REQUEST FOR PROPOSALS

OFFICE SPACE LEASE

REQUIRED BY

MISSOURI HOUSING DEVELOPMENT COMMISSION

ISSUANCE DATE:
September 20, 2013

DUE DATE:
October 1, 2013
4:30 P.M. Central
SECTION I: INTRODUCTORY INFORMATION

About MHDC: The Missouri Housing Development Commission (MHDC) was established in 1969 in order to increase the availability of decent, safe and sanitary housing at prices within the means of low- and moderate-income persons. MHDC is a governmental instrumentality of the state of Missouri and a body corporate and politic with authority derived from Chapter 215 of the Revised Statutes of Missouri, as amended and supplemented. MHDC administers funding to finance the purchase of single family homes for owner occupancy, to finance the construction and rehabilitation of affordable rental housing for moderate and low-income Missourians, and to provide housing services. Funding is available through a combination of grants, tax credits, sale of bonds, and loans. MHDC administers programs by partnering with professional business entities including banks, financial institutions, real estate professionals and non-profit organizations. MHDC experiences a moderate amount of professional business traffic at its business location.

Purpose of RFP: The purpose of this Request for Proposals (“RFP”) is to request proposals related to leasing of office space, see “Section III”.

Proposal Due Date: October 1, 2013, by 4:30 P.M. Central

Submission of Proposal: MHDC is represented by CBRE Brokerage Services for responses to this RFP. One printed copy and one electronic copy of the proposal must be submitted by the proposal due date noted above to:

Brian W. Bacon, MBA, CCIM | Vice President
Matthew A. Eckert, MBA | Vice President
CBRE | Brokerage Services - Office Properties
4717 Grand, Suite 500 | Kansas City, MO 64112
brian.bacon@cbre.com
matt.eckert@cbre.com
SECTION II: PROCEDURES AND INSTRUCTIONS

Questions:

Questions regarding this RFP should be directed to:

Brian W. Bacon, MBA, CCIM | Vice President
Matthew A. Eckert, MBA | Vice President
CBRE | Brokerage Services - Office Properties
4717 Grand, Suite 500 | Kansas City, MO 64112
V 816 756 3535 | F 816 968 5890
brian.bacon@cbre.com
matt.eckert@cbre.com

~or~

Tina Beer | Director of Operations
Missouri Housing Development Commission
3435 Broadway | Kansas City, MO 64111
V 816 759 6606 | F 816 759 6677
tbeer@mhdc.com

Standards of Conduct:

This RFP is considered a “Competitive Matter” as that term is defined in Commission’s “Standards of Conduct” Policy (the “Standards of Conduct”). Further, every Respondent, including, but not limited to, their respective principals, key employees and agents acting on their behalf are considered “Interested Parties” (as defined in the Standards of Conduct). As a result, every Respondent (including, but not limited to, its principals, key employees and agents) under this RFP is obligated to abide by the rules and restrictions imposed by the Standards of Conduct, including the rules governing contact with Commissioners and MHDC employees. The failure of any Respondent to abide by the rules and restrictions established by the Standards of Conduct may result in the disqualification of that Respondent’s Response. Therefore, you are strongly encouraged to review and familiarize yourself with the Standards of Conduct. Standards of Conduct is available on MHDC’s website at www.mhdc.com/about/commission/policies/standards_of_conduct.htm.

Furthermore, pursuant to the Standards of Conduct, any Response under this RFP shall disclose the name of the individual, entity and/or entities having ownership interests in the Respondent. All entities identified in this disclosure shall be reduced to their human being level irrespective of the number of entity layers which may be present for any disclosed entity. Notwithstanding the previous sentence, to the extent any Respondent under this RFP is a publicly traded corporation, such a Respondent may limit this disclosure to all board members, officers (and other key employees) and any shareholders owning or controlling ten percent (10%) or more of the corporation. Questions regarding this requirement or any other requirements or restrictions imposed by the Standards of Conduct may be directed to the Commission’s General Counsel, Weylin Watson, by phone at 816-759-6624 or email at wwatson@mhdc.com.
**Modifications to Proposals:** Respondents may not modify or correct its Proposal any time after the Proposal Due Date except in direct response to a request from MHDC for clarification.

**Revisions to this RFP:** In the event that it becomes necessary to revise or clarify any part of the RFP, MHDC will provide an addendum on MHDC’s website at www.mhdc.com/rfp.

**Expense of Preparation of Proposals:** MHDC is not responsible for any expense incurred in preparing and submitting a Proposal or taking any action in connection with the selection process, or for the costs of any services performed in connection with submission of a Proposal.

**Reservation of Rights:** MHDC reserves the right to conduct any investigation of the qualifications of any firm that it deems appropriate; negotiate modifications to any of the items proposed in the Proposal; request additional information from any respondent; reject any or all Proposals; and waive any irregularities in any Proposal.

**Review and Selection Process:** All responses to this RFP will be reviewed by MHDC staff. All respondents will be notified of the result of the review process.

**Public Records:** Respondents to this RFP should be aware that responses received become public records under state law once the evaluation process has been completed.

**SECTION III: OVERVIEW**

**Description:** MHDC is currently leasing approximately 31,000 square feet office space at 3435 Broadway, Kansas City, Missouri, with a lease expiration of February 1, 2015. MHDC is now seeking competitive proposals for a new seven to ten year lease in its current space, or in an alternate more efficient and cost effective space. MHDC is seeking a Kansas City, Missouri, property within an approximately three-mile radius of its current address. MHDC is seeking to secure an agreement with sufficient lead time for a February 1, 2015, lease start.

**SECTION IV: RESPONSES TO THIS RFP**

MHDC is represented by CBRE Brokerage Services for responses to this RFP. Respondents to this RFP should complete the information required on “Exhibit A”, and follow the structure in “Section VI”.

**SECTION V: FEDERAL WORK AUTHORIZATION PROGRAM**

Pursuant to Mo.Rev.Stat. §285.530.2, firm(s) selected pursuant to this RFP shall provide MHDC with an affidavit stating that the firm does not employ any person who is an unauthorized alien in conjunction with the contracted services, and that the firm is enrolled in and participating in a federal work authorization program with respect to
the employees working in connection with the contracted services. Prior to execution of any agreement contemplated herein, the firm shall provide evidence of participation in a federal work authorization program. Questions regarding this requirement may be directed to the Commission’s General Counsel, Weylin Watson, by phone at 816-759-6624 or email at wwatson@mhdc.com. In your proposal, please indicate whether your firm is currently enrolled in and participating in a federal work authorization program such as E-Verify.

SECTION VI: STRUCTURE OF RESPONSES

- Provide requested information in Section II regarding Standards of Conduct.
- Provide responses to Section IV. Proposals not responding to all or parts of this section may, at MHDC’s discretion, be considered unresponsive. Do not refer to other parts of your proposal in lieu of answering a specific question.
- Provide requested information and Section V. More information and a sample affidavit for this requirement are available at: http://www.mhdc.com/notices/rfdcuw.
- Provide a transmittal letter signed by an authorized representative of the firm. In the transmittal letter the respondent shall certify (i) that no elected or appointed official or employee of the Commission is financially interested, directly or indirectly, in the performance of the services specified in the RFP, (ii) that the information included in the response is true and correct to the best of its knowledge and (iii) that the person signing the transmittal letter is authorized to execute the response on behalf of the respondent.
- Provide any MBE/WBE status.
- Provide any additional exhibits that may contain information may be attached to provide more detail to respondent’s offerings or services.

SECTION VII: EVALUATION CRITERIA

The proposals will be reviewed by MHDC staff. The Proposals will be evaluated on a variety of factors, including:

- Capabilities presented in proposal encompassing items described in this RFP; combined with consideration for efficiency and cost effectiveness.
- Adherence to Section VI.
- Previous experience working with MHDC.
- Previous experience in working with State of Missouri government.
- State of Missouri business presence.
- MBE/WBE status.
Please reply by providing the requested information in the right column. If you are in agreement with the terms proposed, please state “Agreed” in the right column. Please address all RFP responses to CBRE and do not “redline” mark-up this document.

<table>
<thead>
<tr>
<th>Term</th>
<th>1. Request for Proposal (“RFP”)</th>
<th>2. Landlord’s Proposal Dated:</th>
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<tbody>
<tr>
<td><strong>BUILDING:</strong></td>
<td>Tenant is seeking proposals from properties within approximately three (3) mile radius of 3435 Broadway Street, Kansas City, MO. Please state the official name and address of the building. Also indicate the rentable building square footage and number of floors.</td>
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<tr>
<td><strong>TENANT:</strong></td>
<td>The Missouri Housing Development Commission</td>
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<td></td>
<td>The Missouri Housing Development Commission (“MHDC” or the Commission”) was established in 1969 in order to increase the availability of decent, safe and sanitary housing at prices within the means of low and moderate-income persons. The Commission is a governmental instrumentality of the state of Missouri and a body corporate and politic. The Commission’s authority is derived from Section 215.030, et seq., of the Revised Statutes of Missouri, as amended and supplemented. Further information about the Commission and its programs is available on the Commission’s website at <a href="http://www.mhdc.com">www.mhdc.com</a>.</td>
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<td><strong>LANDLORD AND MANAGEMENT:</strong></td>
<td>Please describe the ownership and management structure of the Building.</td>
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| **PREMISES:** | Tenant estimates that if its space is efficiently designed, it could be accommodated in approximately 22,500 to 26,000 rentable square feet ("RSF"). The space programming will include approximately 26 offices and 55 cubes as well as ancillary rooms for reception, break, copy/work rooms, storage, conference rooms, etc.  

The exact square footage is subject to final space plans and the most current BOMA methods of measurement.  

Please identify the Premises you are proposing and include a copy of the floor plan. |
| **PREMISES AVAILABILITY:** | Please indicate if the Premises or any portion thereof is subject to any third-party options/rights that may be exercised. Additionally, please indicate the basic terms of such options/rights. |
| **LEASE COMMENCEMENT:** | Tenant requires a Lease Commencement date of February 1, 2015. |
| **SUBSTANTIAL COMPLETION / EARLY ACCESS:** | Landlord shall Substantially Complete the Tenant Improvements (defined hereinafter) on or before December 15, 2014 ("Substantial Completion Date").  

Accordingly, if the Premises is not Substantially Complete by the Substantial Completion Date due to Landlord delays, then (i) the Lease Commencement shall be extended by the number of days of such delay and (ii) Landlord shall reimburse Tenant for actual costs associated with holding-over (up to two times actual rent).  

After lease execution and during the construction process, Tenant and its agents shall have the right to enter the Premises to install cabling/other |
equipment and seek vendor estimates so long as Tenant does not interfere with contractors. After Tenant Improvements are Substantially Complete, Tenant and its agents shall have the right to enter the Premises to install furniture, fixtures, telephones, etc. Rent commencement shall not be triggered by such early access.

| LEASE TERM: | Please propose both a seven (7) year and a ten (10) year lease option. |
| LEASE RATE: | Please provide an aggressive, market sensitive rent proposal (including concessions). Please full service gross rental structure. |
| COMMON AREA FACTOR: | Please state the common area factor utilized for the Premises. Indicate if the factor represents a multi-tenant facility, single-tenant floor or a combination of both. |
| OPERATING EXPENSES AND REAL ESTATE TAXES: | a. Tenant requires a “base year” equivalent to the actual expenses incurred during 2015 for real estate taxes plus operating expenses.  
  b. During the Base Year, a 95% gross-up shall apply for all operating expenses that vary with occupancy.  
  c. The real estate taxes for the Base Year shall be adjusted by Landlord to reflect a fully assessed and occupied building. Please indicate if the Building is subject to any tax abatement and when such abatement is scheduled to expire.  
  d. Tenant requires that increases on all controllable expenses (all except real estate taxes, insurance, debris removal and utilities) be capped at 3% cumulative over the directly preceding year.  
  e. Capital expenditures (as defined by GAAP and sound management |
practices) shall not be included in operating expenses unless the capital expenditure (when amortized over its useful life) actually reduces the costs of overall operating expenses.

f. A list of operating expense exclusions shall be negotiated and implemented into the final lease document.

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<th>ADDITIONAL RENT:</th>
<th>Please indicate the projected Base Year operating expense figure/RSF.</th>
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<tr>
<th>AUDIT RIGHTS:</th>
<th>Tenant shall have the right to audit the Landlord’s books and records for purposes of verifying that tax and operating expenses are in accordance with the lease provisions. Tenant shall have the right to audit tax and operating expense information for any/all calendar year(s) at any time during the Term (including a reasonable period of time following the expiration of the Term). No limitations shall be placed on Tenant regarding the type of consultant (i.e. CPA, Tenant employee, etc.) Tenant may utilize to perform such audit. Tenant may compensate such consultant on a contingency-fee basis. Should the audit reveal a variance of more than 5%, Landlord shall pay the cost of the audit.</th>
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| TENANT IMPROVEMENTS: | a. Landlord shall provide a tenant improvement allowance not less than $35.00/RSF for a seven (7) year lease term and $40.00/RSF for a ten (10) year lease term.  
b. Please indicate the Landlord’s willingness to allow Tenant to transfer unused tenant improvement allowance into free rent and/or moving allowance.  
c. If a municipal authority requires additional modifications to the Building or Premises, Landlord shall be responsible for the costs associated with said modifications (including but not limited to ADA, energy efficiency |
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<tr>
<th><strong>SPACE PLANNING / ARCHITECTURAL:</strong></th>
<th>Please indicate the Landlord’s willingness to engage the architect of Tenant’s selection for the completion of initial space plans and construction drawings.</th>
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<tr>
<td><strong>MOVE ALLOWANCE:</strong></td>
<td>All proposals shall include a move/cabling allowance of $3.00/RSF.</td>
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<td><strong>TENANT’S RIGHT TO REMEDY DEFAULT; SELF-HELP:</strong></td>
<td>In certain extreme situations where the Landlord has failed to perform its services, repair or maintenance within the Premises, then Tenant shall have the right to perform such services, repair or maintenance and charge Landlord. Tenant may offset the associated costs against rent if Landlord does not pay Tenant’s invoices.</td>
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<td><strong>SECURITY DEPOSIT:</strong></td>
<td>None</td>
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<td><strong>RIGHT TO RELOCATE:</strong></td>
<td>Landlord shall have no right to relocate tenant in the lease.</td>
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<td><strong>RIGHT OF FIRST REFUSAL:</strong></td>
<td>Please include an ongoing right of first refusal on all contiguous space in the Building, including the floors immediately below and above the Premises. Please confirm that any pre-commencement expansion and any expansion that occurs in the first 24 months of the lease term by Tenant shall be under the same terms and conditions as the initial premises/transaction, including a co-terminus expiration date and a pro-rated Tenant Improvement Allowance.</td>
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| **RENEWAL OPTION:** | Tenant requires two (2) five (5) year options to renew its lease of the Premises upon six (6) months prior written notice.  

The lease rate for such renewal term shall be no more than 95% of the then current fair market rental value for buildings of similar quality and location. Landlord shall provide arbitration language for determining the fair market rental value in the event that Landlord and Tenant cannot agree of said rental value. At the time of renewal, the operating expenses and the real estate tax base year shall be adjusted to reflect a base year equal to the year in which the renewal term commences. |
| **SUBLEASING / ASSIGNMENT:** | Tenant shall have the right to sublet or assign all or part of the Premises at any time during the initial term or any renewal period with Landlord's consent. Such Landlord's consent shall not be unreasonably withheld, delayed or conditioned. |
| **ROOFTOP ACCESS:** | At no additional cost, Tenant shall have the right to install and maintain a non-penetrating satellite dish and related equipment on the roof of the Building, including access to conduits for wiring. |
| **EMERGENCY GENERATOR/UPS:** | Are there any existing computer room cooling systems, UPS or generator systems that Tenant would have the right to use? |
| **PARKING:** | **Employee Parking:**  
Please reference the availability and type of parking (i.e. covered vs. non-covered and reserved), the ratio of spaces per 1,000 rentable square feet in the Building and the number to be assigned to Tenant for Tenant's Employees. Tenant anticipates needing approximately 81 parking spaces.  

**Visitor Parking:**  
Please reference the availability and type of parking, the ratio of spaces per... |
1,000 rentable square feet in the Building.

If there is a cost for any Employee or Visitor parking, please state the cost and whether it is subject to change.

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<th>DIRECTORY SIGNAGE:</th>
<th>Landlord shall provide Building directory and suite signage at Landlord’s sole cost.</th>
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<tr>
<td>STORAGE SPACE:</td>
<td>Please indicate whether or not Storage Space is available and, if so, the amount of space and at what rate? Storage Space shall not be subject to Operating Expenses or Real Estate Tax escalations.</td>
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<tr>
<td>HOLDOVER:</td>
<td>Tenant requires the right to holdover for sixty (60) days after the expiration of the lease term, at a rate equal to 125% of the then current Base Rent, with or without Landlord’s consent and with no liability to Landlord for consequential damages which may arise. Thereafter, Tenant shall pay 150% of the then current Base Rent. Holdover rent shall be prorated on a day-by-day basis.</td>
</tr>
<tr>
<td>BUILDING HOURS / HVAC:</td>
<td>Please state the hours of operation for the Building and if there is a charge to Tenant for after-hours HVAC service. Please confirm that Tenant will receive after-hours HVAC at a cost no greater than the Landlord’s actual cost to provide such service. Please include the current hourly rate. The lease shall state that the HVAC system shall be capable at all times of maintaining ambient temperatures of between 70° and 74° Fahrenheit, and Landlord, shall, upon Tenant’s request, cause the space temperature in any given area in the Premises to maintain ambient space temperature of between 70° and 73° Fahrenheit when the air conditioning is in use, and between 71° and 74° Fahrenheit when</td>
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<tr>
<td>BUILDING SPECIFICATIONS:</td>
<td>Briefly outline the building’s specifications and mechanical elements (including the HVAC system and the age of the major system components). Also, provide specific information on, ceiling height and ceiling package. Is the building sprinklered?</td>
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| ACCESS / SECURITY:            | Tenant shall have access 24 hours per day, 7 days per week, 52 weeks per year to the Premises. Please describe how after hour access to the building is handled. Please describe any Building security (patrol, after-hours parking lot lighting, etc.) that will be offered.  

Tenant shall have the right to utilize Landlord's card access system to the Building and Building elevators and shall be provided with a sufficient number of access cards for each employee - additional cards shall be at Landlord's actual cost. Please indicate if Landlord requires a specific security system contractor.  

Tenant shall have the right at Tenant's sole cost and expense to hire a security professional within the Premises. |
|-------------------------------|---------------------------------------------------------------------------------------------------|
| TELECOMMUNICATION ACCESS:    | Please indicate communication/Internet providers currently available in the Building.  

Landlord shall provide access to Tenant's telecommunication/Internet provider(s) for the purpose of install/maintaining services and the cost imposed by Landlord for such access/maintenance shall not be in excess of reasonable and customary costs for buildings in the geographic area. |
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<td>HAZARDOUS MATERIAL AND ADA COMPLIANCE:</td>
<td>Landlord warrants and represents that the Building and the Premises do not contain asbestos or other toxic or hazardous materials.</td>
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<tr>
<td><strong>COMMON AREA IMPROVEMENTS:</strong></td>
<td>Please describe the common area improvements to be completed by Landlord prior to Lease Commencement.</td>
</tr>
<tr>
<td><strong>NON-DISTURBANCE, SUBORDINATION &amp; ATTORNMENT:</strong></td>
<td>Landlord shall obtain from Landlord’s current and future Mortgagee a Subordination, Non-Disturbance and Attornment Agreement (“SNDA”) in form and substance reasonably satisfactory to Mortgagee, Landlord and Tenant.</td>
</tr>
<tr>
<td><strong>AMENITIES:</strong></td>
<td>Please describe the amenities or special services that will be available in your building (deli, building conference rooms, library, bus line, teleconferencing, health club, security escort services, day care, etc.)</td>
</tr>
<tr>
<td><strong>BROKER DISCLOSURE:</strong></td>
<td>CBRE, Inc. is acting as agent of Tenant with the duty of representing Tenant’s interests, and will not be the agent or subagent of Landlord. Any information given to CBRE, Inc. by Landlord or its agents may be disclosed to Tenant. CBRE, Inc. shall be paid a leasing commission by Landlord equal to: Four percent (4%) of the aggregate gross rental value during the term of the lease. Such lease commission shall be due upon Landlord’s receipt of a fully executed lease document.</td>
</tr>
<tr>
<td><strong>CONTINGENCY:</strong></td>
<td>This document is only a list of proposed points that may or may not become part of an eventual contract. It is not based on any agreement between the parties. It is not intended to impose any obligation whatsoever on either party, including without limitation an</td>
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obligation to bargain in good faith or in any way other than at arms' length. The parties do not intend to be bound by any agreement until both agree to and sign a formal written contract, and neither party may reasonably rely on any promises inconsistent with this paragraph. This paragraph supersedes all other conflicting language.

**RESPONSE DATE:** Please provide your proposal within ten (10) days following the date of the letter.

Any matters that are not addressed in this request and that would further distinguish the Building from other competing buildings should be addressed in your response.