

LEASE NO. GS-03P-LPA00611

Global Lease
GSA FORM L100 (10/2017)

This Lease is made and entered into between

Johnstown, LLC

(Lessor), whose principal place of business is 8100 Macomb Street, Grosse Ile, MI 48138, and whose interest in the Property described herein is that of Fee Owner, and

The United States of America

(Government), acting by and through the designated representative of the General Services Administration (GSA), upon the terms and conditions set forth herein.

Witnesseth: The parties hereto, for the consideration hereinafter mentioned, covenant and agree as follows:

Lessor hereby leases to the Government the Premises described herein, being all or a portion of the Property located at

334 Washington Street, Johnstown, PA 15901-1642

and more fully described in Section 1 and Exhibit A, together with rights to the use of parking and other areas as set forth herein, to be used for such purposes as determined by GSA.

LEASE TERM


To Have and To Hold the said Premises with its appurtenances for the term beginning upon acceptance of the Premises as required by this Lease and continuing for a period of

15 Years, 10 Years Firm

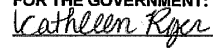
subject to termination and renewal rights as may be hereinafter set forth. The commencement date of this Lease, along with any applicable termination and renewal rights, shall be more specifically set forth in a Lease Amendment upon substantial completion and acceptance of the Space by the Government.

In Witness Whereof, the parties to this Lease evidence their agreement to all terms and conditions set forth herein by their signatures below, to be effective as of the date of delivery of the fully executed Lease to the Lessor.

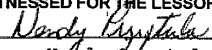
FOR THE LESSOR:


Name: Gregg S. Barton
Title: Member
Entity Name: Johnstown, LLC
Date: 02/17/2020

FOR THE GOVERNMENT:


Name: Cathleen Ryer
Title: Lease Contracting Officer
General Services Administration, Public Buildings Service
Date: 2-24-2020

WITNESSED FOR THE LESSOR BY:


Name: Wendy Przytula
Title: Asset Manager
Date: 02/17/2020

The Information collection requirements contained in this Solicitation/Contract, that are not required by the regulation, have been approved by the Office of Management and Budget pursuant to the Paperwork Reduction Act and assigned the OMB Control No. 3090-0163.

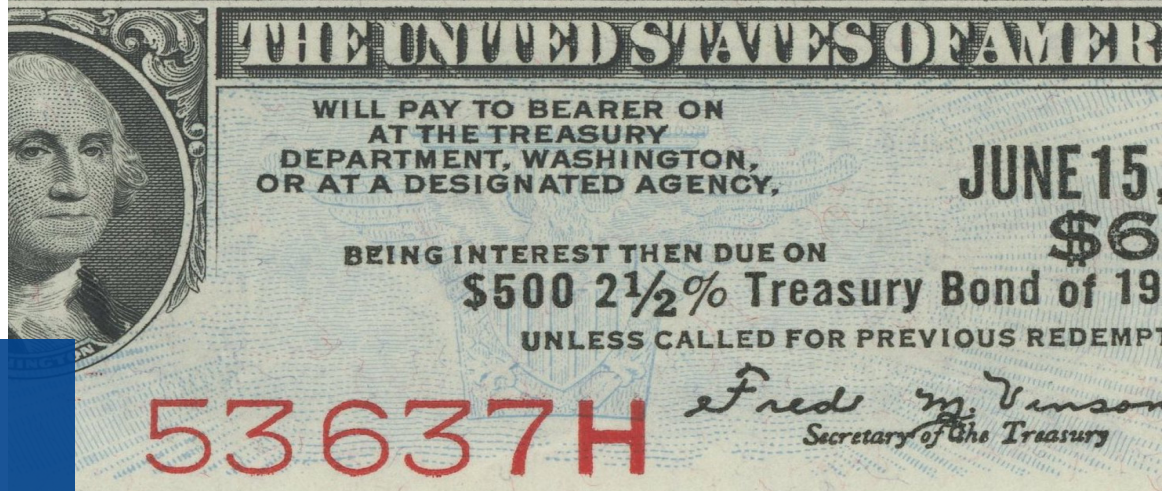
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LESSOR:  GOVERNMENT: 

GSA FORM L100 (10/17)

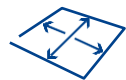
Long-Term Lease Contract | U.S. Social Security Administration

334 Washington Street | Johnstown, PA



Investment Highlights

This Lease Contract is a unique investment that features a single tenant leased office building with the U.S. Social Security Administration as its long-term tenant. The General Services Administration (GSA) occupies 100% of the Building on a Fifteen (15) Year term that commenced in February 2022.



29,773
Rentable
Square Feet



AAA Credit
Tenant



Built 2008
Renovation
2023



Long
Standing
Mission



Accessible
Location



Fifteen (15)
Year Lease



Tenant
Improvement



24 Indoor Parking Spaces

Lease Contract - U.S. Federal Government

- Build-to-suit for SSA in 2008
- New 15 Year Lease
- Non-Cancellable Lease Contract
- Building Capital Improvements of over \$2.7 million in 2023
- Mission Critical Office
- Credit Rating of AAA Government

Strong Local Fundamentals

- Population Growth within a 25 mile radius
- Local Office Market Vacancy: 10.2%

Summary Of Lease Contract

Gross Rent

Term		Start Date	End Date	Monthly	Annually	PSF
Base Rent	Year 1-15	2/1/2022	1/31/2037	\$55,990	\$671,880	\$22.59

Tenant:
U.S. Federal Government

Permitted Use:
Administration Offices

Lease Type: Modified Gross

Lease Commencement:
02/01/2022

Current Lease Expiration:
01/31/2037

Office Square Feet:
29,773 sqft

REAL ESTATE TAXES

Tenant shall pay its proportionate share of Real Estate Taxes and annual increases above and beyond the base year. Established on February 1, 2023. Real Estate Tax Base is the unadjusted real estate taxes for the first full year following the commencement of the initial lease term. Such first full Tax Year is further referred to as the Tax Base Year. Tenant shall pay its share of any increases and shall receive its share of any decreases in the Real Estate Taxes for the property of the life of the lease.

OPERATING EXPENSES

The Base Rate for Operating Expenses is \$177,550 annually (\$8.07 sqft) and is the Base Rate for future expense reimbursements which was set in 2023. Beginning the second year of the Lease and each year thereafter, the US Federal Government shall pay annual incremental adjustments to the rent based on the CPI-W Index.

Tenant Overview

The United States Social Security Administration (SSA)

is an independent agency of the United States federal government that administers Social Security, a social insurance program consisting of retirement, disability, and survivors' benefits. Most benefits are based on Social Security tax contributions paid by workers on their earnings.

Headquartered in Woodlawn, Maryland, the Social Security Administration includes 10 regional offices, 8 processing centers, approximately 1300 field offices, and 37 Teleservice Centers.



Supporting Americans throughout life's journey

Social Security has provided financial protection for our nation's people for over 80 years. Providing retirement, disability, and survivor benefits, Social Security is one of the largest and most successful anti-poverty programs in our nation's history.

The Social Security Administration is passionate about supporting customers by delivering financial support, providing superior customer service, and ensuring the safety and security of customer information - helping to secure today and tomorrow.

Support

With you through life's journey...

"Social Security is committed to helping maintain the basic well-being and protection of the people we serve. We pay benefits to about 64 million people including retirees, children, widows, and widowers. From birth, to marriage, and into retirement, we are there to provide support throughout life's journey."

Service

Putting you in control...

"One of our priorities is getting you secure access to the information you need when, where, and how you need it. Whether it's in person, over the phone, or through your personal my Social Security account, we are committed to providing superior customer service to put you in control."

Security

Protecting what's important to you...

"One of our most important responsibilities is protecting your personal information and your financial contributions. We use state-of-the-art systems for this. Conducting continuous reviews helps us ensure proper payments. And we work hard to educate everyone on best practices for protecting their Social Security number. We are committed to safeguarding the information and resources entrusted to us."

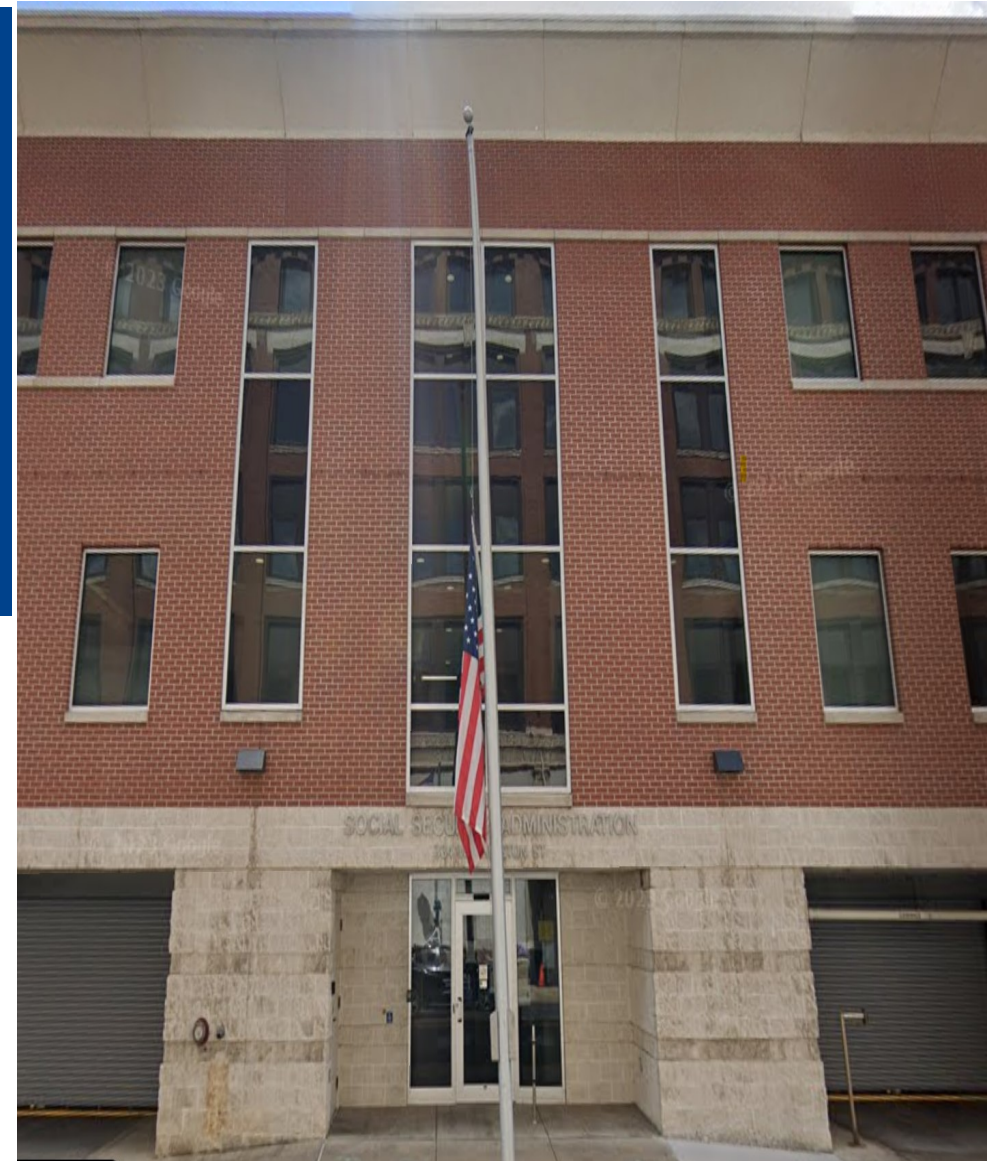
Cash Flow Assumptions based on Operational History and Current Lease Contract

General Assumptions

Reporting Period:	Ten (10) Years starting January 1, 2024
Rentable Square Feet:	29,773
Current Occupancy:	100%
Operating Expense Source:	2023 Budget
General Vacancy Loss:	None

Growth Rates (Annual)

Expense Inflation:	2.50%
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NOTES TO CASH FLOW ASSUMPTIONS

- Gross Annual Rents of \$671,880
- Net Operating Income of \$413,240
- Operating Expenses increases are based on CPI-W Index using the base month of February 2023. Analysis assumes an annual increase of 2.5% beginning in the second year of the analysis.
- Real Estate Taxes in Year 1 of the analysis are based on the 2023 full assessed value. Analysis assumes an annual increase of 2.5% beginning in the second year and each year thereafter.

Cash Flow - Johnstown

Johnstown SSA (Amounts in USD)

Jan, 2024 through Dec, 2034

	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Forecast
	<u>Dec-2024</u>	<u>Dec-2025</u>	<u>Dec-2026</u>	<u>Dec-2027</u>	<u>Dec-2028</u>	<u>Dec-2029</u>	<u>Dec-2030</u>	<u>Dec-2031</u>	<u>Dec-2032</u>	<u>Dec-2033</u>	<u>Dec-2034</u>	Total
For the Years Ending												
Rental Revenue												
Scheduled Base Rent	671,880	671,880	671,880	671,880	671,880	671,880	671,880	671,880	671,880	671,880	671,880	7,390,676
CPI Increases	735	5,443	10,185	14,959	19,767	24,609	29,484	34,394	39,337	44,316	49,329	272,558
Total Rental Revenue	672,615	677,323	682,064	686,839	691,647	696,488	701,364	706,273	711,217	716,196	721,209	7,663,235
Operating Expenses												
Utilities	52,816	53,872	54,950	56,049	57,170	58,313	59,479	60,669	61,882	63,120	64,382	642,703
Cleaning	34,344	35,031	35,731	36,446	37,175	37,919	38,677	39,450	40,239	41,044	41,865	417,922
Building & Grounds	10,965	11,184	11,408	11,636	11,869	12,106	12,348	12,595	12,847	13,104	13,366	133,430
Security, Life & Fire Safety	6,336	6,463	6,592	6,724	6,858	6,995	7,135	7,278	7,424	7,572	7,724	77,101
Repairs & Maintenance	24,412	24,900	25,398	25,906	26,424	26,953	27,492	28,042	28,603	29,175	29,758	297,063
Insurance	14,575	14,867	15,164	15,467	15,776	16,092	16,414	16,742	17,077	17,418	17,767	177,359
Genesis Property Mgt Fee	26,905	27,093	27,283	27,474	27,666	27,860	28,055	28,251	28,449	28,648	28,848	306,529
Property Tax	89,022	89,022	89,022	89,022	89,022	89,022	89,022	89,022	89,022	89,022	89,022	979,242
Total Operating Expenses	259,375	262,432	265,548	268,724	271,961	275,260	278,622	282,050	285,543	289,103	292,733	3,031,349
Net Operating Income	413,240	414,891	416,516	418,115	419,686	421,229	422,741	424,224	425,674	427,092	428,476	4,631,885
Cash Flow Before Debt Service	413,240	414,891	416,516	418,115	419,686	421,229	422,741	424,224	425,674	427,092	428,476	4,631,885
Debt Service												
Interest												
Loan A	217,074	213,226	209,209	205,016	200,641	196,073	191,306	15,721	0	0	0	1,448,266
Loan B	0	0	0	0	0	0	30,992	184,133	180,910	177,549	0	573,584
Total Interest	217,074	213,226	209,209	205,016	200,641	196,073	222,298	199,854	180,910	177,549	0	2,021,850
Principal												
Loan A	87,954	91,802	95,819	100,012	104,387	108,955	113,722	9,698	0	0	0	712,349
Loan B	0	0	0	0	0	0	12,086	74,338	77,560	80,921	0	244,905
Total Principal	87,954	91,802	95,819	100,012	104,387	108,955	125,808	84,036	77,560	80,921	0	957,254
Total Debt Service	305,028	305,028	305,028	305,028	305,028	305,028	348,106	283,890	258,470	258,470	0	2,979,104
Cash Flow After Debt Service	108,212	109,863	111,488	113,087	114,658	116,201	74,635	140,334	167,204	168,622	428,476	1,652,781
Financing												
Balloon Payments												
Loan A	0	0	0	0	0	0	0	-4,387,651	0	0	0	-4,387,651
Total Balloon Payments	0	0	0	0	0	0	0	-4,387,651	0	0	0	-4,387,651
Cash Flow Available for Distribution	108,212	109,863	111,488	113,087	114,658	116,201	74,635	-4,247,317	167,204	168,622	428,476	-2,734,870