

Standard form 2-B  
General Services  
Administration  
FPR (41 CFR) 1-16.601

U. S. GOVERNMENT

LEASE FOR REAL PROPERTY

New Lease

Date of Lease 1 November 1999 Lease No. DACA01-5-00-236

THIS LEASE, made and entered into this date by and between

CITY OF CORAL GABLES, a municipal corporation of the State of Florida

whose address is 405 Biltmore Way  
Coral Gables, Florida 33134

and whose interest in the property hereinafter described is that of owner, for itself, its administrators, successors, and assigns, hereinafter called the Lessor, and the UNITED STATES OF AMERICA, hereinafter called the Government:

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

1. The Lessor hereby leases to the Government the following premises:

Exclusive use of a three bedroom house with swimming pool located at  
# 3501 Granada Boulevard, Coral Gables, Miami-Dade County, Florida  
33134.

to be used for Government purposes "Single Family Residence".  
This lease is contingent upon successful purchase of the property by the  
City of Coral Gables on or before November 1, 1999.

2. TO HAVE AND TO HOLD: For the term beginning November 1, 1999 through  
October 31, 2000. This lease shall continue for a period of 7 additional years  
through October 31, 2007 provided the Government gives notice of its intent to  
continue the lease agreement annually prior to the anniversary date of the lease.  
The Government's obligation under this lease is herewith made contingent upon  
Congress enacting adequate appropriations.

3. The Government shall pay the Lessor gross annual rent of \$54,000 at the  
rate of \$4,500 per calendar month in arrears. Rent for a lesser period shall be  
prorated. Rent shall be made by electronic funds transfer to the account of: CITY  
OF CORAL GABLES, a municipal corporation of the State of Florida, 405 Biltmore  
Way, Coral Gables, Florida 33134, by USACE Finance Center, ATTN: CEFC-AO, 8055 Hwy  
51 N., Millington, TN 38053.

INITIALS: MM 6  
LESSOR GOVERNMENT

4. The Government may terminate this lease at any time after October 31, 2000 by giving at least 90 days' notice in writing to the Lessor and no rental shall accrue after the effective date of termination. Said notice shall be computed commencing with the day after the date of mailing.

5. The Lessor shall furnish to the Government, as part of the rental consideration, the following: standard structural maintenance, plumbing maintenance, HVAC maintenance, electrical maintenance, and maintenance to mechanical systems.

6. The following are attached and made a part hereof:  
The General Provisions, Certification and Instructions.

#### 7. PROPERTY OF THE GOVERNMENT

It is particularly understood and agreed by and between the parties hereto that the title to all property, both real and personal, which the Government may have heretofore placed upon or attached to said premises shall be and will remain the property of the Government, and may be removed or otherwise disposed of by the Government as provided in Article 4 of General Provisions.

8. The Lessor shall ensure that all computer controlled facility components are Year 2000 compliant prior to acceptance of the space for occupancy by the Government. The Lessor must verify compliance by physical testing and/or written confirmation from the component and/or systems manufacturer.

.. "Computer controlled facility components" refers to software driven technology and embedded microchip technology. This includes, but is not limited to, programmable thermostats, HVAC controllers, auxiliary elevator controllers, utility monitoring and control systems, fire detection and suppression systems, alarms, security systems and any other facilities control systems utilizing microcomputer, or minicomputer, or programmable logic controllers.

"Year 2000 compliant" means computer controlled facility components that accurately process date/time date (including, but not limited to, calculating, comparing, and sequencing) from, into, and between the twentieth and twenty-first centuries, and the years 1999 and 2000 and leap year calculations.

Upon completion or repair/replacement to effect year 2000 compliance, the Lessor shall verify compliance by physical testing and/or written conformation from the component and/or systems manufacturer and advise the Government that such replacement components have been verified as compliant.

IN WITNESS WHEREOF, the parties hereto have hereunto subscribed their names as of the date above written.

Lessor:

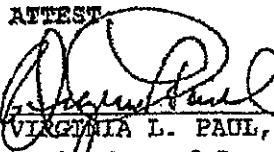
CITY OF CORAL GABLES,  
a municipal corporation of the  
State of Florida

FED TAX ID NO: 59-6000293

BY: 

H. C. EADS, JR., CITY MANAGER

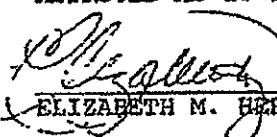
ATTEST



VIRGINIA L. PAUL, CITY CLERK

Authority of Resolution No. 29839 duly  
passed and adopted by the Coral Gables  
City Commission on September 28, 1999.

APPROVED AS TO FORM:



ELIZABETH M. HERNANDEZ, CITY ATTORNEY

UNITED STATES OF AMERICA

BY: 

DONALD L. BURCHETT

Chief, Real Estate Division  
U.S. Army Engineer District, Mobile  
Mobile, AL 36628-0001

FIRST AMENDMENT TO LEASE AGREEMENT BETWEEN

THE CITY OF CORAL GABLES, LESSOR

AND

THE UNITED STATES OF AMERICA, LESSEE

WHEREAS, the Lessor was awarded a grant from Enterprise Florida, Inc., and

WHEREAS, the Lease Agreement is for a term of eight (8) years, and

WHEREAS, the Fifty Thousand Dollar (\$50,000.00) grant awarded from Enterprise Florida, Inc., allows the rental amount to be reduced and the monthly payments reduced accordingly, and

WHEREAS, the parties wish to amend the Lease Agreement to reflect the reduced amount of rent due and owing.

Now, THEREFORE, the parties hereto agree, as follows:

See attached Supplemental Agreement dated February 25, 2000.

SUPPLEMENTAL AGREEMENT		SUPPLEMENTAL AGREEMENT NO. 1	DATE 25 February 2000
TO LEASE:		DACA01-5-00-236	

ADDRESS OF PREMISES # 3501 Granada Boulevard  
Coral Gables, Florida 33134

THIS AGREEMENT, made and entered into this date by and between:

CITY OF CORAL GABLES,  
a municipal corporation of the State of Florida

whose address is . 405 Biltmore Way  
Coral Gables, Florida 33134

hereinafter called the Lessor, and the UNITED STATES OF AMERICA,  
hereinafter called the Government:

WHEREAS, the parties hereto desire to amend the above Lease.

NOW THEREFORE, these parties, for the consideration hereinafter mentioned, covenant and agree that the said Lease is amended effective, 01 March 2000 as follows:

DELETE paragraph 2 of the lease in its entirety,

AND SUBSTITUTE IN LIEU THEREOF the following:

2. TO HAVE AND TO HOLD: For the term beginning March 1, 2000 through February 28, 2001. This lease shall continue for a period of 7 additional years through February 28, 2008 provided the Government gives notice of its intent to continue the lease agreement annually prior to the anniversary date of the lease. The Government's obligation under this lease is herewith made contingent upon Congress enacting adequate appropriations.

The Government has the option to extend this lease for two additional one-year periods by notifying the Lessor, 60 days prior to the lease expiration date, or 60 days prior to the expiration date of any option period. Said notification shall be in writing.

DELETE paragraph 3 of the lease in its entirety,

AND SUBSTITUTE IN LIEU THEREOF the following:

3. The Government shall pay the Lessor annual rent as per the lease rental payment schedule at Exhibit "A", attached.

Rent for a lesser period shall be prorated at the then existing rate. Rent shall be made by electronic funds transfer to the account of: CITY OF CORAL GABLES, a municipal corporation of the State of Florida, 405 Biltmore Way, Coral Gables, Florida 33134, by USACE Finance Center, ATTN: CEFC-AO, 8055 Hwy 51 N., Millington, TN 38053.

INITIALS: 

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All other terms and conditions of the lease shall remain in force and affect.

IN WITNESS WHEREOF, the parties subscribed their names as of the above date.

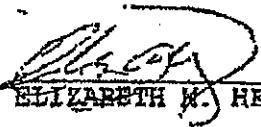
LESSOR: CITY OF CORAL GABLES,  
A municipal corporation of the State of Florida

BY:   
L.H. C. EADS, JR., CITY MANAGER

ATTEST:

  
VIRGINIA L. EADS, CITY CLERK

APPROVED AS TO FORM:

  
ELIZABETH X. HERNANDEZ, CITY ATTORNEY

UNITED STATES OF AMERICA

DONALD L. BURCHETT

Chief, Real Estate Division  
U.S. Army Engineer District, Mobile  
Mobile, AL 36628-0001

(initials)

INITIALS: 

LESSOR

GOVERNMENT

## LEASE RENTAL PAYMENT SCHEDULE

(LEASE NUMBER: DACAC1-5-06-236)

As provided for in provision 3 of the lease, the Government shall pay the Lessor annual rent as follows:

FOR THE TERM BEGINNING:	THROUGH THE TERM ENDING:	ANNUAL RENTAL RATE:	MONTHLY RENTAL RATE, in arrears:
01 March 2000	28 February 2001	\$43,200.00	\$3,600.00
01 March 2001	28 February 2002	\$44,400.00	\$3,700.00
01 March 2002	28 February 2003	\$45,600.00	\$3,800.00
01 March 2003	29 February 2004	\$46,800.00	\$3,900.00
01 March 2004	28 February 2005	\$48,000.00	\$4,000.00
01 March 2005	28 February 2006	\$49,200.00	\$4,100.00
01 March 2006	28 February 2007	\$51,600.00	\$4,300.00
01 March 2007	29 February 2008	\$52,800.00	\$4,400.00
OPTION YEAR 01 March 2008	OPTION YEAR 28 February 2009	\$54,000.00	\$4,500.00
OPTION YEAR 01 March 2009	OPTION YEAR 28 February 2010	\$54,000.00	\$4,500.00

EXHIBIT "A"

INITIALS: \_\_\_\_\_  
LESSOR   
GOVERNMENT

GENERAL PROVISIONS, CERTIFICATION AND INSTRUCTIONS  
U. S. GOVERNMENT LEASE FOR REAL PROPERTY

## **GENERAL PROVISIONS**

### 3. Subletting the premises.

The Government may sublet any part of the premises but shall not be relieved from any obligation under this lease by reason of any such subletting. The Government shall not sublet the premises without first obtaining the approval of the Lessor.

## 2. Maintenance of premises.

The Lessor shall maintain the demised premises, including the building and any and all equipment, fixtures, and appurtenances, furnished by the Lessor under this lease in good repair and tenable condition, except in case of damage arising from the act or the negligence of the Government's agents or employees. For the purpose of so maintaining said premises and property, the Lessor may at reasonable times, and with the approval of the authorized Government representative in charge, enter and inspect the same and make repairs thereto.

3. Damage by fire or other casualty.

If the said premises be destroyed by fire or other casualty this lease shall immediately terminate. In case of partial destruction or damage, so as to render the premises untenable, as determined by the Government, the Government may terminate the lease by giving written notice to the Lessor within fifteen (15) days thereafter; if so terminated no rent shall accrue to the Lessor after such partial destruction or damage; and if not so terminated the rent shall be reduced proportionately by supplemental agreement hereto effective from the date of such partial destruction or damage.

#### 4. Alterations.

The Government shall have the right during the existence of this lease, subject to prior approval by the lessor where required, to make alterations, attach fixtures, and erect additions, structures or signs in or upon the premises hereby leased, which fixtures, additions, or structures shall be and remain the property of the Government and may be removed prior to the expiration or termination of this lease.

## 5. Restoration:

2. The Lessor may, upon no less than ten (10) days written notice to the Government before termination or expiration of the lease, require restoration of the leased premises, subject to the exceptions to restoration stated below in paragraph 5b.

In this event, prior to the expiration or termination of this lease, or a reasonable time thereafter, the Government shall, at its sole election, either,

1. restore the premises to the same condition as that existing at the time of entering into the lease, or;
2. Make appropriate settlement to the Lessor representing either the diminution in the fair market value of the property due to the failure to restore, or the actual cost of restoration, whichever is the lesser amount.

b. The Government shall not restore the premises, either physically or by payment in lieu thereof, for damages as a result of reasonable ordinary wear and tear, the elements or circumstances over which the Government has no control, or alterations, or damages thereto, which the Government installed at its expense or the Lessor installed and was reimbursed by the Government through payment thereof.

## 6. Condition report.

A joint physical survey and inspection report of the demised premises shall be made as of the effective date of this lease, reflecting the then present condition, and will be signed on behalf of the parties hereto.

7. Covenant against contingent fees. (Mandatory Clause)

The Lessor warrants that no person or selling agency has been employed or retained to solicit or secure this lease upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee, excepting bona fide employees or bona fide

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established commercial or selling agencies maintained by the Lessor for the purpose of securing business. For breach or violation of this warranty the Government shall have the right to annul this lease without liability or in its discretion to deduct from the rental price or consideration, or otherwise recover, the full amount of such commission, percentage, brokerage or contingent fee. (Licensed real estate agents or brokers having listing on property for rent, in accordance with general business practice, and who have not obtained such license for the sole purpose of effecting this lease, may be considered as bona fide employees or agencies within the exceptions contained in this clause).

#### **8. Officials not to benefit.**

##### **(Mandatory Clause)**

No member or a delegate to Congress, or Resident Commissioner shall be admitted to any share or part of this lease contract, or to any benefit that may arise therefrom; but this provision shall not be construed to extend to this lease contract if made with a corporation for its general benefit.

#### **9. Assignment of claims.**

Pursuant to the provisions of the Assignment of Claims Act of 1940, as amended (31 U.S.C. 203, 41 U.S.C. 15), if this lease provides for payments aggregating \$1,000 or more, claims for monies due or to become due to the Lessor from the Government under this contract may be assigned to a bank, trust company, or other financial institution, including any Federal lending agency, and may thereafter be further assigned or reassigned to any such institution. Any such assignment or reassignment shall cover all amounts payable under this contract and not already paid, and shall not be made to more than one party, except that any such assignment or reassignment may be made to one party or agent or trustee for two or more parties participating in such financing. Notwithstanding any provisions of this contract, payments to an assignee of any monies due or to become due under this contract shall not, to the extent provided in said Act, as amended, be subject to reduction or set-off.

#### **10. Equal Opportunity Clause.**

The following clause is applicable unless this contract is exempt under the

rules, regulations and relevant orders of the Secretary of Labor (41 CFR, ch.60.)

During the performance of this contract, the Contractor agrees as follows:

(a) The Contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin. The Contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex, or national origin. Such action shall include, but not be limited to the following: Employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoffs or termination; rates of pay or other forms of compensation; and selection of training, including apprenticeship. The Contractor agrees to post in conspicuous place, available to employees and applicants for employment, notices to be provided by the Contracting Officer setting forth the provisions of this Equal Opportunity Clause.

(b) The Contractor will, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, or national origin.

(c) The Contractor will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice, to be provided by the agency Contracting Officer, advising the labor union or workers' representative of the Contractor's commitments under this Equal Opportunity clause, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

(d) The Contractor will comply with all provisions of Executive Order No. 11246 of September 24, 1965, and of the rules, regulations and relevant orders of the Secretary of Labor.

(e) The Contractor will furnish all information and reports required by Executive Order No. 11246 of September 24, 1965, and by the rules, regulations, and relevant orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the contracting agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.

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Lessor Government

(f) In the event of the Contractor's noncompliance with the Equal Opportunity clause of this contract or with any of the said rules, regulations, or orders, this contract may be canceled, terminated, or suspended, in whole or in part, and the Contractor may be declared ineligible for further Government contracts in accordance with procedures authorized in Executive Order No. 11246 of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order No. 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

(g) The Contractor will include the provisions of paragraphs (a) through (g) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to section 204 of Executive Order No. 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The Contractor will take such action with respect to any subcontract or purchase order as the contracting agency may direct as a means of enforcing such provisions, including sanctions for noncompliance. Provided, however, that in the event the Contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the contracting agency, the Contractor may request the United States to enter into such litigation to protect the interests of the United States.

#### 11. Facilities Nondiscrimination. (Mandatory Clause)

(a) As used in this section, the term "facility" means stores, shops, restaurants, cafeterias, restrooms, and any other facility of public nature in the building in which the space covered by this lease is located.

(b) The Lessor agrees that he will not discriminate by segregation or otherwise against any person or persons because of race, color, religion, sex, or national origin in furnishing, or by refusing to furnish, to such person or persons the use of any facility, including any and all services, privileges, accommodations, and activities provided thereby. Nothing herein shall require the furnishing to the general public of the use of any facility customarily furnished by the Lessor solely to tenants, their employees, customers, patients, clients, guests and invitees.

(c) It is agreed that the Lessor's noncompliance with the provisions of this section shall constitute a material breach of this lease. In the event of such noncompliance, the Government may take appropriate action to enforce compliance, may terminate this lease, or may pursue such other remedies as may be provided by law. In the event of termination, the Lessor shall be liable for all excess cost of the Government in acquiring substitute space, including but not limited to the cost of moving to such space. Substitute space shall be obtained in as close proximity to the Lessor's building as is feasible and moving cost will be limited to the actual expenses thereof as incurred.

(d) It is further agreed that from and after the date hereof the Lessor will, at such time as any agreement is to be entered into or a concession is to be permitted to operate, include or require the inclusion of the foregoing provisions of this section in every such agreement or concession pursuant to which any person other than the Lessor operates or has the right to operate any facility. Nothing herein contained, however, shall be deemed to require the Lessor to include or require the inclusion of the foregoing provisions of this section in any existing agreement or concession arrangement or one in which the contracting party other than the Lessor has the unilateral right to renew or extend the agreement or arrangement and the unilateral right to renew or extend. The Lessor also agrees that it will take any and all lawful actions as expeditiously as possible, with respect to any such agreement as the contracting agency may direct, as a means of enforcing the intent of this section, including, but not limited to, termination of the agreement or concession and institution of court action.

#### 12. Examination of Records.

(Mandatory Clause)

(Note - This provision is applicable if this lease was negotiated without advertising.)

(a) The Lessor agrees that the Comptroller General of the United States or any of his duly authorized representatives shall, until the expiration of 3 years after final payment under this lease, have access to and the right to examine any directly pertinent book, documents, papers, and records of such subcontractor involving transactions related to the subcontract.

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Lessor Government

13. Applicable Codes and Ordinances.

The Lessor, as part of the rental consideration, agrees to comply with all codes and ordinances applicable to the ownership and operation of the building in which the leased space is situated and, at his own expense, to obtain all necessary permits and related items.

14. Inspection.

At all times after receipt of Bids, prior to or after acceptance of any Bid or during any construction, remodeling or renovation work, the premises and the building or any parts thereof, upon reasonable and proper notice, shall be accessible for inspection by the Contracting Officer, or by Architects, Engineers, or other technicians representing him, to determine whether the essential requirements of the solicitation or the lease requirements are met.

15. Failure in Performance.

In the event of failure by the Lessor to provide any service, utility, maintenance or repairs required under this lease, the Government shall have the right to secure said services, utilities, maintenance or repairs and to deduct the cost thereof from rental payments.

16. Lessor's Successor.

The terms and provisions of this lease and the conditions herein shall bind the Lessor, and the Lessor's heirs, executors, administrators, successors, and assigns.

17. Gratuities.

(Mandatory Clause)

a. The Government may, by written notice to the Lessor, terminate the right of the Lessor to proceed under this lease if it is found, after notice and hearing, by the Secretary of the Army, or his duly authorized representative, that gratuities (in the form of entertainment, gifts, or otherwise) were offered or given by the Lessor, or any agent or representative of the Lessor, to any officer or employee of the Government with a view toward securing a lease or securing favorable treatment with respect to the award or amending, or the making of any determinations with respect to the performing, of such lease; provided, that the existence of facts upon which the

Secretary of the Army, or his duly authorized representative makes such findings shall be an issue and may be reviewed in any competent court.

b. In the event this lease is terminated as provided in paragraph "a." hereof, the Government shall be entitled to:

- (1) to pursue the same remedies against the Lessor as it could pursue in the event of a breach of the lease by the Lessor, and
- (2) as a penalty in addition to any other damages to which it may be entitled by law, to exemplary damages in an amount (as determined by the Secretary of the Army, or his duly authorized representative) which shall not be less than three nor more than ten times the cost incurred by the Lessor in providing any such gratuities to any officer or employee.

c. The rights and remedies of the Government provided in this clause shall not be exclusive and are in addition to any other rights and remedies provided by law or under this lease.

18. Hazardous and Toxic Conditions.

The Lessor represents and certifies as part of the terms of this lease that the site, building space which are being leased to the Government, to the best of his or her knowledge, are not properties or structures with known or potential environmental contamination including asbestos, radon, or hazardous or toxic materials/substances/waste and such substances have not been used on the said premises. This certification is a material representation of fact upon which the Government relies when entering into this lease. If it is later determined that environmental contamination is present the Government reserves the right to require the Lessor, at no cost to the Government, to

a. remove such properties or structures or contaminated materials, substances or waste contained therein and restore the premises to the satisfaction of the Government, or

b. to take the necessary action to mitigate the hazardous or toxic waste condition or other environmental contamination, in accordance with local, state and federal laws, or

c. in the alternative, the Government, at its option, may terminate the lease effective upon notification without any penalty whatsoever.

In addition to the rights under a., b., and c. above, if it is determined that the

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Lessor Government

Lessor has made a willful misrepresentation, the Lessor shall also be responsible for all cost and expenses of relocating to another location in the event the Government in its discretion determines it necessary to relocate to other premises.

The Lessor shall promptly notify the Government of any hazardous or toxic conditions or other environmental contamination in any part of the leased premises upon obtaining knowledge of the same.

#### 19. Notices.

Any notice under the terms of this lease shall be in writing signed by a duly authorized representative of the party giving such notice, and if given by the Lessor shall be addressed to District Engineer, US Army Engineer District, Mobile, ATTN: RE-AL, PO Box 2288, Mobile, AL 36628-0001 and if given by the Government shall be addressed to the Lessor, : CITY OF CORAL GABLES, a municipal corporation of the State of Florida, ATTN: City Manager, 405 Biltmore Way, Coral Gables, Florida 33134.

#### 20. Disputes.

a. This lease is subject to the Contracts 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 lease shall be resolved under this clause..

c. "Claim" as used in this clause, means a written demand or written assertion by one of the parties seeking, as a matter of right, payment of money in a sum certain, the adjustment or interpretation of lease terms, or other relief arising under or relating to this lease. A claim arising under a lease, unlike a claim relating to that lease is a claim that can be resolved under a lease clause that provides for the relief sought by the claimant. However, a written demand or written assertion by the Lessor seeking the payment of money exceeding \$50,000.00 is not a claim under the Act until certified as required by subparagraph (d) (2) 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 is not acted upon in a reasonable time.

d. (1) A claim by the Lessor shall be made in writing and submitted to the Contracting Officer for a written decision. A claim by the Government against the Lessor shall be subject to a written decision by the Contracting Officer.

(2) For Lessor claims exceeding \$50,000.00, the Lessor shall submit with the claim a certification that -

(i) the claim is made in good faith;  
(ii) supporting data are accurate and complete to the best of the Lessor's knowledge and belief; and

(iii) the amount requested accurately reflects the lease adjustment for which the Lessor believes the Government is liable.

3. (i) If the Lessor is an individual, the certification shall be executed by that individual.

(ii) If the Lessor is not an individual, the certification shall be executed by -

(A) A senior company official in charge at the Lessor's office location involved; or

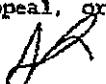
(B) An officer or general partner of the Lessor having overall responsibility for the conduct of the Lessor's affairs.

(e) For Lessor claims of \$50,000.00 or less, the Contracting Officer must, if requested in writing by the Lessor, render a decision within 60 days of the request. For Lessor-certified claims over \$50,000.00, the Contracting Officer must, within 60 days, decide the claim or notify the Lessor of the date by which the decision will be made.

(f) The Contracting Officer's decision shall be final unless the Lessor appeals or files a suit as provided in the Act.

(g) The Government shall 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. Simple interest on claims shall be paid at the rate, fixed by the Secretary of the Treasury as provided in the Act, which is applicable to the period during which the Contracting Officer receives the claim and then at the rate applicable for each 6-month period as fixed by the Treasury Secretary during the pendency of the claim.

(h) Both parties shall process diligently with performance of this lease, pending final resolution of any request for relief, claim, appeal, or action arising under this

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Lessor Government

lease, and comply with the decision of the Contracting Officer.

**21. Payment Due Date.**

Initial monthly rental payment under this lease shall be paid within 10 days of the first workday of the month following the month in which the lease or supplemental agreement establishing commencement of the lease term is executed, and subsequent rent shall be paid monthly in arrears.

**22. Interest on Overdue Payments.**

The Prompt Payment Act, Public Law 97-177 is applicable to payments under this contract and requires the payment to Contractors of interest on overdue payments and improperly taken discounts. Determinations of interest due will be made in accordance with the provisions of the Prompt Payment Act and Office of Management and Budget Circular A-125.

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Lessor Government