

CITY OF NOVI CITY COUNCIL
MARCH 23, 2026

SUBJECT: Approval of a Resolution for the extension of a lease of City Property to the US Postal Service for approximately 10,680 square feet of City-owned land on the west side of Novi Road, north of Ten Mile Road, immediately north of the US Post Office Branch, for one term of five years beginning March 1, 2028, until February 28, 2033.

SUBMITTING DEPARTMENT: City Mangager

BACKGROUND INFORMATION:

Since 2013, the US Postal Service has held a lease over the city-owned vacant land adjacent to the Post Office Branch located on the west side of Novi Road, north of Ten Mile Road (see attached location map). Improvements to the City-owned land include a row of 24 parking spaces adjacent to and accessed from the northerly drive of the Post Office parking lot. The Postal Service constructed the parking spaces and now maintains the leased area. On termination of the lease, the Postal Service will be responsible for the removal of the parking lot improvements and restoring the site to its original condition, including stabilization of the disturbed area with vegetation.

The initial 2013 lease consisted of two 5-year terms and was proactively extended in 2021 for the 5-year period of 2023 to 2028. The Postal Service is again requesting an extension from the City of Novi in advance of the current period's completion date for another five (5) year extension from its 2028 completion date, ending on February 28, 2033. The attached draft lease language is now in a form acceptable to the City Attorney's Office. The leased area covers approximately 10,680 square feet and provides a total lease amount of \$5 for the 5-year term.

Staff is not aware of any issues related to the lease of the land to the Post Office over the previous lease terms. Staff believes that the improvements have benefited the Novi community through improved parking availability and traffic circulation.

RECOMMENDED ACTION: Approval of a Resolution for the extension of a lease of City Property to the US Postal Service for approximately 10,680 square feet of City-owned land on the west side of Novi Road, north of Ten Mile Road, immediately north of the US Post Office Branch, for one term of five years beginning March 1, 2028, until February 28, 2033.

CITY OF NOVI
COUNTY OF OAKLAND, MICHIGAN

RESOLUTION APPROVING EXTENSION OF 5-YEAR LEASE OF CITY PROPERTY

Minutes of a Meeting of the City Council of the City of Novi, County of Oakland, Michigan, held in the City Hall of said City on April 13, 2026, at 7 o'clock P.M. Prevailing Eastern Time.

PRESENT: Councilmembers _____

ABSENT: Councilmembers _____

The following preamble and Resolution were offered by Councilmember _____ and supported by Councilmember _____.

WHEREAS, on May 6, 2013, the City approved a 5-year lease of City-owned Property, Parcel No. 50-22-22-400-024 located adjacent to the existing U.S. Post Office on Novi Road for the purpose of expanding the parking for the Post Office; and,

WHEREAS, the Lease provided for one 5-year extension to terminate on February 28, 2028 which was approved on April 26, 2021; and,

WHEREAS, the US Postal Service has requested to add an additional 5-year extension to the term of the Lease to terminate on February 28, 2033; and

WHEREAS, City Administration has determined that the proposed improvements will assist the Post Office to maintain a presence and improve service at the existing location and will thereby benefit the Novi community by providing improved parking and traffic circulation at the post office; and,

WHEREAS the prosed lease area covers approximately 10,680 square feet and provides for 1 additional extension term of 5 years with a total lease amount of \$1.00 per annum for the term of the lease; and

WHEREAS, the City attorney's office has worked with City Administration and the U.S. Postal service to negotiate acceptable lease terms, and the terms will remain unchanged for the additional extension period.

NOW THEREFORE, IT IS THEREFORE RESOLVED that the City Council approves the attached United States Postal Service Lease Amendment for one additional term of five (5) years.

AYES:

NAYS:

RESOLUTION DECLARED ADOPTED.

Cortney Hanson, City Clerk

CERTIFICATION

I hereby certify that the foregoing is a true and complete copy of a resolution adopted by the City Council of the City of Novi, County of Oakland, and State of Michigan, at a regular meeting held this 13th day of April, 2026, and that public notice of said meeting was given pursuant to and in full compliance with Act No. 267, Public Acts of Michigan, 1976, and that the minutes of said meeting have been kept and made available to the public as required by said Act.



Cortney Hanson, City Clerk
City of Novi

POST OFFICE LEASE

Location



LEGEND


-  City-Owned Property
-  Post Office Property



City of Novi
Dept. of Community Development
City Hall / Civic Center
45175 W Ten Mile Rd
Novi, MI 48375
cityofnovi.org

Map Author: Christian Carroll
Date: 4/8/21
Project: Post Office Lease
Version #: 1

0 37.5 75 150 225 Feet
1 inch = 178 feet



MAP INTERPRETATION NOTICE
Map information depicted is not intended to replace or substitute for any official or primary source. This map was intended to meet National Map Accuracy Standards and use the most recent, accurate sources available to the people of the City of Novi. Boundary measurements and area calculations are approximate and should not be construed as survey measurements performed by a licensed Michigan Surveyor as defined in Michigan Public Act 132 of 1970 as amended. Please contact the City GIS Manager to confirm source and accuracy information related to this map.



Feb 24, 2026

CITY OF NOVI
WATER AND SEWER BILL PO BOX 33321 DRAWER 47
DETROIT, MI 48232-5321

SUBJECT: NOVI ADDITIONAL PARKING, 24875 NOVI RD, NOVI, MI 48376-9998
Lease Expiration Date: 02/29/28

Dear United States Postal Service Landlord,

On behalf of the United States Postal Service, JLL is pleased to present the enclosed Lease Agreement for the above referenced property. Please contact me with any feedback at (202) 533-2512 or grace.folk@jll.com

The following instructions have been added to help expedite lease execution:

- **Lease Agreement:**
 - Sign and date on the designated line. (This must be signed physically.)
 - Print name and title of entity or person on designated line.
 - Signature(s) are not required to be witnessed by two parties nor notarized.
- **Real Estate Conflict of Interest (COI) Certification:**
 - This is in the body of the lease. Complete one COI form for each per person who signs the lease.
- **Commission Agreement:**
 - Sign and print name and date. (This can be signed electronically.)
- **Evidence of Title:** Provide Deed or Certificate of Transfer of Title.

Notice: All owners of record are advised to read the Lease thoroughly to ensure that each party is in agreement with the terms and conditions of this contract.

Respectfully,

Grace Folk

CC: Jake Slaker



September 26, 2025

Dear Postal Service Landlord:

Jones Lang LaSalle Americas, Inc. (JLL) is a Real Estate Services Provider (“RESP”) for the Postal Service. JLL has experience and expertise in real property transactions and provides the Postal Service with real estate support services, including lease management and brokerage services.

As the Postal Service RESP, JLL will represent the Postal Service in your leasing transaction. Note, however, that only a warranted Postal Service contracting officer has authority to execute a lease on behalf of the Postal Service. The Postal Service anticipates that you and JLL will make appropriate arrangements for the payment of a commission to JLL for brokerage services pursuant to a separate agreement between you and JLL. The Postal Service understands that the rental rate may take such commission, along with other market-based factors, into account.

The Postal Service, through JLL, looks forward to working with you on this leasing transaction. In that regard, we appreciate your cooperation with JLL as the Postal Service RESP.

If you have any questions, please contact Tim Kastens, JLL Contract Executive at 202-533-2506 or at Tim.Kastens@jll.com.

Sincerely,

**Donald L.
Mackey**

Digitally signed by
Donald L. Mackey
Date: 2025.09.26
07:51:35 -04'00'

Donald L. Mackey
Director, Facilities Leasing

USPS Letter of Intent – NOVI ADDITIONAL PARKING (NOVI, MI 48376-9998)

Property ID: 256920-006

Date Submitted:	Feb 24, 2026	
Submitted To:	CITY OF NOVI as representative of Landlord	
Submitted By:	Jones Lang LaSalle Michigan, LLC as co-broker to Jones Lang LaSalle Americas, Inc., as representative of the Tenant	
Description of Requirement:	Renewal of Lease	
Response Date Requested:	Please submit a written response in the space provided within seven (7) days of receipt.	
Issue	Proposal of Terms	Landlord Response
1. Building:	NOVI ADDITIONAL PARKING, 24875 NOVI RD, NOVI, MI 48376-9998	
2. Landlord:	CITY OF NOVI, WATER AND SEWER BILL PO BOX 33321 DRAWER 47, DETROIT, MI 48232-5321	
3. Tenant:	United States Postal Service shall be the entity defined in the lease agreement.	
4. Lease Commencement Date:	3/1/2028	
5. Lease Term:	Five (5) years	
6. USPS Lease Form:	This transaction is subject to use of the United States Postal Service's current standard lease form.	
7. Premises:	10,680 square feet (net interior), please provide a current <i>as-built floor plan and site plan</i> outlining the Premises	
8. Proposed Annual Rent:	\$1.00 per annum, <u>inclusive of a market commission</u>	
9. Utilities/Services/Equipment:	Per the terms of the current Lease Agreement: Utilities Services & Equipment Rider	
10. Maintenance:	Per the terms of the current Lease Agreement: USPS Responsibility	
11. Real Estate Taxes:	Per the terms of the current Lease Agreement: Landlord Responsibility	
12. Parking:	Please outline the current parking arrangement with the USPS; specifically the availability and location of reserved parking, handicap parking, and visitor parking.	
13. Termination Option:	Tenant shall have the right to terminate with at least 60 days advance written notice to Landlord (per the terms of the current lease.)	
14. Renewal Option:	Tenant shall have two (2) renewal options of five (5) years each with at least 30 days advance written notice to Landlord.	
15. Commissions:	Tenant is represented by Jones Lang LaSalle Michigan, LLC as co-broker to Jones Lang LaSalle Americas, Inc.. Tenant requires Landlord to enter into a separate agreement with Broker, under which Landlord agrees to pay Broker a market real estate commission ("Commission") in the amount of \$0.20, equivalent to 4 percent (4%) of the total aggregate Lease value. The entire Commission shall be due and payable upon the execution of Lease Agreement or equivalent document.	
16. Required Documentation:	Please provide the following documents with an accepted proposal: <ul style="list-style-type: none"> • Copy of recorded Warranty Deed (confirming ownership) • Completed IRS Form W9 (confirming ownership) • Signing Authority Documentation (e.g., Articles of Incorporation, Enabling Resolution, etc.) 	

Feb 24, 2026

COMMISSION AGREEMENT

This Commission Agreement (this "Agreement"), made as of the last date written below, is between CITY OF NOVI ("Lessor"), and Jones Lang LaSalle Michigan, LLC ("Broker") as co-broker to Jones Lang LaSalle Americas, Inc. ("Agreement"), and confirms the terms under which Lessor will pay a real estate brokerage commission to Broker if a lease ("Lease") is executed by Lessor and the United States Postal Service ("Tenant") for that certain real property described as:

NOVI ADDITIONAL PARKING, 24875 NOVI RD, NOVI, MI
USPS Property ID 256920-006
Hereinafter, the "Property"

1. Lessor will pay Broker, and Broker will accept as its compensation for representing Tenant in connection with the Lease a commission equal to:

Annual Rent	Aggregate Lease Value	Commission Rate	Commission Amount Due
\$1.00	\$5.00	4.00%	\$0.20

- The commission will be earned 100% upon full execution of the Lease and will be paid to Broker within thirty (30) days.
- The Aggregate Lease Value will include the initial rental to be paid by Tenant on all space leased by the Tenant and any fixed annual or other periodic bumps and/or fixed annual other periodic rent escalations occurring during the initial term of the Lease. The Aggregate Lease Value will not include any rental abatement, operating expenses and/or real estate taxes, any additional amounts paid by Tenant for services over and above those furnished by Lessor as part of the Lease, and option periods and/or lease terms beyond the initial term of the Lease. In no event shall the foregoing preclude Broker from receiving a commission for any extension, renewal, expansion or additional leasing in the event Tenant has engaged Broker to represent it.
- Lessor agrees that it will not modify or in any way reduce the amount of Broker's commission hereunder.
- This Agreement shall be construed under and in accordance with the laws of the state in which the Property is located. If either party institutes any action or proceeding against the other relating to the provisions of this Agreement, the unsuccessful party in the action or proceeding will reimburse the prevailing party all reasonable expenses, attorneys' fees, and disbursements. THE PARTIES HEREBY WAIVE TRIAL BY JURY. Delinquent payments hereunder shall earn interest at the rate of one-and-a-half percent (1.5%) per month from the date due until paid.
- In the event of a sale or other conveyance of the Property by Lessor, any portion of the commission which has not yet been paid to Broker pursuant to this Agreement shall thereupon become due and payable by Lessor in full upon closing of the sale or conveyance of the Property, unless the buyer or new owner of the Property executes and delivers to Broker an agreement, reasonably acceptable to Broker, which assumes the obligation to pay the unpaid portion of the commission to Broker. If the foregoing occurs, then Lessor shall have no further liability for the unpaid portion of the commission.
- This Agreement will continue to be in effect until the first anniversary of its full execution. If on the first anniversary the Lessor and Tenant are still negotiating for the Lease of the Property, to the extent not prohibited by law, this Agreement will be automatically extended until such negotiations cease, or a lease is fully executed.
- Pursuant to applicable state code or statute, Broker reserves the right to file a lien on the Property to secure the commission due to Broker hereunder.
- This Agreement constitutes the entire agreement between Lessor and Broker and supersedes all prior discussions, negotiations, and agreements, whether oral or written. No amendment, alteration, or withdrawal of this Agreement will be valid or binding unless made in writing and signed by both Lessor and Broker. This Agreement will be binding upon the successors and assignees of the parties.
- Lessor acknowledges that a client fee share may be payable by Broker to Tenant, if allowed by applicable law.
- Each signatory to this Agreement represents and warrants that it has full authority to sign this Agreement on behalf of the party for whom it signs, and that this Agreement binds such party.

BROKER:
Jones Lang LaSalle Michigan, LLC

LESSOR:
CITY OF NOVI

By: _____

By: _____

Name and Title

Name and Title

Dated: _____

Dated: _____



Ground Lease

NOVI - ADDITIONAL PARKING (256920-006)
24875 NOVI RD, NOVI, MI 48376-9998



Ground Lease

Facility Name/Location

NOVI - ADDITIONAL PARKING (256920-006)
24875 NOVI RD, NOVI, MI 48376-9998

County: Oakland

Lease: QU0001003310

This Lease made and entered into by and between CITY OF NOVI hereinafter called the Landlord, and the United States Postal Service, hereinafter called the Postal Service:

In consideration of the mutual promises set forth and for other good and valuable consideration, the sufficiency of which is hereby acknowledged, the parties covenant and agree as follows:

1. The Landlord hereby leases to the Postal Service and the Postal Service leases from the Landlord the following premises, hereinafter legally described in paragraph 7, in accordance with the terms and conditions described herein and contained in the 'General Conditions to USPS Ground Lease,' attached hereto and made a part hereof:
Paved Parking

Total Site Area: 10,680.00 Sq. Ft.

2. RENTAL: The Postal Service will pay the Landlord an annual rental of: \$1.00 (One and 00/100 Dollars) payable in advance on the effective date of the lease term.

Rent checks shall be payable to:

CITY OF NOVI
WATER AND SEWER BILL
PO BOX 33321 DRAWER 47
DETROIT, MI 48232-5321

3. TO HAVE AND TO HOLD the said premises with their appurtenances for the following term:
FIXED TERM: The term becomes effective March 01, 2028 with an expiration date of February 28, 2033, for a total of 5 Years.

4. **RENEWAL OPTIONS:** The Lease may be renewed at the option of the Postal Service, for the following separate and consecutive terms and at the following annual rentals:

EFFECTIVE DATE	EXPIRATION DATE	PER ANNUM RENTAL
03/01/2033	02/28/2038	\$1.00
03/01/2038	02/28/2043	\$1.00

provided that notice is sent, in writing, to the Landlord at least 30 days before the end of the original lease term and each renewal term. All other terms and conditions of this Lease will remain the same during any renewal term unless stated otherwise herein.

5. **TERMINATION:**

The Postal Service may terminate this Lease at any time by giving 60 days written notice to the Landlord.

6. **OTHER PROVISIONS:** The following additional provisions, modifications, riders, layouts, and/or forms were agreed upon prior to execution and made a part hereof:

See Attached Addendum.

7. **LEGAL DESCRIPTION:**

T1N, R8E, SEC 22 PART OF E 1/2 OF SE 1/4 BEG AT PT DIST S 375.50 FT FROM E 1/4 COR, TH S 102.50 FT, TH N 89-50-42 W 635.91 FT, TH S 137 FT, TH N 89-50-42 W 353.08 FT, TH N 00-14-16 W 240.20 FT, TH S 89-46-52 E 989.42 FT TO BEG 3.45 A

Parcel ID: 50-22-22-400-024

The Postal Service shall lease a portion of the above referenced parcel as depicted in Exhibit B. The Postal Service site shall be 267 Ft. X 40 FT. totaling 10,680 square feet.



Addendum

Facility Name/Location
NOVI - ADDITIONAL PARKING (256920-006)
24875 NOVI RD, NOVI, MI 48376-9998

County: Oakland
Lease: QU0001003310

8. MAINTENANCE:

The Postal Service shall be responsible for maintenance of the demised area. The responsibility of the Postal Service as stated herein will be fulfilled at such time and in such manner as the Postal Service considers necessary to keep the Premises in proper condition during the Ground Lease term. Landlord shall be responsible for all other maintenance not listed above that is necessary to keep the Premises in proper condition.

9. SERVICES:

The Postal Service agrees to pay for all trash removal for the demised premises during the continuance of the Lease.

The Postal Service agrees to furnish and pay for the timely removal of snow and ice from the sidewalks, driveway, parking and maneuvering areas, and any other areas providing access to the postal facility for use by postal employees, contractors, or the public (including, but not limited to, stairs, handicap access ramps, carrier ramps, etc.) during the continuance of the Lease.

10. As Executive Order 11246 has been rescinded and the United States Department of Labor has ceased all investigative and enforcement activity under the Rescinded Executive Rider 11246 and the regulations promulgated under it, the General Conditions to the USPS Lease are amended to (i) delete Section 11 in its entirety; and (ii) amend Section 12 to delete the reference to Clause 9-7, Equal Opportunity.

11. This Lease may be executed in counterparts, which together shall constitute a single instrument. The parties agree that if the signature(s) of either Landlord or the Postal Service on this Lease or any amendments, addendums, assignments, or other records associated with this Lease is not an original but is an electronic signature, scanned signature or a digitally encrypted signature, then such electronic signature, scanned signature or digitally encrypted signature shall be as enforceable, valid and binding as, and the legal equivalent to, an authentic original wet signature penned manually by its signatory. Signatures required under this Lease, or any amendments, addendums, assignments, or other records associated therewith, may be transmitted by email or by fax and, once received by the party to whom such signatures were transmitted, shall be binding on the party transmitting its signatures as though they were an original signature of such party.



EXECUTED BY LANDLORD this _____ day of _____, _____.

GOVERNMENTAL ENTITY

By executing this Lease, Landlord certifies that Landlord is not a USPS employee or contract employee (or an immediate family member of either), or a business organization substantially owned or controlled by a USPS employee or contract employee (or an immediate family member of either).

Name of Governmental Entity: CITY OF NOVI

Name + Title: _____ Name + Title: _____

Name + Title: _____ Name + Title: _____

Landlord's Address: WATER AND SEWER BILL PO BOX 33321 DRAWER 47
DETROIT, MI 48232-5321

Landlord's Telephone Number(s): _____

Federal Tax Identification No.: XX-XXX2551

Witness

Witness

- a. Where the Landlord is a governmental entity or other municipal entity, the Lease must be accompanied by documentary evidence affirming the authority of the signatory(ies) to execute the Lease to bind the governmental entity or municipal entity for which he (or they) purports to act.
- b. Any notice to Landlord provided under this Lease or under any law or regulation must be in writing and submitted to Landlord at the address specified above, or at an address that Landlord has otherwise appropriately directed in writing. Any notice to the Postal Service provided under this Lease or under any law or regulation must be in writing and submitted to "Contracting Officer, U.S. Postal Service" at the address specified below, or at an address that the Postal Service has otherwise directed in writing.

ACCEPTANCE BY THE POSTAL SERVICE

Date: _____

Jamie L Katerberg
Contracting Officer

Signature of Contracting Officer

FACILITIES REAL ESTATE , MEMPHIS, TN 38120-2149
Address of Contracting Officer



Real Estate Conflict of Interest Certification

Facility Name/Location
NOVI - ADDITIONAL PARKING (256920-006)
24875 NOVI RD, NOVI, MI 48376-9998

County: Oakland
Lease: QU0001003310

To avoid actual or apparent conflicts of interest, the United States Postal Service ("Postal Service") requires the following certification from you as a potential Landlord/Licensor/Supplier/Contractor to the Postal Service. Please check all that apply in item A below. Further, please understand that the Postal Service will be relying on the accuracy of the statements made by you in this certification in determining whether to proceed with any possible transaction with you.

I, _____ hereby certify to the Postal Service as follows:
[PRINT: name of potential Landlord/Licensor/Supplier/Contractor]

A. (Check all that apply) I am:

- (i) ___ A Postal Service employee;
- (ii) ___ The spouse of a Postal Service employee;
- (iii) ___ A family member of a Postal Service employee; (Relationship) _____
- (iv) ___ An individual residing in the same household as a Postal Service employee;
- (v) ___ I am one of the individuals listed in (i) through (iv) above AND a controlling shareholder or owner of a business organization leasing or licensing space or intending to lease or license space to the Postal Service; OR
- (vi) ___ None of the above.

B. (Complete as applicable):

- i. I have the following job with the Postal Service:
(Title) _____ (Location) _____
- ii. My spouse who works for the Postal Service holds the following job:
(Title) _____ (Location) _____
- iii. My family member who works for the Postal Service holds the following job:
(Title) _____ (Location) _____
- iv. My household member who works for the Postal Service holds the following job:
(Title) _____ (Location) _____

C. If you have checked "none of the above" and during the lease or license term or any renewal term, you do fall into any of the categories listed in A (i) through (v) above, you shall notify the Postal Service's Contracting Officer in writing within 30 days of the date you fall into any of the such categories and shall include an explanation of which of the above categories now applies.

D. The person signing this certification has full power of authority to bind the potential Landlord/Supplier/Contractor named above.



Real Estate Conflict of Interest Certification

Facility Name/Location

NOVI - ADDITIONAL PARKING (256920-006)
24875 NOVI RD, NOVI, MI 48376-9998

County: Oakland
Lease: QU0001003310

Executed this ____ day of _____, 20__

BY: _____
[Insert Signature]

BY: _____
[PRINT: name of entity or person]

Title: _____
[Insert title]

[INTERNAL USE ONLY: 1) If A(vi) 'none of the above' is selected, stop, file form with the lease/license. 2) If other items are selected, submit form to Ethics.help@usps.gov. File form and Ethics determination with the lease/license.]

Facility Name/Location
NOVI - ADDITIONAL PARKING (256920-006)
24875 NOVI RD, NOVI, MI 48376-9998

County: Oakland
Lease: QU0001003310

Exhibit A

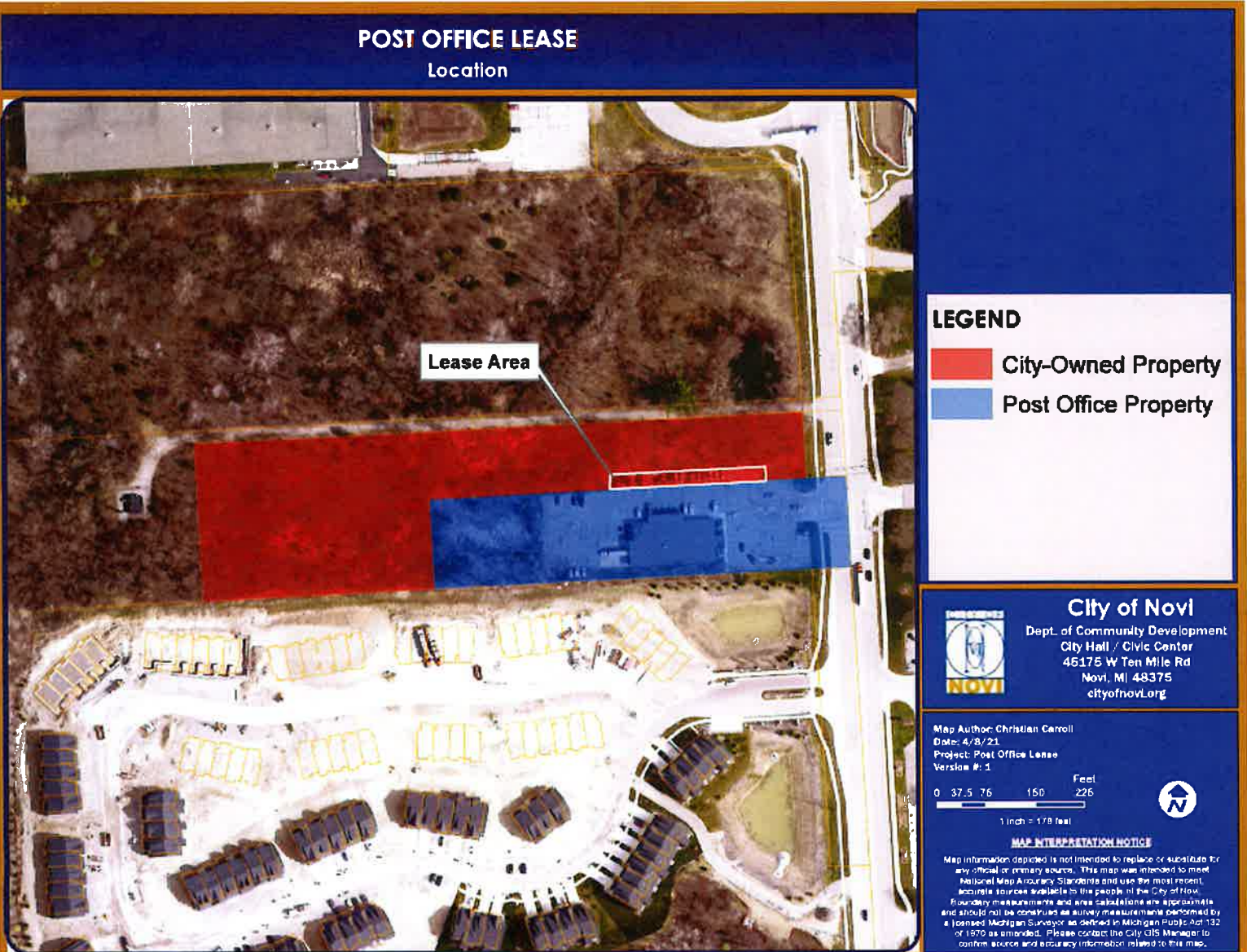
Approximately 10,680 SF of USPS Exclusive-Use Parking as outlined below



Facility Name/Location
NOVI - ADDITIONAL PARKING (256920-006)
24875 NOVI RD, NOVI, MI 48376-9998

County: Oakland
Lease: QU0001003310

Exhibit B



1. CHOICE OF LAW

This Lease shall be governed by federal law.

2. RECORDING

Not Required

3. MORTGAGEE'S AGREEMENT

If there is now or will be a mortgage on the property which is or will be recorded prior to the recording of the Lease, the Landlord must notify the contracting officer of the facts concerning such mortgage and, unless in his sole discretion the contracting officer waives the requirement, the Landlord must furnish a Mortgagee's Agreement, which will consent to this Lease and shall provide that, in the event of foreclosure, mortgagee, successors, and assigns shall cause such foreclosures to be subject to the Lease.

4. ASSIGNMENTS

a. The terms and provisions of this Lease and the conditions herein are binding on the Landlord and the Postal Service, and all heirs, executors, administrators, successors, and assigns.

b. If this contract provides for payments aggregating \$10,000 or more, claims for monies due or to become due from the Postal Service under it may be assigned to a bank, trust company, or other financing institution, including any federal lending agency, and may thereafter be further assigned and reassigned to any such institution. Any assignment or reassignment must cover all amounts payable and must not be made to more than one party, except that assignment or reassignment may be made to one party as agent or trustee for two or more parties participating in financing this contract. No assignment or reassignment will be recognized as valid and binding upon the Postal Service unless a written notice of the assignment or reassignment, together with a true copy of the instrument of assignment, is filed with:

1. the contracting officer; and
2. the surety or sureties upon any bond.

c. Assignment of this contract or any interest in this contract other than in accordance with the provisions of this clause will be grounds for termination of the contract for default at the option of the Postal Service.

d. Nothing contained herein shall be construed so as to prohibit transfer of ownership of the demised premises, provided that:

1. such transfer is subject to this Lease agreement;
2. both the original Landlord and the successor Landlord execute the standard *Certificate of Transfer of Title to Leased Property and Lease Assignment and Assumption* form to be provided by the USPS Contracting Officer.

5. APPLICABLE CODES AND ORDINANCES

The Landlord, as part of the rental consideration, agrees to comply with all codes and ordinances applicable to the ownership and operation of the parcel on which the premises are situated and to obtain all necessary permits and related items at no cost to the Postal Service. When the Postal Service or one of its contractors (other than the Landlord) is performing work at the premises, the Postal Service will be responsible for obtaining all necessary and applicable permits, related items, and associated costs.

6. SUBLEASE

The Postal Service may sublet all or any part of the premises or assign this lease but shall not be relieved from any obligation under this lease by reason of any subletting or assignment.

7. ALTERATIONS

The Postal Service shall have the right to make alterations, attach fixtures and erect additions, structures or signs in or upon the premises hereby leased (provided such alterations, additions, structures, or signs shall not be detrimental to or inconsistent with the rights granted to other tenants on the property on which said premises are located); which fixtures, additions or structures so placed in, upon or attached to the said premises shall be and remain the property of the Postal Service and may be removed or otherwise disposed of by the Postal Service.

8. CLAIMS AND DISPUTES

a. This contract is subject to the Contract Disputes Act of 1978 (41 U.S.C. 601-613) ("the Act").

b. Except as provided in the Act, all disputes arising under or relating to this contract must be resolved under this clause.

c. "Claim," as used in this clause, means a written demand or written assertion by one of the contracting parties seeking, as a matter of right, the payment of money in a sum certain, the adjustment or interpretation of contract terms, or other relief arising under or relating to this contract. However, a written demand or written assertion by the Landlord seeking the payment of money exceeding \$100,000 is not a claim under the Act until certified as required by subparagraph d below. A voucher, invoice, or other routine request for payment that is not in dispute when submitted is not a

claim under the Act. The submission may be converted to a claim under the Act by complying with the submission and certification requirements of this clause, if it is disputed either as to liability or amount or is not acted upon in a reasonable time.

d. A claim by the Landlord must be made in writing and submitted to the contracting officer for a written decision. A claim by the Postal Service against the Landlord is subject to a written decision by the contracting officer. For Landlord claims exceeding \$100,000, the Landlord must submit with the claim the following certification:

"I certify that the claim is made in good faith, that the supporting data are accurate and complete to the best of my knowledge and belief, that the amount requested accurately reflects the contract adjustment for which the Landlord believes the Postal Service is liable, and that I am duly authorized to certify the claim on behalf of the Landlord."

The certification may be executed by any person duly authorized to bind the Landlord with respect to the claim.

e. For Landlord claims of \$100,000 or less, the contracting officer must, if requested in writing by the Landlord, render a decision within 60 days of the request. For Landlord-certified claims over \$100,000, the contracting officer must, within 60 days, decide the claim or notify the Landlord of the date by which the decision will be made.

f. The contracting officer's decision is final unless the Landlord appeals or files a suit as provided in the Act.

g. When a claim is submitted by or against a Landlord, the parties by mutual consent may agree to use an alternative dispute resolution (ADR) process to assist in resolving the claim. A certification as described in subparagraph d of this clause must be provided for any claim, regardless of dollar amount, before ADR is used.

h. The Postal Service will pay interest on the amount found due and unpaid from:

1. the date the contracting officer receives the claim (properly certified if required); or
2. the date payment otherwise would be due, if that date is later, until the date of payment.

i. Simple interest on claims will be paid at a rate determined in accordance with the Act.

j. The Landlord must proceed diligently with performance of this contract, pending final resolution of any request for relief, claim, appeal, or action arising under the contract, and comply with any decision of the contracting officer.

9. HAZARDOUS/TOXIC CONDITIONS CLAUSE

"Asbestos containing building material" (ACBM) means any material containing more than 1% asbestos as determined by using the method specified in 40 CFR Part 763, Subpart E, Appendix E. "Friable asbestos material" means any ACBM that when dry, can be crumbled, pulverized, or reduced to powder by hand pressure.

The Landlord must identify and disclose the presence, location and quantity of all ACBM or presumed asbestos containing material (PACM) which includes all thermal system insulation, sprayed on and troweled on surfacing materials, and asphalt and vinyl flooring material unless such material has been tested and identified as non-ACBM. The Landlord agrees to disclose any information concerning the presence of lead-based paint, radon above 4 pCi/L, and lead piping or solder in drinking water systems in the building, to the Postal Service.

Sites cannot have any contaminated soil or water above applicable federal, state or local action levels or undisclosed underground storage tanks. Unless due to the act or negligence of the Postal Service, if contaminated soil, water, underground storage tanks or piping or friable asbestos material or any other hazardous/toxic materials or substances as defined by applicable Local, State or Federal law are subsequently identified on the premises, the Landlord agrees to remove such materials or substances upon notification by the U. S. Postal Service at Landlord's sole cost and expense in accordance with EPA and/or State guidelines. If ACBM is subsequently found which reasonably should have been determined, identified, or known to the Landlord, the Landlord agrees to conduct, at Landlord's sole expense, an asbestos survey pursuant to the standards of the Asbestos Hazard Emergency Response Act (AHERA), establish an Operations and Maintenance (O&M) plan for asbestos management, and provide the survey report and plan to the Postal Service. If the Landlord fails to remove any friable asbestos or hazardous/toxic materials or substances, or fails to complete an AHERA asbestos survey and O&M plan, the Postal Service has the right to accomplish the work and deduct the cost plus administrative costs, from future rent payments or recover these costs from Landlord by other means, or may, at its sole option, cancel this Lease. In addition, the Postal Service may proportionally abate the rent for any period the premises, or any part thereof, are determined by the Postal Service to have been rendered unavailable to it by reason of such condition.

The Landlord hereby indemnifies and holds harmless the Postal Service and its officers, agents, representatives, and employees from all claims, loss, damage, actions, causes of action, expense, fees and/or liability resulting from, brought for, or on account of any violation of this clause.

The remainder of this clause applies if this Lease is for premises not previously occupied by the Postal Service.

By execution of this Lease the Landlord certifies:

a. the property and improvements are free of all contamination from petroleum products or any hazardous/toxic or unhealthy materials or substances, including friable asbestos materials, as defined by applicable State or Federal law;

- b. there are no undisclosed underground storage tanks or associated piping, ACBM, radon, lead-based paint, or lead piping or solder in drinking water systems, on the property; and
- c. it has not received, nor is it aware of, any notification or other communication from any governmental or regulatory entity concerning any environmental condition, or violation or potential violation of any local, state, or federal environmental statute or regulation, existing at or adjacent to the property.

10. FACILITIES NONDISCRIMINATION

~~a. By executing this Lease, the Landlord certifies that it does not and will not maintain or provide for its employees any segregated facilities at any of its establishments, and that it does not and will not permit its employees to perform services at any location under its control where segregated facilities are maintained.~~

~~b. The Landlord will insert this clause in all contracts or purchase orders under this Lease unless exempted by Secretary of Labor rules, regulations, or orders issued under Executive Order 11246. See Addendum #10~~

11. CLAUSES REQUIRED TO IMPLEMENT POLICIES, STATUTES, OR EXECUTIVE ORDERS

The following clauses are incorporated in this Lease by reference. The text of incorporated terms may be found in the Postal Service's Supplying Principles and Practices, accessible at www.usps.com/publications.

Clause 1-1, Privacy Protection (July 2007)

Clause 1-5, *Gratuities or Gifts* (March 2006)

Clause 1-6, *Contingent Fees* (March 2006)

Clause 4-2, Contract Terms and Conditions Required to Implement Policies, Statutes or Executive Orders (July 2009)

Clause 9-3, *Davis-Bacon Act* (March 2006)¹

~~Clause 9-7, *Equal Opportunity* (March 2006)² See Addendum #10~~

Clause 9-13, *Affirmative Action for Handicapped Workers* (March 2006)³

Clause 9-14, *Affirmative Action for Disabled Veterans and Veterans of the Vietnam Era* (March 2006)⁴

Clause B-25, *Advertising of Contract Awards* (March 2006)

Note: For purposes of applying the above standard clauses to this Lease, the terms "supplier," "contractor," and "lessor" are synonymous with "Landlord," and the term "contract" is synonymous with "Lease."

¹ For premises with net interior space in excess of 6,500 SF and involving construction work over \$2,000.

² ~~For leases aggregating payments of \$10,000 or more. See Addendum #10~~

³ For leases aggregating payments of \$10,000 or more.

⁴ For leases aggregating payments of \$25,000 or more.