

UNITED STATES COAST GUARD RESIDENTIAL LEASE GENERAL PROVISIONS

- SUBLETTING:** The Coast Guard may sublet any part of the premises but shall not be relieved from any obligation under this lease by reason of any such subletting.
- DEPOSITS:** This lease is the only financial agreement covering the premises and no effect shall be given to any agreement between the Lessor and the Coast Guard tenant occupying the premises. No deposit is now held nor required. Any deposit held by the Lessor under terms or conditions of a previous arrangement with the Coast Guard occupant shall be returned no later than the effective date of this lease.
- MAINTENANCE:** Except for damage caused by the abuse or neglect of occupants or their guests, the Lessor shall maintain the premises, including the building and any and all equipment, fixtures, security services and appurtenances furnished by the Lessor under this lease in good repair and tenable condition. The Lessor shall accomplish routine interior painting, necessary re-carpeting, and other similar replacement and repair not less than once every three years of Coast Guard occupancy under this lease. The Lessor may at reasonable times, and with the permission of the authorized Coast Guard representative, enter and inspect the premises and make any repairs necessary. The Lessor is not responsible for replacement of light bulbs and fuses.
- FAILURE IN PERFORMANCE:** Rent payments are dependent upon the Lessor performing functions required by this lease. If the Lessor fails to provide any service, utility, maintenance, required environmental or safety modifications or repairs required by this lease, the Coast Guard may contract for or perform the services, and deduct the cost of performing the services from the rent payment. As an alternative, the Coast Guard may reduce the rent payment by the value of the service not performed (as determined by the Coast Guard Leased Housing Contracting Officer).
- If the Lessor's failure to perform causes the Coast Guard occupant to be temporarily housed elsewhere because of untenable conditions, the Lessor shall be responsible for any reasonable expenses incurred for such temporary housing.
- An untenable or unsafe condition not repaired and/or restored or good faith attempts to repair/restore to tenable condition within twenty-four (24) hours after Lessor notification by the occupant and/or Coast Guard shall be deemed failure in performance by the Lessor. Other repairs and/or restorations shall be performed by the Lessor with diligence and within a reasonable period of time as determined by the Coast Guard Leased Housing Contracting Officer.
- TERMINATION FOR DEFAULT:** If the premises are not ready for occupancy on the date this lease is to commence the Coast Guard may, with written notice to the Lessor, terminate this lease. The Lessor will be liable for any damages to the Coast Guard resulting from the Lessor's failure to have the premises ready for occupancy on the date agreed whether this lease is terminated or not.
- Failure by the Lessor to maintain the premises in tenantable condition may result in immediate termination as determined by the Coast Guard Leased Housing Contracting Officer.
- FIRE OR OTHER CASUALTY:** If the premises are destroyed by fire or by other casualty, this lease will immediately terminate. If the premises are partially destroyed so that they are untenable (as determined by the Coast Guard Leased Housing Contracting Officer) the Coast Guard may terminate this lease by giving the Lessor written notice within 15 days after the partial destruction. If this lease is terminated in this way, no rent

FIRE OR OTHER CASUALTY: (CONTINUED) (continued) will accrue after the partial destruction. As an alternative, the Coast Guard may choose to continue to occupy the premises at a reduced rent, agreed to by the Lessor and effective the date of the partial destruction.

FACILITIES NON-DISCRIMINATION: (a) As used in this provision, the term "facilities" means pools, weight rooms, rest rooms, locker Rooms, stores, shops, clubhouses, and any other facility of a public nature available for use by tenants of the complex in which the premises are located.

(b) The Lessor agrees that he/she 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 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 Coast Guard 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 costs of the Coast Guard in acquiring substitute housing, including but not limited to the cost of moving to such housing. Substitute housing shall be obtained in as close proximity to the premises as is feasible and moving costs will be limited to actual expenses thereof incurred.

(d) It is further agreed that from and after the effective date of this lease 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 clause 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 inclusion of the foregoing provisions of this clause 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 Lessor also agrees that it will take any and all lawful actions as expeditiously as possible, with respect to any such agreement as the Coast Guard may direct, as a means of enforcing the intent of this clause, including but not limited to, termination of the agreement or concession and institution of court action.

INSPECTION REPORT: A joint physical inspection report of the premises shall be made as of the effective date of this lease, reflecting the then present condition, and will be signed by both the Lessor and the authorized Coast Guard representative.

ASSIGNMENT OF CLAIMS: The right to payments shall not be transferred by the Lessor to any other party, and any such transfer shall cause annulment of this lease so far as the Coast Guard is concerned. Except as specified for Lessor Successors of Clause 1.g. of this lease, rent payments and any other claims payable shall be made only to the Lessor described in this lease.

EQUAL OPPORTUNITY: (This clause only applies to leases over \$10,000 annually.) During the term of this lease, the Lessor agrees as follows:

**EQUAL
OPPORTUNITY:
(CONTINUED)**

(a) The Lessor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin. The Lessor 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; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Lessor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the Coast Guard Leased Housing Contracting Officer setting forth the provisions of this Equal Opportunity clause.

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

(c) The Lessor will send to each labor union or representative of workers with which he has a collective bargaining agreement or other lease or understanding, a notice, to be provided by the Coast Guard Leased Housing Contracting Officer, advising the labor union or workers' representative of the Lessor'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 Lessor will comply with all provisions of Executive Order No. 11246 of September 24, 1965, and with the rules, regulations, and relevant orders of the Secretary of Labor.

(e) The Lessor will furnish all information and reports required by Executive Order No. 11246 of September 24, 1965, and with the rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to 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. (Reporting requirements apply only to leases over \$100,000, annually and Lessors with over 50 employees).

(f) In the event of the Lessor's noncompliance with the Equal Opportunity clause of this lease or with any of the said rules, regulations, or orders, this lease may be canceled, terminated, or suspended, in whole or in part, and the Lessor may be declared ineligible for further Coast Guard leases 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 Lessor 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 or Executive Order No. 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The Lessor 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 Lessor becomes involved in, or is threatened with litigation with a subcontractor or vendor as a result of such

EQUAL

**OPPORTUNITY:
(CONTINUED)**

(g) (continued) direction by the Coast Guard, the Lessor may request the Coast Guard to enter into such litigation to protect the interests of the Coast Guard.

**COVENANT
AGAINST
CONTINGENT:
FEES:**

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 commission, percentage, brokerage, or contingent fee, except bona fide employees or bona fide established commercial or selling agencies maintained by the Lessor for the purpose of securing business. For breach or violation of this warranty, the Coast Guard 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 listings on property for rent, in accordance with general business practice and who have not obtained such licenses for the sole purpose of effecting this lease, may be considered as bona fide employees or agencies within the exception contained in this provision.)

**OFFICIALS
NOT TO
BENEFIT:**

No member of or delegate to Congress will receive any money or other benefit from this lease. The only exception to this provision is if the Lessor is a corporation in which the member or delegate to Congress owns shares.

**CLAIMS AND
DISPUTES:**

The Coast Guard will reimburse the Lessor, upon submission of a just and documented claim, for damages beyond the normal wear and tear which may be caused by the Coast Guard occupant through neglect or abuse. Damage liability is specifically limited to those items damaged by abuse or negligence of the occupant and his or her dependents and guests.

(a) This lease is subject to the Contract Disputes Act of 1978, as amended (U.S.C. §§ 601-613)(hereinafter the "Act"), and disputes hereunder are subject to the jurisdiction of Board of Contract Appeals having jurisdiction over contract disputes against the U.S. Coast Guard:

- a.1. The Lessor must deliver any claim to the Coast Guard not later than sixty (60) calendar days after lease termination.
- a.2. The Claim must:
 - (a) be in writing,
 - (b) state a total claim amount (sum certain),
 - (c) identify individual damage/claim items,
 - (d) be supported with receipts or estimates as follows:
 - * if the item is less than \$200, one receipt or estimate.
 - * if the item is \$200 or more, two estimates.
 - (e) contain a signature as explained below.

(b) Except as provided in the Act and the above, all disputes arising under or relating to this lease shall be resolved under this clause.

**CLAIMS AND
DISPUTES
(CONTINUED)**

(c) "Claim," as used in the clause, means a written demand or written assertion by one of the leasing parties seeking, as a matter of right, the 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 contract, is a claim that can be resolved under a contract clause that provides for the relief sought by the claimant. However, a written demand or written assertion by the Contractor seeking the payment of money exceeding \$100,000 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 or is not acted upon in a reasonable time.

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

(d.2) For Lessor claims exceeding \$100,000, 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 Coast Guard is liable.

(d.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 plant or 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 \$100,000 or less, the Coast Guard Leased Housing Contracting Officer must, if requested in writing by the Lessor, render a decision within 60 days of the request. For Lessor-certified claims over \$100,000, the Coast Guard Leased Housing 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 Coast Guard Leased Housing Contracting Officer's decision shall be final unless the Lessor appeals or files a suit as provided in the Act.

(g) At the time a claim by the Lessor is submitted to the Coast Guard Leased Housing Contracting Officer or a claim by the Coast Guard is presented to the Lessor, the parties, by mutual consent, may agree to use alternative means of dispute resolution. When using alternative dispute resolution procedures, any claim, regardless of amount, shall be accompanied by the certificate described

**CLAIMS AND
DISPUTES:
(CONTINUED)**

(g) (continued) in paragraph d.2. of this clause and executed in accordance with paragraph d.3. of this clause.

(h) The Coast Guard shall pay interest on the amount found due and unpaid from (1) the date the Coast Guard Leased Housing 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 Coast Guard Leased Housing 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.

(i) The Contractor shall proceed diligently with performance of this lease, pending final resolution of any request for relief, claim, appeal, or action arising under the lease, and comply with any decision of the Coast Guard Leased Housing Contracting Officer.