execute and deliver any additional reasonable documents

evidencing Tenant's attornment or the subordination of this Lease together with a non disturbance agreement reasonably acceptable to Tenant with respect to any such ground leases or underlying leases or any such mortgage or deed of trust, in the form reasonably requested by Landlord or by any ground landlord, mortgagee, or beneficiary under a deed of trust.

#### **17. FINANCIAL STATEMENTS**

At the request of Landlord, in connection with Landlord's refinancing or a sale of the Premises, or in connection with an assignment or transfer of this Lease by Tenant under Section 21, Tenant shall provide to Landlord Tenant's most recent audited annual financial statements (which Tenant agrees shall be audited) within fifteen (15) business days after the date of Landlord's request, which Landlord shall use solely for purposes of this Lease and in connection with the refinancing or disposition of the Premises and/or buildings on the Premises. Landlord and its proposed lenders or purchasers shall execute a reasonable confidentiality agreement as may be presented by Tenant in connection with the release of this financial information. Delivery of said financial information is conditioned upon the prior receipt from Tenant and any such prospective lender or purchaser of a written confidentiality agreement in form and substance acceptable to Tenant in its reasonable discretion

#### **18. ESTOPPEL CERTIFICATE**

Tenant and Landlord agree from time to time, within ten (10) business days after reasonable request of either party, to deliver to the requesting party, or its designee, an estoppel certificate per *Exhibit C*, or in an alternate but comparable (in substance) form that the requesting party may reasonably require, stating that this Lease is in full force and effect, the date to which Gross Rent has been paid, the unexpired portion of this Lease, and such other matters pertaining to the status of this Lease as may be reasonably requested by the requesting party. Landlord and Tenant intend that any statement delivered pursuant to this Paragraph may be relied upon by any mortgagee, purchaser or prospective purchaser of the Project or any interest therein. The parties agree that Tenant's obligation to furnish such estoppel certificates in a timely fashion is a material inducement for the parties' execution of the Lease, and shall be an Event of Default if either party fails to timely comply. In addition to any other remedies either party may have at law and equity, the requesting party shall be entitled to specific performance of this Paragraph.

Tenant and Landlord further agree that at least fifteen (15) days prior to any sale of the Premises by Landlord, Landlord shall request from Tenant an estoppel certificate. Landlord shall provide, in such estoppel certificate, the name and address of the proposed purchaser of the Premises in order that Tenant may put such purchaser on notice in the event there is any pending and uncured breach of this Amended and Restated Lease.

#### **19. SECURITY DEPOSIT. INTENTIONALLY DELETED**

#### **20. TENANT'S REMEDIES**

Notwithstanding anything herein contained to the contrary, if Landlord shall at anytime be in default of its obligations hereunder, Tenant shall not exercise any of its remedies for such default unless Tenant shall have given Landlord written notice thereof, and Landlord shall have failed to perform such obligations within thirty (30) days after receipt of written notice. In the event Landlord has commenced to cure the failure of performance within the thirty (30) day period, but has not completed the cure despite diligent attempts to do so, Landlord shall have such additional



period to complete such cure so long as Landlord continues to diligently pursue the cure to completion.

The liability of Landlord to Tenant for any default by Landlord under the terms of this Lease are not personal obligations of the Landlord or other trustees, advisors, partners, directors, officers and shareholders of Landlord, and Tenant agrees to look solely to Landlord's interest in the Premises (including net revenues generated by the Premises) together with proceeds of sale, insurance proceeds, and any award or settlement in eminent domain for the recovery of any amount from Landlord, and shall not look to other assets of Landlord nor seek recourse against the assets of the Landlord or other trustees, advisors, partners, directors, officers and members of Landlord.

## **21. ASSIGNMENT AND SUBLETTING**

**A. General.** Except as otherwise provided herein, Tenant shall not assign this Lease nor sublet the Premises or any part thereof without in each case the prior written consent of Landlord, which consent shall not be unreasonably withheld provided that each of the following conditions are satisfied: (i) Tenant shall not be in default under any of the terms and conditions of this Lease at the time of the proposed assignment or subletting; (ii) the assignee or sublessee shall occupy the Premises and conduct its business therein in accordance with the permitted use set forth in Paragraph 4 of this Lease; (iii) the proposed assignee or subtenant: is reputable; has a credit rating and operating history reasonably acceptable to Landlord; and in Landlord's reasonable opinion otherwise has sufficient financial capabilities to perform all of its obligations under this Lease or, in the case of a sublease, of the proposed sublease; and (iv) Tenant and its assignee or sublessee, as the case may be, shall execute, acknowledge and deliver to Landlord a fully executed counterpart of the written assignment of lease or sublease within ten (10) days of the date thereof wherein assignee agrees to assume or sublessee agrees to comply with all of Tenant's obligations under this Lease. If Tenant desires to assign this Lease or sublet any or all of the Premises, Tenant shall give Landlord written notice at least thirty (30) days prior to the date Tenant desires the assignment or sublease to be effective. At that time, Tenant shall submit in writing to Landlord (a) the name of the proposed subtenant or assignee; (b) the nature of the proposed subtenant's or assignee's business to be carried on in the Premises together with a detailed description of the proposed subtenant's or assignee's business experience and duration of the current enterprise; (c) the terms and provisions of the proposed sublease or assignments and the proposed effective date thereof; and (d) such financial information as Landlord may request concerning the proposed subtenant or assignee. Failure by Landlord to approve a proposed assignee or subtenant shall not cause a termination of this Lease. Tenant shall reimburse Landlord, on demand, for all reasonable costs and expenses incurred by Landlord in connection with any proposed assignment or subleasing by Tenant, including reasonable attorney's fees, as established by Landlord from time to time, in connection with Landlord's review and consideration of any such request for Landlord's consent not to exceed \$2000 per request. No consent by Landlord shall operate to relieve Tenant and/or guarantor, if any, from primary liability for the performance of Tenant's obligations under this Lease; provided, however, in the event of an assignment of this Lease, if the provisions of this paragraph (i)-(iv) have been satisfied, Tenant shall be relieved from any liability relating to its obligations hereunder from and after the date of such assignment.

**B. Bonus Rent.** Any Rent or other consideration realized by Tenant under any approved sublease or assignment in excess of the Rent payable hereunder, after deducting Tenant's actual payment of a brokerage commission, attorneys' fees related to the subletting, and reasonable costs of

Tenant's improvements to the subleased or assigned premises for the subtenant's use, shall be retained by the Tenant.

**C. Corporate and Partnership Transfers or Sale of Assets** Notwithstanding anything in this Paragraph 21 to the contrary, Tenant shall have the right without the prior written consent of Landlord to assign its interest in this Lease or sublet all or part of the Premises to an Affiliate. For purposes of this paragraph an "Affiliate" shall mean (i) any surviving corporation in the event of a merger, consolidation or acquisition of Tenant (it being understood and agreed that Tenant may engage in any such merger or consolidation whether Tenant or the other entity is the survivor); (ii) Tenant's parent corporation; (iii) any subsidiary of Tenant; (iv) any entity who or which is under common control with Tenant; (v) to any entity which may acquire fifty percent (50%) or more of the common stock or assets of Tenant; or (vi) in connection with the sale of substantially all its assets, provided in the event any surviving entity shall not be the existing Tenant, such surviving entity acquiring this lease by merger, consolidation or acquisition shall assume in writing all of the obligations of Tenant hereunder and Tenant shall not be released from liability hereunder except as provided in Section 21.A above. Tenant shall notify Landlord of such assignment at least fifteen (15) days prior to such assignment and deliver to Landlord, if applicable, a copy of the assignment and assumption agreement executed by Tenant and such assignee.

**D. Mortgages/Landlord's Waiver.** Landlord acknowledges that it has no interest in the Tenant's FF&E which shall remain the property of Tenant or any leasehold improvements which are part of Tenant Costs. Landlord waives any right it may have in Tenant's leasehold improvements, FF&E or other personal property owned by Tenant and located in the Premises ("Tenant's Property"). Tenant may assign, lien, encumber, mortgage or create a security interest in or upon its leasehold interest in the Premises and/or Tenant's Property without the consent of Landlord and may remove said property at any time during the Term. To the extent Landlord may have a lien on or security interest in the Tenant's Property by law or otherwise, Landlord hereby waives and agrees not to assert such lien or security interest. Upon the request of Tenant, Landlord agrees to execute a written waiver in reasonable form supplied by Tenant evidencing Landlord's waiver of any rights it has or may have in Tenant's Property including any lien or security interest. Furthermore, Landlord shall obtain such a waiver from Landlord's mortgagee(s) at the time of mortgage execution or, in the case of any mortgage already in place, within sixty (60) days after execution of this Lease.

## **22. AUTHORITY OF PARTIES**

Landlord represents and warrants that it has full right and authority to enter into this Lease and to perform all of Landlord's obligations hereunder. Tenant represents and warrants that it has full right and authority to enter into this Lease and to perform all of Tenant's obligations hereunder.

## **23. CONDEMNATION**

**A. Condemnation Resulting in Termination.** If the whole or any substantial part of the Premises and/or the buildings on the Premises should be taken or condemned for any public use under governmental law, ordinance or regulation, or by right of eminent domain, or by deed in lieu of taking, and the taking would prevent or materially interfere with the Permitted Use of the Premises, this Lease shall terminate and the Rent shall be abated during the unexpired portion of this Lease, effective when the physical taking of said Premises shall have occurred.

**B. Condemnation Not Resulting in Termination.** If a portion of the Premises are to be taken or condemned for any public use under any governmental law, ordinance, or regulation, or by right of eminent domain, or by deed in lieu of taking, and this Lease is not terminated as provided in Paragraph 23.A above, this Lease shall not terminate, but the Rent payable hereunder during the unexpired portion of the Lease shall be reduced, beginning on the date when the physical taking shall have occurred, to such amount as may be fair and reasonable under all of the circumstances with respect to the nature, value and extent of the portion of the Premises which is taken.

**C. Award.** Landlord shall be entitled to any and all payment, income, rent, award, or any interest therein whatsoever which may be paid or made in connection with such taking or conveyance and Tenant shall have no claim against Landlord or otherwise for the value of any unexpired portion of this Lease. Notwithstanding the foregoing, any compensation specifically awarded Tenant for loss of business, Tenant's FF&E, Tenant's Property, moving costs or loss of goodwill, shall be and remain the property of Tenant.

## **24. CASUALTY DAMAGE**

**A. General.** If the Premises, or any building on the Premises should be damaged or destroyed by fire, tornado, earthquake or other casualty ("Casualty"), Tenant shall give immediate written notice thereof to Landlord. Within thirty (30) days after Landlord's receipt of such notice, Landlord shall notify Tenant whether in Landlord's reasonable opinion such repairs can reasonably be made either: (1) within one hundred eighty (180) days; or (2) in more than one hundred eighty (180) days from the date of such notice. Landlord's determination shall be binding on Tenant.

**B. Less than 180 Days.** If the Premises, or any building on the Premises should be damaged by Casualty but only to such extent that rebuilding or repairs can in Landlord's estimation be reasonably completed within one hundred eighty (180) days after the date of such damage, this Lease shall not terminate, and provided that insurance proceeds are available to fully repair the damage, Landlord shall proceed to rebuild and repair the Premises in the manner determined by Landlord, except that Landlord shall not be required to rebuild, repair or replace any part of the partitions, Tenant's FF&E, additions and other leasehold improvements or Alterations which may have been placed in, on or about the Premises other than improvements made to the Office Building, Connector Building and Innovation Center by Landlord. If the Premises are untenable in whole or in part following such damage, the Rent payable hereunder during the period in which they are untenable shall be abated proportionately, but only to the extent the Premises or any portion thereof are unfit for use or occupancy for the conduct of the Permitted Use. In the event that Landlord should fail to complete such repairs and rebuilding within one hundred eighty (180) days after the date upon which Landlord is notified by Tenant of such Casualty, such period of time to be extended for delays caused by the fault or neglect of Tenant or its employees, agents or contractors or because of acts of God, acts of public agencies, labor disputes, strikes, fires, freight embargoes, rainy or stormy weather, inability to obtain materials, supplies or fuels, or delays of the contractors or subcontractors or any other causes or contingencies beyond the reasonable control of Landlord, Tenant may at Tenant's option within ten (10) days after the expiration of such one hundred eighty (180) day period (as such may be extended), terminate this Lease by delivering written notice of termination to Landlord as Tenant's exclusive remedy, whereupon all rights hereunder shall cease and terminate thirty (30) days after Landlord's receipt of such termination notice. Notwithstanding anything above, in the event the casualty is caused by the negligence or willful misconduct of Tenant, Tenant shall not be permitted to terminate the Lease.



**C. Greater than 180 Days.** If the Premises or the Building should be damaged by Casualty but only to such extent that rebuilding or repairs can in Landlord's estimation be reasonably completed in more than one hundred eighty (180) days, then either Tenant or Landlord shall have the option of terminating the Lease effective upon the date of the occurrence of such Casualty, in which event the Rent shall be abated during the unexpired portion of the Lease. Such election shall be made within thirty (30) days after Landlord's notice under subsection A. above. In the event neither party elects to terminate this Lease, Landlord shall rebuild or repair the Premises to substantially the condition in which they existed prior to such damage, provided that insurance proceeds are available, to fully repair the damage, except that Landlord shall not be required to rebuild, repair or replace any part of the partitions, Tenant's FF&E, Alterations, additions and other improvements (except improvements made to the Office Building, Connector Building and Innovation Center by Landlord) which may have been placed in, on or about the Premises. If the Premises are untenantable in whole or in part following such damage, the Rent payable hereunder during the period in which they are untenantable shall be abated proportionately, but only to the extent the Premises or any portion thereof are unfit for use and occupancy for the conduct of the Permitted Use. Notwithstanding anything above, in the event the casualty is caused by the negligence or willful misconduct of Tenant, Tenant shall not be permitted to terminate the Lease.

**D. Uninsured Casualty.** Notwithstanding anything herein to the contrary, in the event that the Premises or any building on the Premises is damaged or destroyed and are not fully covered by the insurance proceeds received by Landlord or in the event that the holder of any indebtedness secured by a mortgage or deed of trust covering the Premises requires that the insurance proceeds be applied to such indebtedness, then in either case Landlord or Tenant shall have the right to terminate this Lease by delivering written notice of termination to the other within thirty (30) days after the date of notice to Landlord that said damage or destruction is not fully covered by insurance or such requirement is made by any such holder, as the case may be, whereupon all rights and obligations hereunder shall cease and terminate.

## **25. SURRENDER; HOLDING OVER**

### **A. Surrender.**

The voluntary or other surrender of this Lease by Tenant, or a mutual cancellation thereof, shall not constitute a merger, and shall, at the option of Landlord, operate as an assignment to Landlord of any or all subleases or subtenancies. Upon the expiration or earlier termination of this Lease, Tenant agrees to peaceably surrender the Premises to Landlord broom clean and in a state of good order, repair and condition, (Tenant being under no obligation to deliver a "like new" building) ordinary wear and tear and casualty damage (if this Lease is terminated as a result thereof pursuant to Paragraph 23 or 24) excepted, with all of Tenant's Property and Tenant's FF&E removed from the Premises to the extent required under Paragraph 12 and all damage caused by such removal repaired as required by Paragraph 12. Upon Landlord's request, prior to the date Tenant is to actually surrender the Premises to Landlord, Tenant agrees to give Landlord reasonable prior notice of the exact date Tenant will surrender the Premises so that Landlord and Tenant can schedule a walk-through of the Premises to review the condition of the Premises and identify the alterations and personal property which are to remain upon the Premises and which items Tenant is to remove, as well as any repairs Tenant is to make upon surrender of the Premises. The Tenant may perform, at its cost, a base line environmental assessment prior to the expiration of the Term. The delivery of keys to any employee of Landlord or to Landlord's agent or any employee thereof alone will not be sufficient to constitute a termination of this Lease or a surrender of the Premises.



**B. Holding Over.** If Tenant shall retain possession of the Premises or any portion thereof without Landlord's consent following the expiration of the Lease or sooner termination for any reason, then Tenant shall pay to Landlord for each day of such retention one hundred and twenty five percent (125%) of the amount of the daily rental as of the last month prior to the date of expiration or termination. In the event Tenant holds over in possession of the Premises or a part thereof and Landlord has a signed lease for the Premises or any part thereof, Tenant shall also indemnify, defend, protect and hold Landlord harmless from any loss, liability or cost, including reasonable attorneys' fees, resulting from delay by Tenant in surrendering the Premises, including, without limitation, any claims made by any succeeding tenant founded on such delay. Acceptance of Rent by Landlord following expiration or termination shall not constitute a renewal of this Lease, and nothing contained in this Paragraph 25 shall waive Landlord's right of reentry. Unless Landlord consents in writing to Tenant's holding over, Tenant shall be only a Tenant at sufferance, whether or not Landlord accepts any Rent from Tenant while Tenant is holding over without Landlord's written consent.

## **26. DEFAULT**

**A. Events of Default.** The occurrence of any of the following shall constitute an event of default ("Event of Default" or "Default") on the part of Tenant:

(1) **Abandonment.** Abandonment of the Premises for a continuous period in excess of ten (10) business days unless Tenant pays (within 30 days of demand) any increased insurance costs or other reasonable costs of Landlord associated with such abandonment, in which case such abandonment shall not be a Default.

(2) **Nonpayment of Rent.** Failure to pay any installment of Rent or any other amount due and payable hereunder within ten (10) days of written notice from Landlord that such payment is past due; provided, however, Landlord shall only be required to give such notice two (2) times during any 12 month period and any such further failures in such 12 month period to timely pay amounts when due shall be a Default.

(3) **Other Obligations.** Failure to perform any obligation, agreement or covenant under this Lease other than those matters specified in subparagraphs (1) and (2) of this Paragraph 26.A, such failure continuing for thirty (30) days after written notice of such failure. In the event Tenant has commenced to cure the failure of performance within the thirty (30) day period, but has not completed the cure despite diligent attempts to do so, Tenant shall have such additional period to complete such cure so long as Tenant continues to diligently pursue the cure to completion.

(4) **General Assignment.** A general assignment by Tenant for the benefit of creditors.

(5) **Bankruptcy.** The filing of any voluntary petition in bankruptcy by Tenant, or the filing of an involuntary petition by Tenant's creditors, which involuntary petition remains undischarged for a period of one hundred and twenty (120) days. In the event that under applicable law the trustee in bankruptcy or Tenant has the right to affirm this Lease and continue to perform the obligations of Tenant hereunder, such trustee or Tenant shall, in such time period as may be permitted by the bankruptcy court having jurisdiction, cure all Defaults of Tenant hereunder outstanding as of the date of the affirmation of this Lease and provide to Landlord such adequate assurances as may be necessary to ensure Landlord of the continued performance of Tenant's obligations under this Lease.

(6) **Receivership.** The employment of a receiver (other than by or on behalf of Landlord) to take possession of substantially all of Tenant's assets or the Premises, if such appointment remains undismissed or undischarged for a period of one hundred and twenty (120) days after the order therefor.

(7) **Attachment.** The attachment, execution or other judicial seizure of all or substantially all of Tenant's assets or the Premises, if such attachment or other seizure remains undismissed or undischarged for a period of one hundred and twenty (120) days after the levy thereof.

#### **B. Remedies Upon Default.**

(1) **Termination.** In the event of the occurrence of any Event of Default, Landlord shall have the right to give a written termination notice to Tenant, and on the date specified in such notice, Tenant's right to possession shall terminate, and this Lease shall terminate unless on or before such date all Events of Default specified in said termination notice and all Rent shall have been fully remedied by Tenant. At any time after such termination, Landlord may recover possession of the Premises or any part thereof and expel and remove therefrom Tenant and any other person occupying the same, by any lawful means, and again repossess and enjoy the Premises.

(2) **Continuation After Default.** Even though an Event of Default may have occurred, this Lease shall continue in effect for so long as Landlord does not terminate Tenant's right to possession under Paragraph 26.B(1) hereof, and Landlord may enforce all of Landlord's rights and remedies under this Lease, including without limitation, the right to recover Rent as it becomes due, and Landlord, without terminating this Lease, may exercise all of the rights and remedies of a landlord under applicable law. Acts of maintenance, preservation or efforts to lease the Premises or the appointment of a receiver upon application of Landlord to protect Landlord's interest under this Lease shall not constitute an election to terminate Tenant's right to possession.

**C. Damages After Default.** Should Landlord terminate this Lease pursuant to the provisions of Paragraph 26.B(1) hereof, Landlord shall have all rights and remedies of a Landlord under applicable law. Upon such termination, in addition to any other rights and remedies to which Landlord may be entitled under applicable law and subject to Landlord's duty to mitigate its damages, Landlord shall be entitled to recover from Tenant: (1) the worth at the time of award of the unpaid Rent and other amounts which had been earned at the time of termination, (2) the worth at the time of award of the amount by which the unpaid Rent which would have been earned after termination until the time of award exceeds the amount of such Rent loss that Tenant proves could have been reasonably avoided; and (3) the worth at the time of award of the amount by which the unpaid Rent for the balance of the Term after the time of award exceeds the amount of such Rent loss that the Tenant proves could be reasonably avoided. and (4) such other documented and reasonable expenses incurred by Landlord to recover possession of the Premises (including, without limitation, legal expenses and reasonable attorneys' fees) and for putting the Premises into good order and condition and repairing the same for reletting, and any other expenses, commissions and charges paid, assumed or incurred by or on behalf of Lessor in connection with the reletting of the Premises. The "worth at the time of award" of the amounts referred to in (1) and (2), above shall be computed at the lesser of ten percent (10%) or the maximum interest rate allowed by law ("Applicable Interest Rate"). The "worth at the time of award" of the amount referred to in (3) above shall be computed by discounting such amount at eight and one-half percent (8-1/2%). In addition to the rent due and any other sum or damages for which Tenant, in the event of a Event of Default in the first five (5) years of the Lease may be liable to Landlord, as damages, Tenant shall be liable for an amount equal to the rent which

would have been payable during any period of rent-free occupancy provided to Tenant by this Lease.

Additionally, Tenant shall pay to the Landlord on demand all costs and expenses, including reasonable lawyers' fees, incurred by the Landlord in enforcing any of the obligations of the Tenant under this Lease.

**D. Late Charge.** If any installment of Rent is not received by the Landlord from the Tenant by the tenth (10th) day of each calendar month, such amount shall bear interest at the Applicable Interest Rate from the date on which said payment shall be due until the date on which Landlord shall receive said payment. In addition, Tenant shall pay Landlord a late charge equal to three percent (3%) of the delinquency amount, to compensate Landlord for the loss of the use of the amount not paid and the administrative costs caused by the delinquency, the parties agreeing that Landlord's damage by virtue of such delinquencies would be difficult to compute and the amount stated herein represents a reasonable estimate thereof. This provision shall not relieve Tenant of Tenant's obligation to pay Rent at the time and in the manner herein specified.

**E. Removal of Property.** Any and all property which may be removed from the Premises by the Landlord pursuant to the authority of the Lease or of law, to which the Tenant is or may be entitled, may be handled, removed or stored by the Landlord at the risk, cost and expense of the Tenant, and the Landlord shall in no event be responsible for the value, preservation or safekeeping thereof. The Tenant shall pay to the Landlord, upon demand; any and all expenses incurred in such removal and all storage charges against such property so long as the same shall be in the Landlord's possession or under the Landlord's control. Any such property of the Tenant not removed from the Premises or retaken from storage by the Tenant within thirty (30) days after the end of the Term or of the Tenant's right to possession of the Premises, however terminated, shall be conclusively deemed to have been forever abandoned by the Tenant and either may be retained by Landlord as its property or may be disposed of in such manner as Landlord may see fit.

**F. Remedies Cumulative.** All rights, privileges and elections or remedies of the parties are cumulative and not alternative, to the extent permitted by law and except as otherwise provided herein.

## **27. LIENS**

Tenant shall keep the Premises free from liens arising out of or related to work performed, materials or supplies furnished or obligations incurred by Tenant or in connection with work made, suffered or done by or on behalf of Tenant in or on the Premises or the buildings on the Premises other than the "Landlord's Work" or any other work undertaken by Landlord for Tenant. In the event that Tenant shall not, within thirty (30) days following the imposition of any such lien, cause the same to be released of record by payment or posting of a proper bond after notice of its intent to Tenant and failure to promptly address the same, Landlord shall have, in addition to all other remedies provided herein and by law, the right, but not the obligation, to cause the same to be released by such means as Landlord shall deem proper, including payment of the claim giving rise to such lien. All sums paid by Landlord on behalf of Tenant and all expenses incurred by Landlord in connection therefor shall be payable to Landlord by Tenant on demand with interest at the Applicable Interest Rate. Landlord shall have the right at all times to post and keep posted on the Premises any notices permitted or required by law, or which Landlord shall deem proper, for the protection of Landlord, the Premises, the buildings on the Premises and any other party having an interest therein, from mechanics' and materialmen's liens,



and Tenant shall give Landlord not less than five (5) business days prior written notice of the commencement of any work in the Premises or any building on the Premises which could lawfully give rise to a claim for mechanics' or materialmen's liens.

## **28. TRANSFERS BY LANDLORD**

In the event of a sale or conveyance by Landlord of the Premises or a foreclosure by any creditor of Landlord, the same shall operate to release Landlord from any prospective liability upon any of the covenants or conditions, express or implied, herein contained in favor of Tenant to the extent the successor assumes the Landlord's obligations under this lease; to the extent required to be performed after the passing of title to Landlord's successor-in-interest. In such event, Tenant agrees to look solely to the responsibility of the successor-in-interest of Landlord under this Lease with respect to the performance of the covenants and duties of "Landlord" to be performed after the passing of title to Landlord's successor-in-interest and will continue to have a claim against Landlord for prior claims. This Lease shall not be affected by any such sale and Tenant agrees to attorn to the purchaser or assignee and, provided, further, such purchaser or assignee enters into a satisfactory non disturbance agreement with Tenant.

Notwithstanding the forgoing, in the event Landlord desires to sell the Premises, it shall give Tenant thirty (30) days advance written notice before offering the premises for sale or listing the Premises for sale with broker.

## **29. RIGHT OF LANDLORD TO PERFORM TENANT'S COVENANTS**

All covenants and agreements to be performed by Tenant under any of the terms of this Lease shall be performed by Tenant at Tenant's sole cost and expense and without any abatement of Rent except as specifically set permitted under this Lease. If Tenant is in Default of this Lease because of its failure to pay any Additional Rent, required to be paid by Tenant hereunder or failure to perform any other act on Tenant's part to be performed hereunder, and such failure shall continue for fifteen (15) days after written notice thereof by Landlord (so long as Tenant is not diligently pursuing cure), Landlord may, but shall not be obligated to do so, and without waiving or releasing Tenant from any obligations of Tenant, make any such Additional Rent payment or perform any such act on Tenant's part to be made or performed. All reasonable and necessary sums, so paid by Landlord and all necessary incidental costs together with interest thereon at the Applicable Interest Rate from the date of such payment by Landlord shall be payable to Landlord within thirty (30) days of demand, and Tenant covenants to pay such sums, and Landlord shall have, in addition to any other right or remedy of Landlord, the same right and remedies in the event of the non-payment thereof by Tenant as in the case of Default by Tenant in the payment of Rent.

## **30. WAIVER**

If either Landlord or Tenant waives the performance of any term, covenant or condition contained in this Lease, such waiver shall not be deemed to be a waiver of any subsequent breach of the same or any other term, covenant or condition contained herein. The acceptance of Rent by Landlord shall not constitute a waiver of any preceding breach by Tenant of any term, covenant or condition of this Lease, regardless of Landlord's knowledge of such preceding breach at the time Landlord accepted such Rent. Failure by Landlord or Tenant to enforce any of the terms, covenants or conditions of this Lease for any length of time shall not be deemed to waive or to decrease the right of Landlord or Tenant, whichever is applicable, to insist thereafter upon strict

performance by Tenant. Waiver by Landlord or Tenant of any term, covenant or condition contained in this Lease may only be made by a written document signed by such party.

### **31. NOTICE**

To the extent permitted by law, each provision of this Lease or of any applicable governmental laws, ordinances, regulations and other requirements with reference to sending, mailing or delivery of any notice or the making of any payment by Landlord or Tenant to the other shall be deemed to be complied with when and if the following steps are taken:

**A. Rent.** All Rent and other payments required to be made by Tenant to Landlord hereunder shall be payable to Landlord at the address set forth in the Basic Lease Information, or at such other address as Landlord may specify from time to time by written notice delivered in accordance herewith. Tenant's obligation to pay Rent and any other amounts to Landlord under the terms of this Lease shall not be deemed satisfied until such Rent and other amounts have been actually received by Landlord.

**B. Other.** All notices, demands, consents and approvals which may or are required to be given by either party to the other hereunder shall be in writing and either personally delivered, sent by nationally recognized commercial overnight courier service, or mailed by, certified mail return receipt requested, postage prepaid, and addressed to the party to be notified at the address for such party as specified in the Basic Lease Information and, in the case of Tenant, at the Premises or to such other place as the party to be notified may from time to time designate by at least fifteen (15) days notice to the notifying party. Notices shall be deemed served upon receipt, if personally delivered or refusal to accept delivery.

### **32. ATTORNEYS' FEES**

In the event that Landlord or Tenant places the enforcement of this Lease, or any part thereof, or the collection of any Rent due, or to become due hereunder, or recovery of possession of the Premises in the hands of an attorney, the non-prevailing party shall pay to other, upon demand, the prevailing party's reasonable attorneys' fee and court costs. In any action which Landlord or Tenant brings to enforce its respective rights hereunder, the unsuccessful party shall also pay all court costs incurred by the prevailing party including reasonable attorneys' fees and expenses, to be fixed by the court, and said court costs and attorneys' fees and expenses shall be a part of the judgment in said action.

### **33. SUCCESSORS AND ASSIGNS**

This Lease shall be binding upon and inure to the benefit of Landlord, its successors and assigns, and shall be binding upon and inure to the benefit of Tenant, its successors, and permitted assigns.

### **34. FORCE MAJEURE**

In the event that either Landlord or Tenant shall be delayed, hindered in or prevented from the performance of any act or obligation required under this Lease except for the payment of money by reason of acts of God, strikes, lockouts, labor troubles or disputes, inability to procure or shortage of materials or labor, failure of power or utilities, delay in transportation, fire, vandalism, accident, flood, severe weather, other casualty, governmental requirements (including mandated changes in the plans and specifications of Tenant Improvements resulting from changes

in pertinent governmental requirements or interpretations thereof), riot, insurrection, civil commotion, sabotage, explosion, war, natural or local emergency acts (individually and collectively, "Force Majeure"), then performance of such act or obligation shall be excused for the period of the delay and the period for the performance of any such act or obligations shall be extended for the period equivalent to the period of such delay provided that such delayed party gives written notice of such delay to the other party to this Lease.

### **35. BROKERAGE COMMISSION**

Tenant and Landlord shall split any brokerage commission to Colliers International. Tenant warrants to Landlord that (i) Tenant has negotiated a flat fee to be paid to Collier's International on this Lease in the amount of Three Hundred Sixty Nine Thousand One Hundred Fifty and 30/100 Dollars (\$369,150.30), plus any applicable sales tax and (ii) Tenant's sole contact with Landlord or with the Premises in connection with this transaction has been directly with Landlord and the Colliers International, and that no other broker or finder can properly claim a right to a commission or a finder's fee based upon contacts between the claimant and Tenant with respect to Landlord or the Premises. Tenant shall indemnify, defend by counsel acceptable to Landlord, protect and hold Landlord harmless from and against any loss, cost or expense, including, but not limited to, attorneys' fees and costs, resulting from any claim for a fee or commission by any broker or finder in connection with the Premises and this Lease other than Broker. Landlord warrants to Tenant that no other broker or finder can properly claim a right to a commission or a finder's fee based upon contacts between the claimant and Landlord with respect to Tenant or the Premises. Landlord shall indemnify, defend by counsel acceptable to Tenant, protect and hold Tenant harmless from and against any loss, cost or expense, including, but not limited to, attorneys' fees and costs, resulting from any claim for a fee or commission by any broker or finder in connection with the Premises and this Lease other than Broker. Tenant warrants to Landlord that no other broker or finder can properly claim a right to a commission or a finder's fee based upon contacts between the claimant and Tenant with respect to Landlord or the Premises.

### **36. MISCELLANEOUS**

**A. General.** The terms "Tenant and/or Landlord" or any pronoun used in place thereof shall indicate and include the masculine or feminine, the singular or plural number, individuals, firms or corporations, and their respective successors, executors, administrators and permitted assigns, according to the context hereof.

**B. Time.** Time is of the essence regarding this Lease and all of its provisions.

**C. Choice of Law.** This Lease shall in all respects be governed by the laws of the State of Ohio.

**D. Entire Agreement.** This Lease, together with the exhibits identified in Section 36.L, contains all the agreements of the parties hereto and supersedes any previous negotiations. There have been no representations made by the Landlord or Tenant or understandings made between the parties other than those set forth in this Lease and said Exhibits.

**E. Modification.** This Lease may not be modified except by a written instrument signed by the parties hereto.



**F. Severability.** If, for any reason whatsoever, any of the provisions hereof shall be unenforceable or ineffective, all of the other provisions shall be and remain in full force and effect.

**G. Recordation.** Tenant may record a short form memorandum of this Lease in form as reasonably acceptable to Landlord. Tenant shall file a termination of such memorandum within thirty (30) days after the termination of this Lease and if Tenant fails to do so, Landlord is hereby granted Tenant's power of attorney to do file such termination on Tenant's behalf.

**H. Examination of Lease.** Submission of this Lease to Tenant does not constitute an option or offer to lease and this Lease is not effective otherwise until execution and delivery by both Landlord and Tenant.

**I. Accord and Satisfaction.** No payment by Tenant of a lesser amount than the Rent nor any endorsement on any check or letter accompanying any check or payment of Rent shall be deemed an accord and satisfaction of full payment of Rent, and Landlord may accept such payment without prejudice to Landlord's right to recover the balance of such Rent or to pursue other remedies.

**J. Easements.** Solely for utility purposes, Landlord may grant easements on the real property upon which the Building is located and dedicate for public use portions of said real property without Tenant's consent; provided that no such grant or dedication shall substantially interfere with Tenant's use of the Premises or materially affect the aesthetics of the Premises. Upon Landlord's demand, Tenant shall execute, acknowledge and deliver to Landlord documents, instruments, maps and plats necessary to effectuate Tenant's covenants hereunder.

**K. Drafting and Determination Presumption.** The parties acknowledge that this Lease has been agreed to by both the parties, that both Landlord and Tenant have consulted with attorneys with respect to the terms of this Lease and that no presumption shall be created against either party because of their involvement in drafting this Lease. Except as otherwise specifically set forth in this Lease, with respect to any consent, determination or estimation of Landlord required in this Lease or requested of Landlord, Landlord's consent, determination or estimation shall be made in good faith.

**L. Exhibits.** *Exhibits A* through *F* and Appendices 1 through 3 attached hereto are hereby incorporated herein by this reference.

**M. No Light, Air or View Easement.** Any diminution or shutting off of light, air or view by any structure which may be erected on lands adjacent to or in the vicinity of the Building shall in no way affect this Lease or impose any liability on Landlord.

**N. No Third Party Benefit.** This Lease is a contract between Landlord and Tenant and nothing herein is intended to create any third party benefit.

**O. Waiver of Jury Trial.** IF ANY ACTION OR PROCEEDING BETWEEN LANDLORD AND TENANT TO ENFORCE THE PROVISIONS OF THIS LEASE (INCLUDING AN ACTION OR PROCEEDING BETWEEN LANDLORD AND THE TRUSTEE OR DEBTOR IN POSSESSION WHILE TENANT IS A DEBTOR IN A PROCEEDING UNDER ANY BANKRUPTCY LAW) PROCEEDS TO TRIAL, LANDLORD AND TENANT HEREBY WAIVE THEIR RESPECTIVE RIGHTS TO A JURY IN SUCH TRIAL. Tenant does hereby

authorize and empower Landlord to file this Paragraph and or this Lease, as required, with the clerk or judge of any court of competent jurisdiction as a written consent to waiver of jury trial.

**P. Covenant of Quiet Enjoyment.** So long as Tenant is not in Default under this Lease, Tenant has the right to occupy and enjoy the Premises during the Term of this Lease in peace and without disturbance from Landlord or any other party subject to Landlord's supervision or control. Landlord represents and warrants that it has good and marketable title to the Premises, subject only to its knowledge, the liens, encumbrances and easements set forth on Exhibit F.

**Q. Title Commitment and Survey.** On or before a date thirty (3) days after the date hereof,, Landlord shall provide Tenant with a leasehold policy of title insurance in the amount of \$7,000,000, the cost of which shall be split 50/50 between Landlord and Tenant; provided, however, in the event Landlord gets a discount on such policy as a result of its purchase of additional title insurance, such discount shall accrue fully to the benefit of Landlord. Landlord has provided Tenant with a commitment of title insurance issued by First American Title Insurance Company ("Commitment") and an ALTA Survey depicting all matters shown on the Commitment ("Survey") and Tenant has raised certain objections to items revealed by the Commitment and/or Survey which potentially adversely impact Tenant's proposed use of the Premises ("Objections"). Landlord shall have thirty (30) days from the date hereof to cure the Objection. In the event Landlord has commenced to cure the failure of performance within the thirty (30) day period, but has not completed the cure despite diligent attempts to do so, Landlord shall have such additional period to complete such cure so long as Landlord continues to diligently pursue the cure to completion. If Landlord fails to effect such cure, Tenant shall have the option of (i) terminating the Lease within thirty (30) days of Landlord's failure to cure or (ii) waiving the objection.

### **37. ADDITIONAL PROVISIONS**

**A. Taxes on Tenant's Property.** Tenant agrees to pay before delinquency, all taxes and assessments (real and personal) levied against any personal property or fixtures placed by Tenant in or about the Premises (including any increase in the assessed value of the Premises based solely upon the value of any such personal property or trade fixtures). If any such taxes or assessments are levied against Landlord or the Real Estate, Landlord may, after written notice to Tenant (and under proper protest if requested by Tenant) pay such taxes and assessments, in which event Tenant agrees to reimburse Landlord all amounts paid by Landlord within ten (10) business days after demand by Landlord; provided, however, Tenant, at its sole cost and expense, will have the right, with Landlord's cooperation, to bring suit in any court of competent jurisdiction to recover the amount of any such taxes and assessments so paid under protest.

IN WITNESS WHEREOF, the parties hereto have executed this Lease the day and year first above written.

"Landlord"

**FAIRLAWN OFFICE PARK ONE, LLC**, an Ohio limited liability company

By: Scott E. Parker. MANAGER  
Scott Parker, Manager

By: Mike Ritenour  
Mike Ritenour, Manager

"Tenant"

**VEYANCE TECHNOLOGIES, INC.**, a Delaware corporation

By: [Signature]  
Its: CEO & PRESIDENT

TENANT'S NOTARY:

STATE OF OHIO

)  
) : SS  
)

COUNTY OF SUMMIT

BEFORE ME, a Notary Public in and for said County and State, personally appeared Timothy R. Topper, the CEO - President of VEYANCE TECHNOLOGIES, INC., who acknowledged that he did sign the foregoing instrument on behalf of such company, and by authority of said company, and that the same is his voluntary act and deed on behalf of said company, and the voluntary act and deed of said company.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed my official seal on this 13th day of March, 2008.

Notary Public

*Jeffrey T. Knoll*  
JEFFREY T. KNOLL, Attorney-At-Law  
Notary Public - State Of Ohio  
My Commission has no expiration date  
Sec. 147.03 R.C.

LANDLORD'S NOTARY:

STATE OF OHIO

)  
) : SS  
)

COUNTY OF SUMMIT

BEFORE ME, a Notary Public in and for said County and State, personally appeared Scott Parker, a Manager, and Mike Ritenour, a Manager, of Fairlawn Office Park One, LLC, who both acknowledged that they did sign the foregoing instrument on behalf of such company, and by authority of said company, and that the same is their voluntary act and deed on behalf of said company, and the voluntary act and deed of said company.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed my official seal on this 13th day of March, 2008.

Notary Public

*Jeffrey T. Knoll*  
JEFFREY T. KNOLL, Attorney-At-Law  
Notary Public - State Of Ohio  
My Commission has no expiration date  
Sec. 147.03 R.C.

*This Instrument Prepared By  
Stark & Knoll  
3475 Ridgewood Rd.  
Akron Ohio 44333*

## EXHIBIT A-1

### LEGAL DESCRIPTION OF PROPERTY

Situated in the City of Fairlawn, County of Summit, State of Ohio, described as follows:

SITUATED IN THE CITY OF FAIRLAWN, COUNTY OF SUMMIT, STATE OF OHIO AND KNOWN AS BEING A PART OF ORIGINAL COPY TOWNSHIP LOT 13, ALSO KNOWN AS BEING A PORTION OF A PARCEL OF LAND CONVEYED TO JERRY H. WELTY, TRUSTEE AS RECORDED IN RECEPTION NO. 54964351 OF SAID COUNTY'S RECORDS, AND BEING FURTHER BOUNDED AND DESCRIBED AS FOLLOWS:

COMMENCING AT THE INTERSECTION OF THE CENTERLINE OF MASSILLON RD. (C.H. 17) WITH THE NORTH LINE OF SAID LOT 13, THENCE ALONG SAID CENTERLINE, S 24° 15' 27" W FOR A DISTANCE OF 1354.84 FEET TO A POINT, PASSING OVER CENTERLINE MONUMENTS FOUND AT 529.86 FEET AND 1330.44 FEET, THENCE ALONG A SOUTH LIMITED ACCESS LINE OF INTERSTATE ROUTE 77 AND A NORTH RIGHT OF WAY LINE OF KUMHO DR. (REC. NO. 55270871, VARIABLE WIDTH) AND THEIR EXTENSION, S 65° 44' 33" E FOR A DISTANCE OF 80.00 FEET TO A POINT, THENCE ALONG AN EAST LINE OF SAID LIMITED ACCESS AND A WEST LINE OF SAID KUMHO DR., N 24° 15' 27" E FOR A DISTANCE OF 39.59 FEET TO A POINT, SAID POINT BEING THE TRUE PLACE OF BEGINNING OF THE PARCEL OF LAND HEREINAFTER DESCRIBED, THENCE CLOCKWISE ALONG THE FOLLOWING SEVEN (7) COURSES AND DISTANCES:

(1) THENCE CONTAINING ALONG SAID LIMITED ACCESS LINE, N 24° 15' 27" E FOR A DISTANCE OF 316.94 FEET TO A POINT, WITNESSED BY AN IRON PIN FOUND 0.55' N, 0.16' W;

(2) THENCE CONTINUING ALONG SAID LIMITED ACCESS LINE, S 89° 08' 52" E FOR A DISTANCE OF 184.43 FEET TO A POINT;

(3) THENCE CONTINUING ALONG SAID LIMITED ACCESS LINE, N 81° 45' 10" E FOR A DISTANCE OF 365.22 FEET TO A POINT;

(4) THENCE CONTINUING ALONG SAID LIMITED ACCESS LINE, S 89° 57' 28" E FOR A DISTANCE OF 8.03 FEET TO A 5/8 INCH REBAR WITH CAP "GPD" FOUND AT A NORTHWEST CORNER OF A PARCEL OF LAND CONVEYED TO KUMHO TIRE U.S.A., INC. AS RECORDED IN RECEPTION NO. 54073450;

(5) THENCE ALONG THE WEST LINE OF SAID KUMHO TIRE U.S.A. INC., S 0° 02' 32" W FOR A DISTANCE OF 353.55 FEET TO A 5/8 INCH BAR WITH CAP "GPD" FOUND ON THE NORTH LINE OF SAID KUMHO DR.,

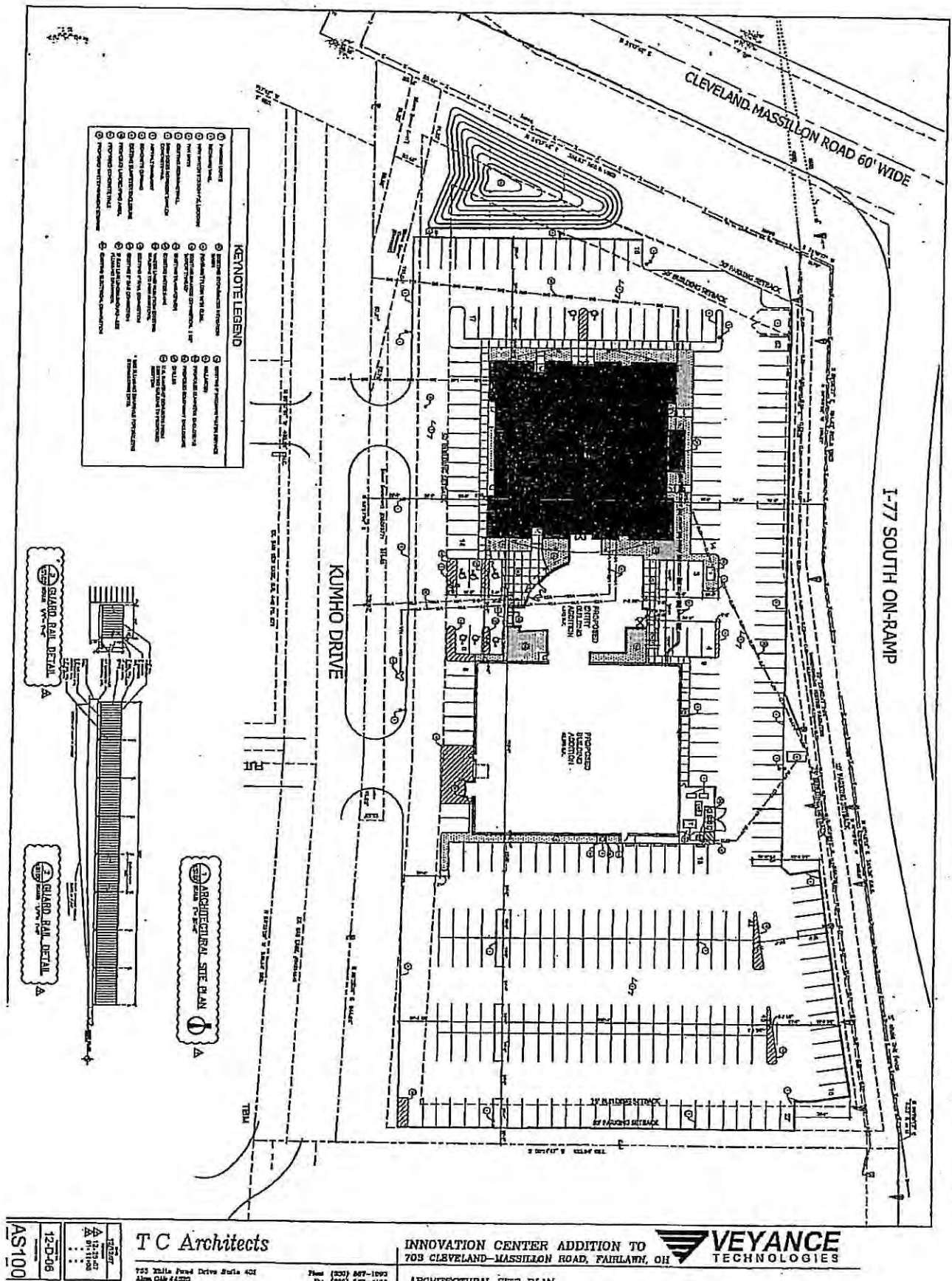
(6) THENCE ALONG THE NORTH LINE OF SAID KUMHO DR., N 86° 35' 08" W FOR A DISTANCE OF 244.69 FEET TO A 5/8 INCH REBAR WITH CAP "GPD" FOUND;

(7) THENCE CONTINUING ALONG SAID NORTH LINE, N 89° 57' 01" W FOR A DISTANCE OF 439.57 FEET TO THE TRUE PLACE OF BEGINNING AND CONTAINING 4.3480 ACRES OF LAND, AS SURVEYED UNDER THE SUPERVISION OF JAMES E. KARING, P.S. NUMBER 7539, FOR GPD ASSOCIATES, IN DECEMBER OF 2005.

THE BASIS OF BEARING IS THE CENTERLINE OF CLEVELAND-MASSILLON ROAD AS SHOWN IN PLAT BOOK 75, PAGES 12-13 OF THE SUMMIT COUNTY RECORD OF PLATS.



## SITE LAYOUT FOR PREMISES



## **EXHIBIT B-1**

### **IC/CB Working Drawings**

**A copy of the Plans prepared by TC Architects, Inc. and originally dated 12-12-07, with Revisions through 2-18-08 (Revision 3) consisting of 97 total pages is incorporated herein by reference (a copy of the first page is attached).**



703 CLEVELAND-MASSILON ROAD

FAIRLAWN, OHIO 44333


PERMIT SET RESUBMITTAL 02.18.08

LC

ARCHITECTURE & INTERIOR DESIGN  
755 WHITE POND DRIVE  
AUSTIN, OHIO 44320  
PHONE: 330-867-1000  
FAX: 330-867-4198



**ELECTRICAL ENGINEERING**  
**ROBERT L. WILLIAMS & ASSOCIATES**  
2034 SOUTH ARLINGTON ROAD  
AKRON, OHIO 44318  
PHONE: 330-644-5091  
FAX: 330-644-5000



K Company Inc.

**MECHANICAL ENGINEERING**  
**THE K COMPANY**  
2234 S. ARLINGTON ROAD  
ARLON, OHIO 44318  
PHONE: 330-773-5125  
FAX: 330-773-2892

**CAUSELL &  
AUTOCENTER, INC.**  
10000 KINGSWAY  
IRVING, CALIF. 92618  
1-800-368-6666

CIVIL ENGINEERING  
CABELL & ASSOCIATES, INC.  
1022 BAILEY ROAD SUITE A  
GUYAHOGA FALLS, OHIO 44221  
PHONE: 230 945-4177  
FAX: 230 945-3577

**IBB ENGINEERING**  
 PAPER 1138 • AREA 840 • 334 • 775 5273 774-4271

**STRUCTURAL ENGINEERING**  
**ENV. ENGINEERING**  
P.O. BOX 13138  
AKRON, OH 44334  
PHONE: 330-775-8223

# NEW INNOVATION CENTER ADDITION FOR:



**VEYANCE**  
TECHNOLOGIES

703 CLEVELAND-MASSILON ROAD

FAIRLAWN, OHIO 44333


PERMIT SET RESUBMITTAL 02.18.08

LC

ARCHITECTURE & INTERIOR DESIGN  
755 WHITE POND DRIVE  
AUSTIN, OHIO 44320  
PHONE: 330-867-1000  
FAX: 330-867-4198



**ELECTRICAL ENGINEERING**  
**ROBERT L. WILLIAMS & ASSOCIATES**  
2034 SOUTH ARLINGTON ROAD  
AKRON, OHIO 44318  
PHONE: 330-644-5091  
FAX: 330-644-5000



K Company Inc.

**MECHANICAL ENGINEERING**  
**THE K COMPANY**  
2234 S. ARLINGTON ROAD  
ARLON, OHIO 44318  
PHONE: 330-773-5123  
FAX: 330-773-2892

**CAUSELL &  
AUTOCENTER, INC.**  
10000 KINGSWAY  
IRVING, CALIF. 92618  
www.causell.com

CIVIL ENGINEERING  
CAMPBELL & ASSOCIATES, INC.  
10221 BAILEY ROAD SUITE A  
GUYAHOGA FALLS, OHIO 44221  
PHONE: 230 945-4177  
FAX: 230 945-4377

**IBB ENGINEERING**  
 PAPER 1138 • AREA 840 • 334 • 775 5273 774-4271

**STRUCTURAL ENGINEERING**  
**ENV. ENGINEERING**  
P.O. BOX 13138  
AKRON, OH 44334  
PHONE: 330-775-6223

DRAWING ORGANIZATION SYSTEM		SYMBOLS		LOCATION MAP		DRAWING INDEX	
<p><b>MINIMUM SYSTEM CODE</b></p> <p><b>DISCIPLINE IDENTIFICATION</b></p> <p>1. MECHANICAL 2. ELECTRICAL 3. CIVIL 4. STRUCTURAL 5. PLUMBING 6. MECHANICAL 7. ELECTRICAL 8. MECHANICAL</p>		<p><b>DRAWING FORMAT:</b></p> <p>1. MECHANICAL 2. ELECTRICAL 3. CIVIL 4. STRUCTURAL 5. PLUMBING 6. MECHANICAL 7. ELECTRICAL 8. MECHANICAL</p>				<p><b>DISCIPLINE IDENTIFICATION</b></p> <p>1. MECHANICAL 2. ELECTRICAL 3. CIVIL 4. STRUCTURAL 5. PLUMBING 6. MECHANICAL 7. ELECTRICAL 8. MECHANICAL</p>	

**EXHIBIT C**

**TENANT ESTOPPEL CERTIFICATE**

TO: Fairlawn Office Park One, LLC

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**THIS IS TO CERTIFY:**

1. That the undersigned is the Tenant under that certain Lease dated \_\_\_\_\_, and, if applicable, amended on \_\_\_\_\_, by and between \_\_\_\_\_ ("Landlord"), and the undersigned ("Tenant") covering those certain premises located as shown on the drawing made part of the Lease (the "Premises").

2. That said Lease is in full force and effect and, except as noted in Paragraph 1. above, has not been modified, changed, altered or amended in any respect, and is the only lease or agreement between the Tenant and the Landlord affecting the Premises.

3. To the best of Tenant's knowledge, the information set forth below is true and correct:

(a) Square footage of the Premises:

(b) Annual rent as of the Commencement of Lease: \$

(c) Current annual rent (if different than at commencement): \$

(d) Term Commencement Date of Lease:

(e) Lease termination date:

(f) Rent paid to and including:

(g) Security deposit: \$

(h) Prepaid rent for and in amount of: \$

(i) Amount of current monthly payment obligations with respect to Basic Operating Costs:

\$

(j) Dates through which Tenant has paid monthly escrow payments and Common Area Maintenance charges:

4. **Delete if Tenant has not occupied the Premises:** Tenant now occupies the Premises, accepts the Premises in their current condition subject only to those punch list items listed in *Exhibit A*, if any, and is not aware of any defect in the Premises except as described in *Exhibit A*, if any.

5. **Delete if Tenant has occupied the Premises:** Tenant does not occupy the Premises. The status of the plans and specifications for and the construction of Tenant Improvements is described in *Exhibit A*. Tenant is familiar with the Tenant Improvement work done to date and is not aware of any defect in such work, except as described in *Exhibit A*.

6. No rent has been paid in the current month other than as disclosed in Paragraph 3. No free rent or other concessions, benefits, or inducements other than as specified in the Lease have been granted to Tenant or undertaken by the Landlord.

7. Tenant has not been granted any renewal, expansion, purchase options or any rights of first refusal, except as set forth in the Lease:

8. To Tenant's knowledge, neither Tenant nor, Landlord is in breach of the Lease As of the date hereof and except as set forth in the Lease, the undersigned is entitled to no credit, offset or deduction in rent. Tenant knows of no liabilities or obligations of Landlord which have accrued but are unsatisfied under the Lease as of the date of this Certificate. (or state otherwise)

9. To the best of Tenant's knowledge, there are no actions, whether voluntary or otherwise, pending against the undersigned under the bankruptcy laws or other laws for the relief of debtors of the United States or any state thereof.

DATED this       day of       20       .

TENANT:

By:

\_\_\_\_\_  
Name:

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

(Tenant to attach *Exhibit A* to Tenant Estoppel Certificate, *List of Defects*, if necessary.)



## **EXHIBIT "D"**

### **Landlord Items under Basic Operating Costs**

1. Snow and Ice removal
2. Rubbish and Debris removal
3. Landscape maintenance
4. Exterior lighting
5. Interior cleaning (5days a week)
6. Light Poles and Fixture maintenance
7. Storm and Sanitary Sewer maintenance
8. Parking Lot and Driveway Maintenance
9. Exterior utility lines and cabling
10. Exterior Building maintenance
11. Elevator maintenance
12. Hvac and Life Safety alarm maintenance
13. Management Fees
14. Roof Maintenance
15. Structural components of the building
16. Exterior entrance doors
17. Sprinkler system
18. Plumbing system
19. Electrical system

## **EXHIBIT "E"**

### **Tenant Maintenance and Repair Items**

1. Interior window washing
2. Replacement of interior light bulbs
3. Computer and data cabling
4. IT cabling and hardware
5. Telephone systems and cabling
6. Appliances
7. Fire extinguishers
8. Interior Doors
9. Ceiling Tile or Grid damage
10. Paint and Wall Coverings
11. Interior and exterior signs
12. Tenant Utilities
13. Interior plumbing clogs and/or backup
14. Any additional interior improvements

**EXHIBIT F**  
**TITLE EXCEPTIONS**

1. Defects, liens, encumbrances, adverse claims or other matters, if any, created, first appearing in the Public Records or attaching subsequent to the Effective Date hereof but prior to the date the proposed Insured acquires for value of record the estate or interest or mortgage thereon covered by this Commitment.
2. Any facts, rights, interests, or claims that are not shown in the public records but that could be ascertained by an inspection of the Land or by making inquiry of persons in possession of the land.
3. Any encroachment, encumbrance, violation, variation, or adverse circumstance affecting the title, including discrepancies, conflicts in boundary lines, shortage in area, or any other facts that would be disclosed by an accurate and complete land survey of the Land, and that are not shown in the public records.
4. Any lien, or right to a lien, for services, labor or material theretofore or hereafter furnished, imposed by law and not shown in the public records.
5. Rights of parties in possession of all or any part of the premises, including, but not limited to, easements, claims of easements or encumbrances that are not shown in the public records.
6. Taxes or assessments approved, levied or enacted by the State, County, Municipality, Township or similar taxing authority, but not yet certified to the tax duplicate of the County in which the land is situated, including but not limited to any retroactive increases in taxes or assessments resulting from any retroactive increase in the valuation of the land by the State, County, Municipality, Township, or other taxing authority.
7. Summit County Treasurer's General Tax Duplicate shows:  
  
Taxes and Assessments for the last half of 2006, listed to Fairlawn Office Park One LLC, as Permanent Parcel No. 09-03895, amounting to \$944.88, are paid.  
Valuation: Land \$18,990 Impr. - 0 - Total \$18,990  
  
Assessment, Homestead Exemption or Delinquency included in the above amount as follows:  
Project 300109, \$25.00 per half year, M10 Sewer Maintenance.  
Project 302209, \$520.98 per half year, M50 Santry Swr-2010.  
  
Taxes for the year 2007 are a lien not yet due and payable.

8. Agreement for Lease of Oil and Gas by and between William Smith, Lessor, and S.E. Large of Hebron Ohio, Lessee, dated August 19, 1942, filed for record October 24, 1942 and recorded in Book 1982, Page 569 of Summit County Records.  
  
Amendment and Release of Oil and Gas Leases between Robert R. Rice and Jerry H. Welty, and The Wiser Oil Company, dated November 12, 1993, filed for record January 27, 1994 and recorded in Volume OR 1598, Page 478 of Summit County Records.
9. Easement from William H. Krekler to City of Fairlawn, Ohio, filed for record March 26, 1990 and recorded in OR 440, Page 678 of Summit County Records.
10. Easement from Robert R. and Cheryl D. Rice, et al, to Ohio Edison Company, dated December 18, 1996, filed for record January 27, 1997 and recorded in OR 2348, Page 661 of Summit County Records.
11. Easement and Right of Way from Jerry H. Welty and Robert R. Rice to Kumbo Tire U.S.A., Inc., dated October 28, 1997, filed for record October 31, 1997 and recorded as Summit County Recorder's Document No. 54073450.
12. Kuhmo Drive Dedication Plat for public utilities, filed for record February 6, 1998 and recorded as Summit County Recorder's Document No. 54102355.
13. Pipe Line Right of Way Grant from Robert R. Rice and Cheryl D. Rice, et al, to East Ohio Gas Company, dated February 2, 1998, filed for record February 23, 1998 and recorded as Summit County Recorder's Document No. 54107135.
14. Easement from Robert R. Rice and Jerry H. Welty to City of Fairlawn, dated March 20, 1998, filed for record March 25, 1998 and recorded as Summit County Recorder's Document No. 54119085.
15. Gas Pipeline Easement Grant from Jerry H. Welty and Robert R. Rice to The East Ohio Gas Company, dated November 28, 2000, filed for record February 23, 2001 and recorded as Summit County Recorder's Document No. 54514841.
16. Easement from Jerry H. Welty, Trustee of Jerry H. Welty Revocable Trust to City of Fairlawn, Ohio, dated March 16, 2004, filed for record July 1, 2004 and recorded as Summit County Recorder's Document No. 55069771.
17. Storm Sewer Easement as shown on the Dedication Plat of Kumbo Drive, filed for record December 20, 2005 and recorded as Summit County Recorder's Document No. 55270871.
18. Mortgage between Fairlawn Office Park One, LLC and Sky Bank, for \$3,208,340.00, filed for record November 13, 2006 and recorded as Summit County Recorder's Document No. 55387392, covering premises described in Schedule A, together with any and all terms, conditions and restrictions contained therein.
19. Assignment of Rents between Fairlawn Office Park One, LLC and Sky Bank, dated November 7, 2006, filed for record November 13, 2006 and recorded as Summit County Recorder's Document No. 55387393.
20. Original Notice of Commencement, filed for record November 13, 2006 and recorded as Summit County Recorder's Document No. 55387394.



**VEYANCE**  
TECHNOLOGIES

INNOVATION CENTER ADDITION TO  
703 CLEVELAND-MASSILLON ROAD, FAIRLAWN, OH

SECOND FLOOR EQUIPMENT PLAN

Phone (330) 967-1063  
Fax (330) 967-4198

**T C Architects**

725 Wells Pond Drive Suite 401  
Akron, Ohio 44320

1 SECOND FLOOR PLAN  
A101 SCALE 1/8"=1'-0"

DATE	12/12/07
REVISION	
12-28-07	
01-11-08	
02-18-08	
PROJECT NO.	12-D-06
DRAWING NO.	A107



## Appendix 2

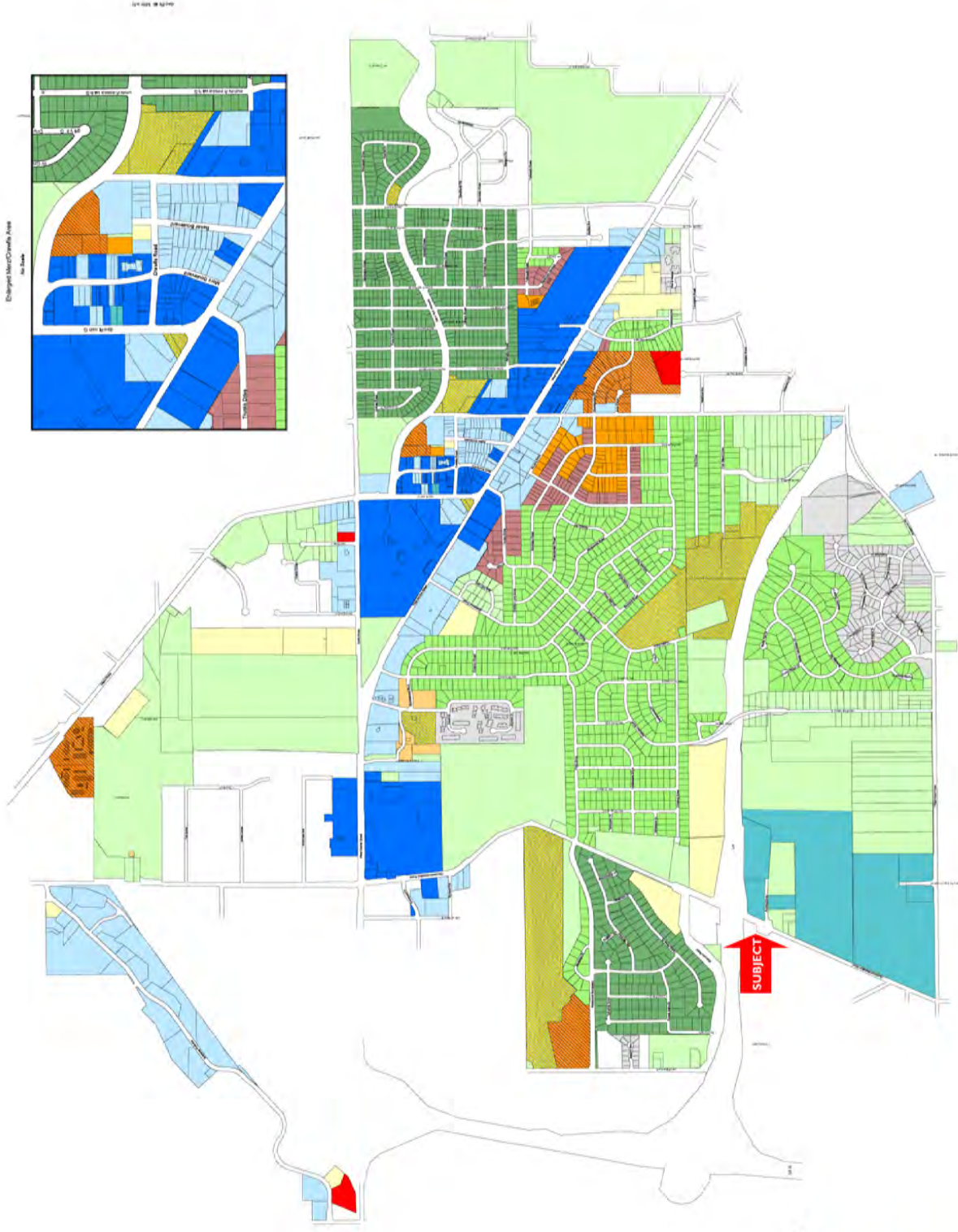
### Tenant Purchased Items which are part of Tenant Costs

	installed cost		
120 gallon tank	87,000	1	87000
Arctic Chill Chiller	25,000	1	25000
Sterlco units	9,200	1	9200
	315,000	1	315000
Instron Liebert system	40,000	1	40000
Cranes	73195	1	73195
Walk in cooler	15647	1	15647
Lab casework	232,835	1	232835
New PLC	70,000	1	70000
Robeck	200000	1	200000
			1067877

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*Fairlawn, Ohio – Zoning & City Information*

# Zoning and City Information



Chagrin Valley Community Center



**Legend**  
Fairlawn\_Zoning

Zone	Color
R-1	Light Blue
R-2	Blue
R-3	Red
R-4	Light Blue
R-5	Light Blue
R-6	Light Blue
R-7	Light Blue
R-8	Light Blue
R-9	Light Blue
R-10	Light Blue
R-11	Light Blue
R-12	Light Blue
R-13	Light Blue
R-14	Light Blue
R-15	Light Blue
R-16	Light Blue
R-17	Light Blue
R-18	Light Blue
R-19	Light Blue
R-20	Light Blue
R-21	Light Blue
R-22	Light Blue
R-23	Light Blue
R-24	Light Blue
R-25	Light Blue
R-26	Light Blue
R-27	Light Blue
R-28	Light Blue
R-29	Light Blue
R-30	Light Blue
R-31	Light Blue
R-32	Light Blue
R-33	Light Blue
R-34	Light Blue
R-35	Light Blue
R-36	Light Blue
R-37	Light Blue
R-38	Light Blue
R-39	Light Blue
R-40	Light Blue
R-41	Light Blue
R-42	Light Blue
R-43	Light Blue
R-44	Light Blue
R-45	Light Blue
R-46	Light Blue
R-47	Light Blue
R-48	Light Blue
R-49	Light Blue
R-50	Light Blue

# CHAPTER 1283

## B-4 Office Park/Research District

- [1283.01](#) Intent.
- [1283.02](#) B-4 Use regulations.
- [1283.03](#) Lot area, width and coverage requirements.
- [1283.04](#) Setback requirements.
- [1283.05](#) Supplementary setback requirements.
- [1283.06](#) Height requirements.
- [1283.07](#) Required landscaping and buffering.
- [1283.08](#) Reserved.
- [1283.09](#) Design plans.
- [1283.10](#) Supplemental design criteria.

### 1283.01 INTENT.

- (a) The B-4 Office Park/Research District and its regulations are established herein in order to achieve, among other, the following purposes:
  - (1) To encourage the logical development of land for office uses in accordance with the objectives in the Comprehensive Plan.
  - (2) To provide Office Park/Research Districts in appropriate and convenient locations to meet the needs of the City's expected future economy for research facilities and office uses.
  - (3) To protect residential neighborhoods adjacent to office uses by controlling the use, spacing, intensity, height and overall development of office sites.
  - (4) To ensure the highest quality of development which protects existing development from incompatible building and site designs and thereby maximizes the long-term marketability of the undeveloped sites in this district.

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**1283.02 B-4 USE REGULATIONS.**

- (a) No building and land shall be used, or building designed, erected, altered, moved or maintained, in whole or in part, in an Office Park/Research District, except for the uses set forth in [Schedule 1274.02](#) and the following regulations:
- (b) Accessory Uses Permitted.
  - (1) Incidental storage of materials within entirely enclosed building(s), when such materials are clearly accessory to the principal use.
  - (2) Signs as regulated by Chapter **1298**.
  - (3) Off-street parking as required and set forth in [Chapter 1284](#) of this Zoning Code.
  - (4) Loading facilities as set forth in [Chapter 1284](#) of this Zoning Code;
  - (5) Supporting services in compliance with the following:
    - A. Limited to the sale of products or services that are intended to primarily meet the needs of the employees or patrons of the office uses. These are limited to: coffee shops and the sale of sundries (i.e., newspapers, magazines, candy, snacks).
    - B. Permitted only in an office building that has a minimum of twenty thousand (20,000) gross square feet.
    - C. Shall not exceed one thousand (1,000) square feet of floor area in any building.
    - D. Customer entrance must be through the public entrances to the office building, and shall not be provided through separate exterior building entrances.
    - E. Wholesale sales are not permitted directly from the premises.
    - F. No exterior signs advertising the supporting services are permitted.
  - (6) Restaurants and banks in compliance with the following:
    - A. Permitted only in an office building that has a minimum of forty thousand (40,000) gross square feet.
    - B. Only one (1) restaurant and one (1) bank shall be permitted per building.



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- C. The combined area of the bank and the restaurant shall not exceed ten percent (10%) of the total floor area of the building and shall not exceed thirty-five percent (35%) of the first floor of a building.
- D. Customer entrance shall be through the public entrances to the office building, and shall not be provided through separate exterior building entrances.
- E. Wholesale sales are not permitted directly from the premises.
- F. The nearest portion of any building with a restaurant shall be at least four hundred (400) feet from a Residential District boundary.
- G. Outdoor seating associated with a restaurant shall not exceed twenty-five percent (25%) of the indoor seating capacity of the restaurant.
- H. Exterior signs shall only be permitted when in compliance with Chapter 1298.

**1283.03 LOT AREA, WIDTH AND COVERAGE REQUIREMENTS.**

- (a) In the Office Park/Research District, all buildings and land shall abut a street for the required width. The minimum lot area and width and maximum lot coverage for each office, research, and production operation shall be in accordance with the following Schedule 1283.03:

<b>Schedule 1283.03</b>			
<b>Lot Area, Width and Coverage Requirements</b>			
<b>Use</b>	<b>Minimum Lot Area</b>	<b>Minimum Lot Width</b>	<b>Minimum Green Space</b>
<b>Offices</b>	2 acres	75 feet	30%
<b>Laboratories</b>	2 acres	75 feet	30%

- (b) For buildings newly constructed, the following provisions shall apply:
  - (1) Green space is the portion of the site that is not devoted to buildings, parking, access, loading or any other paved or hard surface, including sidewalks. Green space may include retention or detention areas, Leeds Certified Vegetative Green Roofs not to exceed ten percent (10%) of required green space, conservation easements, wetlands or any other water surface.
  - (2) Buildings shall have a minimum ratio of ten thousand (10,000) square feet of floor area, excluding parking decks, basement and cellar floor area, per acre of developable land.

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- A. "Developable land" means all land not encumbered by a conservation easement, riparian corridors, and wetlands as defined by the Army Corp of Engineers.

**1283.04 SETBACK REQUIREMENTS.**

- (a) Setbacks shall be provided for every principal and accessory building in an Office Park/Research District in accordance with the following Schedule **1283.04** and this Chapter:

<b>Schedule 1283.04 Setback Requirements</b>					
Use	Setback from Street R-O-W Line	Setback from Side Lot Line when Lot Adjoins		Setback from Rear Lot Line when Lot Adjoins	
Residential District	Nonresidential District	Residential District	Nonresidential District		
Main or Accessory Building	50 ft. (1)	100 ft. (2)	25 ft.	100 ft. (2)	25 ft.
Parking (4)	30 ft. (1)	40 ft.	10 ft.	40 ft.	10 ft.
Loading	Not allowed in front yard	(3)	25 ft.	(3)	25 ft.
<p>(1) Along 1-77 the minimum setbacks for buildings and parking shall be ten (10) feet.</p> <p>(2) See also Section <a href="#">1283.06</a> Height Regulations.</p> <p>(3) Not allowed on the side of a building facing a Residential District when such building face is within one hundred ninety-five (195) feet of a Residential District.</p> <p>(4) A maximum of fifteen percent (15%) of the off-street parking provided shall be permitted between the front of the building and the street.</p>					

**1283.05 SUPPLEMENTARY SETBACK REQUIREMENTS.**

- (a) Front Setback. Front setbacks shall be not less than that established in the above schedule unless shown otherwise on the Zoning Map. If a portion of the front yard is used for parking in accordance with the above schedule, a poured concrete curb or precast concrete barrier shall be erected or installed along the parking area line not less than the distance set forth above from the front property lines.
- (b) Side and Rear Setback. Side and rear setbacks, where adjoining a Residential District, shall be provided as set forth in the above schedule and shall apply to all buildings, structures and parking and open yard uses.

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- (c) Side Setback on Corner Lot. Whenever a building is located on a corner lot, the width of the side setback on the side street shall be not less than fifty (50) feet. The parking setback from the side street shall be not less than thirty (30) feet.
- (d) Location of Drives. No direct access shall be permitted onto Cleveland-Massillon Road or Ridgewood Road except for lots that have no other street access.
- (e) Sidewalks. In any Office Park/Research District, pedestrian walking paths shall be reasonably provided between principal buildings, from principal building to accessory uses, and from principal buildings to the edge of the property, in order to create a continuous pedestrian system throughout the Office Park/Research District, and to other adjacent and nearby facilities that reasonably expect pedestrian access. Paths shall be hard surfaced and not less than five (5) feet in width.

**1283.06 HEIGHT REQUIREMENTS.**

- (a) Principal buildings shall have a maximum height of four (4) floors provided that no part of the building including the roof exceeds sixty-five (65) feet. It is further required that the height of any principal building in any Office Park/Research District that is located between one hundred (100) feet and one hundred ninety-five (195) feet of property in a Residential District, which is either vacant or used for residential purposes, shall have a building height no greater than one-third (1/3) the width of that yard which adjoins such Residential District.
- (b) Mechanical space for building equipment placed on the building roof may be allowed above the maximum height specified, provided such mechanical space and screening complies with the following:
  - (1) Does not exceed fifteen (15) feet in height;
  - (2) Complies also with subsection [1283.10\(a\)\(1\)F](#);
  - (3) Is adequately screened from view; and
  - (4) Are approved by the Planning Commission.

**1283.07 REQUIRED LANDSCAPING AND BUFFERING.**

Landscaping, screening, and buffering shall be provided in accordance with the provisions set forth in Chapter [1296](#), Landscaping and Screening Regulations, and the following:

- (a) Front Yard Parking. If a portion of the front yard is used for parking, a four (4)-foot high berm shall be constructed in the yard between the parking area and the street line, and it shall be attractively landscaped and maintained.
- (b) Screening of Accessory Uses. Accessory uses in any Office Park/Research District shall be screened according to the following standards:

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- (1) Dumpsters. Trash and/or garbage collection and service areas shall be enclosed on all sides by a solid wall and a solid gate at least 1 foot-higher than the highest refuse container in the collection area if such area is not within an enclosed building or structure, but in no case shall the wall be less than six (6) feet in height. Such solid wall shall be situated so as to screen the view of the collection area from adjacent roads and properties. Such wall shall be constructed of brick, decorative concrete, split face block, or stone and should be the same as or similar to those utilized on the principal building(s). These enclosures are to be located at least five (5) feet from the property line, unless otherwise specifically regulated in this Code. Supplemental plant materials shall be provided at a minimum height of five (5) feet to effectively screen fifty percent (50%) of the wall.
- (2) Loading and Service Areas. Each loading area shall be screened along any perimeter that faces a street right-of-way or adjoining property according to the screening requirements of subsection **1296.06 (g)(1)**.
- (c) Landscaping When Lot Abuts Cleveland-Massillon Rd. or Ridgewood Rd.
  - (1) Earth mounds shall be installed along these roads to give a consistent appearance and shall not be less than four (4) feet in height.
  - (2) Screening plantings shall be installed to supplement these mounds.
  - (3) Any combination of the above shall be acceptable provided the total height is nine (9) feet.

**1283.08 RESERVED.****1283.09 DESIGN PLANS.**

- (a) In order to carry out the intent and purpose of this chapter, the Planning Commission shall review site plans that have been prepared for specific areas in the B-4 District. Plans submitted for review shall include the Plan Submission Requirements in Chapter **1240**. Such site plans shall be developed in accordance with the criteria set forth in this chapter and in any other applicable provisions of this Zoning Code.
- (b) Such plans may designate locations for temporary streets or access ways for a limited period until streets or access ways will be constructed at locations to comply with the traffic control requirements of this Zoning Code and the City's Code of Ordinances. After such plans are duly approved by the Planning Commission and Council, they shall be construed as being a part of this Zoning Code and compliance therewith is required unless modifications are subsequently approved by the Planning Commission and Council.

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**1283.10 SUPPLEMENTAL DESIGN CRITERIA.**

- (a) The purpose of this section is to ensure quality development in the B-4 Office Park/Research District in order to achieve the intent of this Chapter as set forth in Section [1283.01](#). To achieve this end, the building design and site design shall be subject to the site plan review process in accordance with [Chapter 1240](#) of this Zoning Code. In reviewing such applications the Planning Commission shall determine that the applicant has complied with following design criteria:

(1) Building Considerations.

- A. Design. Except for all-glass buildings, large expanses of blank walls shall be avoided. Blank walls are generally characterized by the use of a single wall material and/or all elements of the wall being on the same plane. Blank walls may be avoided by use of, but not limited to, the following:

1. Using windows and architectural details for emphasis.
2. Breaks and fluctuations in the overall rhythm of a building, which are used to draw attention to important areas such as the entry, or simply to relieve the monotony or uniformity of an otherwise blank facade.
3. Using multiple and contrasting building materials. However, the number of materials used should be kept to a minimum so as not to compete for attention and create a visually confusing building design.
4. Recessing windows slightly or expressing the building's structure to allow sunlight and shade to create a more three (3)-dimensional appearance.

B. Materials.

1. Materials shall be used that contribute to the character of the area. Examples of such contributing materials include:
  - a. Glass - mirrored, transparent and/or reflective;
  - b. Brick, not less than three (3) inches thick;
  - c. Stone and other natural material; and
  - d. Veneers of suitable materials not less than three (3) inches thick; and Marble and similar materials shall be not less than one and one-half (1-1/2) inches thick;
  - e. Exposed concrete (poured in place or precast) or steel when used and designed to convey the structure of the building.
2. Conversely, the following materials are not consistent with the intended character of the B-4 district and are considered inappropriate for use:



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- a. Stucco/insulation systems or similar materials unless such materials are utilized as an accent with belt courses, joints, contrasting materials, exposed structural elements, or similar design features and only comprise a small percentage of the building surfaces;
  - b. Unfinished and industrial type materials such as exterior insulated finishes and standing seam or ribbed metal siding unless such materials are part of a roof structure or architectural feature and the use of the materials is otherwise consistent with the overall quality and character of the building design;
  - c. Concrete masonry block whether painted or unpainted, except that decorative concrete masonry units four (4) scores or more may be used in the same locations as in B.1. above; and
  - d. Exposed concrete (poured in place or precast) or steel except when these materials are part of the buildings structure pursuant to **B.1.c** above.
3. The design and materials on the sides and rear of the proposed building should be substantially consistent in the quality of materials and design given to the main or street frontage.
  4. Materials should be selected and used in combination with other materials to reasonably assure that rusting, soiling, staining, streaking or similar types of discoloration or deterioration does not occur.
- C. Colors. Bright or primary colors and other colors that are in stark contrast to other buildings in the area should be avoided as the principal building color.
- D. Additions. The design, colors and materials used for additions to buildings should be guided by the existing work to which it is attached or associated.
- E. Parking Structures. The design and materials of parking structures should be similar to and complement those of the principal building.
- F. Appurtenant and Accessory Structures. Mechanical equipment and other similar appurtenant or accessory structures shall be located to minimize the impact on the building and the community.
1. Air-conditioning units, condenser elements, antennas, and other mechanical equipment shall not be located on the front of the building.
  2. Mechanical equipment on the ground shall be screened in accordance with subsection **1296.07(b)**, or housed in a structure that is constructed with materials that are similar to and compatible with the

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materials used on the principal building as approved by the Planning Commission.

3. Mechanical equipment attached to the side or placed on the roof of a building, including heating vents, shall be kept as low as possible and shall be screened with materials that are similar to and compatible with the background. When placed on the roof of the building the mechanical equipment should be a minimum of twenty (20) feet from the edge of the roof.

- (2) Site Design. To create a unified development area, a single consistent material or a complementary pattern of materials should be used for all walkways and pedestrian paths. Likewise, similar styles of street furniture, light poles and other site amenities should be used throughout the district.

- A. Access. When feasible, shared driveways serving multiple buildings are encouraged to limit the number of curb cuts and provide greater areas for street landscaping and shared signage.

- B. Walkways and Pedestrian Paths. Walkways and pedestrian paths, which are required pursuant to Section [1283.05\(e\)](#) shall also comply with the following:

1. Paths shall be separated from vehicular ways.
2. Whenever a walkway or pedestrian path intersects with or crosses through a parking lot, the walking path should be delineated with stripes, painting or contrasting materials to differentiate the walking path from the parking lot.
3. Paths shall be constructed with high quality materials such as concrete, brick, or stamped concrete. However, when the path is proposed as an informal walkway, either extending in and around the natural areas on the site and/or connecting with any adjacent natural or recreation areas, the Planning Commission may approve a gravel or similar soft surface path when constructed to the City's specifications.

- C. Outdoor Plazas.

1. Such areas should include amenities such as chairs, tables, benches, fountains, decorative walls and light poles.
2. Such areas should be lit in the evening. Lighting should be kept at a low level and should not disturb adjacent residential properties.
3. The use of landscaping in connection with an outdoor plaza is encouraged. Such landscaping may be located along the perimeter of the plaza to create the illusion of a more intimate setting.

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**DRAFT****D. Street Furniture, Lighting and Other Similar Amenities.**

1. Benches, landscaping, trash receptacles and other similar amenities should be located near walkways.
2. Lighting should be located near all walkways and pedestrian paths. Lighting should be provided with decorative fixtures, kept at a low level and designed and located so as not to disturb adjacent residential properties.
3. Light poles should not be more than fourteen (14) feet in height.

**E. Dumpsters.**

1. Dumpsters should be located in the side or rear yard and away from adjacent residential areas and public roads.
2. Dumpsters shall be screened in accordance with this Zoning Code.

**F. Fences and Screening Walls.** Materials and colors of fences and screening walls should be consistent with its associated building's architectural design.



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## History

### Beginning

In 1958, a group of interested citizens decided to incorporate their area into a Village -- known as Fairlawn Village. They felt it would be the best way to solve problems and provide necessary improvements for the growing community.

The first part-time government headed by the first elected mayor, Joseph Poticny, instituted necessary control and planning.

### Two Major Accomplishments

Two major accomplishments marked the life of the Village. It fought off the westward extension of the Akron expressway, I-77, which threatened to bisect the community. A southern alternate route was proposed by Village officials and was eventually used by the State.

The other successful program was the ambitious aim to have concrete paving throughout the Village. During a period of four years, a total of 16 miles of roads were paved.

### City-hood

The 1970's census put Fairlawn's population at 6,200 and eligible for city-hood. A special election in July of 1971 was held and the Charter form of government was chosen for the now official City of Fairlawn.

Plans were also considered for the building of a new city hall to house police, tax offices, city officials' offices and meeting rooms. The Municipal Complex, as it was named, was financed with income tax revenue, and completed in December of '71, with the mortgage burning ceremony taking place in May of '73.

### Residential & Commercial Development

The ensuing years saw tremendous residential and commercial development. With careful planning, our city was able to maintain that balance of residential and commercial growth over the years, yet still keeping that "quality of life" our residents demand. Along with this growth came the expansion of all city services and the long-range planning for the health and welfare of our citizens and business partners.

### Today

Today, the city shines like a star. Fairlawn continues to explore new ideas and possibilities to improve and preserve the fine qualities of the community.

Fairlawn has become a bright example among progressive communities -- a star that truly shows its brilliance each and every day.



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## Our City

### Introduction

Our city has a rhythm -- a tempo all its own. It's a place to raise a family, a place to build and call your own. Fairlawn is a city in perfect balance of residential and commercial harmony. Fairlawn is well-named. It's a city where residents take pride in owning a home, a city where business owners want to beautify and upgrade their property.

Visit the [Fairlawn Area Chamber of Commerce](#)

### Location & Population

Fairlawn is conveniently positioned in Summit County, just west of Akron, Ohio and 35 minutes from downtown Cleveland. Nearby arteries to major expressways are convenient and international and regional airports are minutes away.

Our fair city is home to approximately 7,300 residents. During the day, the city swells to the tune of over 40,000 people who come to work each day in Fairlawn.

### Business

While there is no manufacturing in the city, we are home to many large corporations and a diverse group of prosperous businesses, many in the polymer or related industries.

Fairlawn also has a diversified solid tax base and offers many private sector jobs. We welcome new business neighbors. Our long-range development program has helped in securing many new business investments.

With the cities good working business attitude for public/private working partnerships and corporations, many commercial and professional firms find Fairlawn completely ideal.

### Family

Fairlawn is a great place to raise a family. The quality of life here is as high as the sky. The recreational amenities and city services outshine the rest. Our [school systems](#) are superb.

Fairlawn is a planned bedroom community. Through careful zoning, we've balanced green space and business space. There are no walls and certainly no gates. Fairlawn is an open opportunity to real living. We are truly a fair city.







DP-1

Profile of General Population and Housing Characteristics: 2010

2010 Demographic Profile Data

NOTE: For more information on confidentiality protection, nonsampling error, and definitions, see <http://www.census.gov/prod/cen2010/profiletd.pdf>.

GEO: Fairlawn city, Ohio

Subject	Number	Percent
SEX AND AGE		
Total population	7,437	100.0
Under 5 years	348	4.7
5 to 9 years	367	4.9
10 to 14 years	453	6.1
15 to 19 years	390	5.2
20 to 24 years	313	4.2
25 to 29 years	447	6.0
30 to 34 years	404	5.4
35 to 39 years	391	5.3
40 to 44 years	420	5.6
45 to 49 years	505	6.8
50 to 54 years	590	7.9
55 to 59 years	599	8.1
60 to 64 years	473	6.4
65 to 69 years	351	4.7
70 to 74 years	324	4.4
75 to 79 years	286	3.8
80 to 84 years	315	4.2
85 years and over	461	6.2
Median age (years)	46.8	( X )
16 years and over	6,165	82.9
18 years and over	5,996	80.6
21 years and over	5,831	78.4
62 years and over	1,991	26.8
65 years and over	1,737	23.4
Male population	3,500	47.1
Under 5 years	177	2.4
5 to 9 years	206	2.8
10 to 14 years	247	3.3
15 to 19 years	189	2.5
20 to 24 years	150	2.0
25 to 29 years	202	2.7
30 to 34 years	206	2.8
35 to 39 years	185	2.5
40 to 44 years	209	2.8
45 to 49 years	234	3.1
50 to 54 years	264	3.5
55 to 59 years	300	4.0
60 to 64 years	228	3.1
65 to 69 years	153	2.1
70 to 74 years	144	1.9
75 to 79 years	120	1.6
80 to 84 years	144	1.9
85 years and over	142	1.9

Subject	Number	Percent
Median age (years)	44.6	( X )
16 years and over	2,818	37.9
18 years and over	2,736	36.8
21 years and over	2,663	35.8
62 years and over	818	11.0
65 years and over	703	9.5
Female population	3,937	52.9
Under 5 years	171	2.3
5 to 9 years	161	2.2
10 to 14 years	206	2.8
15 to 19 years	201	2.7
20 to 24 years	163	2.2
25 to 29 years	245	3.3
30 to 34 years	198	2.7
35 to 39 years	206	2.8
40 to 44 years	211	2.8
45 to 49 years	271	3.6
50 to 54 years	326	4.4
55 to 59 years	299	4.0
60 to 64 years	245	3.3
65 to 69 years	198	2.7
70 to 74 years	180	2.4
75 to 79 years	166	2.2
80 to 84 years	171	2.3
85 years and over	319	4.3
Median age (years)	48.8	( X )
16 years and over	3,347	45.0
18 years and over	3,260	43.8
21 years and over	3,168	42.6
62 years and over	1,173	15.8
65 years and over	1,034	13.9
RACE		
Total population	7,437	100.0
One Race	7,288	98.0
White	6,108	82.1
Black or African American	820	11.0
American Indian and Alaska Native	3	0.0
Asian	317	4.3
Asian Indian	98	1.3
Chinese	90	1.2
Filipino	9	0.1
Japanese	30	0.4
Korean	32	0.4
Vietnamese	13	0.2
Other Asian [1]	45	0.6
Native Hawaiian and Other Pacific Islander	0	0.0
Native Hawaiian	0	0.0
Guamanian or Chamorro	0	0.0
Samoan	0	0.0
Other Pacific Islander [2]	0	0.0
Some Other Race	40	0.5
Two or More Races	149	2.0
White; American Indian and Alaska Native [3]	22	0.3
White; Asian [3]	37	0.5
White; Black or African American [3]	54	0.7
White; Some Other Race [3]	7	0.1
Race alone or in combination with one or more other races: [4]		
White	6,236	83.9
Black or African American	897	12.1
American Indian and Alaska Native	41	0.6

Subject	Number	Percent
Asian	364	4.9
Native Hawaiian and Other Pacific Islander	3	0.0
Some Other Race	52	0.7
HISPANIC OR LATINO		
Total population	7,437	100.0
Hispanic or Latino (of any race)	168	2.3
Mexican	74	1.0
Puerto Rican	37	0.5
Cuban	5	0.1
Other Hispanic or Latino [5]	52	0.7
Not Hispanic or Latino	7,269	97.7
HISPANIC OR LATINO AND RACE		
Total population	7,437	100.0
Hispanic or Latino	168	2.3
White alone	105	1.4
Black or African American alone	10	0.1
American Indian and Alaska Native alone	1	0.0
Asian alone	1	0.0
Native Hawaiian and Other Pacific Islander alone	0	0.0
Some Other Race alone	33	0.4
Two or More Races	18	0.2
Not Hispanic or Latino	7,269	97.7
White alone	6,003	80.7
Black or African American alone	810	10.9
American Indian and Alaska Native alone	2	0.0
Asian alone	316	4.2
Native Hawaiian and Other Pacific Islander alone	0	0.0
Some Other Race alone	7	0.1
Two or More Races	131	1.8
RELATIONSHIP		
Total population	7,437	100.0
In households	7,083	95.2
Householder	3,219	43.3
Spouse [6]	1,507	20.3
Child	1,852	24.9
Own child under 18 years	1,364	18.3
Other relatives	245	3.3
Under 18 years	54	0.7
65 years and over	69	0.9
Nonrelatives	260	3.5
Under 18 years	23	0.3
65 years and over	24	0.3
Unmarried partner	122	1.6
In group quarters	354	4.8
Institutionalized population	350	4.7
Male	141	1.9
Female	209	2.8
Noninstitutionalized population	4	0.1
Male	3	0.0
Female	1	0.0
HOUSEHOLDS BY TYPE		
Total households	3,219	100.0
Family households (families) [7]	1,978	61.4
With own children under 18 years	764	23.7
Husband-wife family	1,507	46.8
With own children under 18 years	499	15.5
Male householder, no wife present	130	4.0
With own children under 18 years	68	2.1
Female householder, no husband present	341	10.6
With own children under 18 years	197	6.1



Subject	Number	Percent
Nonfamily households [7]	1,241	38.6
Householder living alone	1,100	34.2
Male	407	12.6
65 years and over	136	4.2
Female	693	21.5
65 years and over	401	12.5
Households with individuals under 18 years	807	25.1
Households with individuals 65 years and over	1,123	34.9
Average household size	2.20	( X )
Average family size [7]	2.82	( X )
HOUSING OCCUPANCY		
Total housing units	3,455	100.0
Occupied housing units	3,219	93.2
Vacant housing units	236	6.8
For rent	76	2.2
Rented, not occupied	10	0.3
For sale only	49	1.4
Sold, not occupied	11	0.3
For seasonal, recreational, or occasional use	42	1.2
All other vacants	48	1.4
Homeowner vacancy rate (percent) [8]	2.2	( X )
Rental vacancy rate (percent) [9]	6.5	( X )
HOUSING TENURE		
Occupied housing units	3,219	100.0
Owner-occupied housing units	2,129	66.1
Population in owner-occupied housing units	5,015	( X )
Average household size of owner-occupied units	2.36	( X )
Renter-occupied housing units	1,090	33.9
Population in renter-occupied housing units	2,068	( X )
Average household size of renter-occupied units	1.90	( X )

X Not applicable.

[1] Other Asian alone, or two or more Asian categories.

[2] Other Pacific Islander alone, or two or more Native Hawaiian and Other Pacific Islander categories.

[3] One of the four most commonly reported multiple-race combinations nationwide in Census 2000.

[4] In combination with one or more of the other races listed. The six numbers may add to more than the total population, and the six percentages may add to more than 100 percent because individuals may report more than one race.

[5] This category is composed of people whose origins are from the Dominican Republic, Spain, and Spanish-speaking Central or South American countries. It also includes general origin responses such as "Latino" or "Hispanic."

[6] "Spouse" represents spouse of the householder. It does not reflect all spouses in a household. Responses of "same-sex spouse" were edited during processing to "unmarried partner."

[7] "Family households" consist of a householder and one or more other people related to the householder by birth, marriage, or adoption. They do not include same-sex married couples even if the marriage was performed in a state issuing marriage certificates for same-sex couples. Same-sex couple households are included in the family households category if there is at least one additional person related to the householder by birth or adoption. Same-sex couple households with no relatives of the householder present are tabulated in nonfamily households. "Nonfamily households" consist of people living alone and households which do not have any members related to the householder.

[8] The homeowner vacancy rate is the proportion of the homeowner inventory that is vacant "for sale." It is computed by dividing the total number of vacant units "for sale only" by the sum of owner-occupied units, vacant units that are "for sale only," and vacant units that have been sold but not yet occupied; and then multiplying by 100.

[9] The rental vacancy rate is the proportion of the rental inventory that is vacant "for rent." It is computed by dividing the total number of vacant units "for rent" by the sum of the renter-occupied units, vacant units that are "for rent," and vacant units that have been rented but not yet occupied; and then multiplying by 100.

Source: U.S. Census Bureau, 2010 Census.

*Offering Procedure*

# Offering Procedure





## **OFFERING PROCEDURE**

### **OFFERING PROCEDURE:**

Offers can be faxed, mailed or e-mailed, to the attention of Bob Garber at the address below. Ownership will provide updates through their broker on the final due date for offers, as well as any changes or updates to the information on the offering or on the status of the property. Building tours can be coordinated by contacting Bob Garber. Additional due diligence and other materials are available upon request.

### **CONTACT INFORMATION:**

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