

Solicitation for Offers

Solicitation Number IT-20-001

Vicenza, Italy

SUMMARY

The United States of America is seeking to lease fully-furnished, fully-serviced housing in the Vicenza, Italy area. The requirement is for a total of 34 bedrooms. Apartments, row houses, duplexes, and single-family homes with between one (1) and four (4) bedrooms are acceptable; however, no more than 10 bedrooms in any one building can be leased to the U.S. Government. The requested lease term is for five (5) years. Proposed housing must meet all requirements listed below in this solicitation and be submitted to the following email address: Italyrealestatefieldoffice@usace.army.mil

1. REQUIREMENTS

A. Location

The housing must be located within the area depicted by boundary on the map below.

Submittals within 20minutes walking distance to Caserma Del Din and/or Caserma Ederle will be give greater consideration:



B. Building Requirements

- a. Building must meet fire protection standards per Italy and Europe code
- b. All building entrances must have locking doors
- c. All common areas within the building must be well illuminated
- d. Exterior walkways must be well marked and illuminated
- e. Building must be located in a safe, low crime area
- f. Building must not be located within a Zona Traffico Limitato (ZTL) area

C. Apartment/Room Requirements

- a. Minimum size of 37 m² for one (1) bedroom dwelling unit
- b. Entry doors must have deadbolt locks and peepholes
- c. Doorbell with intercom
- d. All rooms must be well illuminated with energy efficient light bulbs
- e. Each bedroom must be at least 14m² and accommodate a double bed (minimum size 140 cm x 200 cm)
- f. Kitchen, dining, and living rooms may be combined into one space, provided it is sufficiently large enough to accommodate all typical furnishings for each room
- g. Lockable mailbox for each dwelling unit
- h. At least one (1) dedicated parking space per dwelling unit
- i. Fire alarms installed in all rooms (except bathrooms)
- j. Carbon monoxide alarms installed in any room with combustible gas
- k. Ground Fault Circuit Interrupters (GFCI) must be installed in the electric circuits in the kitchen, bathrooms, and other potentially wet areas
 - l. Basement or other storage space accessible and usable by tenant (desired, but not required)
- m. At least one (1) accessible and operational window in each bedroom and living room

D. Bathroom Requirements

- a. Minimum of one (1) full bathroom, with either shower plate or tub, per dwelling unit (the tub and shower must have a shower head and curtain)
- b. Adequate plumbing to prevent extreme fluctuations in water pressure and water temperature
- c. Sink with water stopper
- d. Toilet with seat and lid
- e. Mirror installed above the sink
- f. Storage cabinet, medicine cabinet, or equivalent
- g. Exhaust fan or window
- h. Tower bar or hook (one per bedroom)
- i. Toilet paper holder
- j. Water resistant flooring (no hardwood or carpet)

E. Kitchen Requirements

- a. Each apartment must have a full kitchen
- b. Sufficient electrical outlets to accommodate a variety of counter appliances
- c. Sink with strainer board and stopper

- d. Refrigerator with freezer of sufficient size for the number of bedrooms in the dwelling unit
- e. Dishwater (desired, but not required)
- f. Microwave
- g. Oven
- h. Range cooktop with a minimum of two (2) burners
- i. Exhaust fan
- j. Water resistant flooring (no hardwood or carpet)

F. Furnishing Requirements

- a. Plates, bowls, glassware, flatware in a minimum amount of two (2) settings (per bedroom)
- b. Pots, pans, cooking utensils, and other kitchen utensils
- c. Double bed or larger (140 cm x 200 cm), wardrobe, nightstand, bed side lamp, chest of drawers (per bedroom)
- d. Ironing board and iron with automatic shutoff
- e. Electric or gas coffee pot and kettle
- f. Dining table with a minimum of two (2) chair per bedroom
- g. Computer desk with chair
- h. Sofa
 - i. Storage or shelving units
- j. Privacy window coverings (operational blinds or curtains) installed in all rooms
- k. Two (2) sets of bed sheets, two (2) blankets, one (1) comforter, and two (2) pillows (per bedroom)
 - l. Two (2) sets of bath and hand towels (per bedroom)
- m. Two (2) dish towels
- n. Vacuum cleaner
- o. Broom with dust pan
- p. Mop with bucket
- q. Garbage can in kitchen and bathrooms
- r. Laundry washing machine and dryer or drying rack (electric / gas dryer strongly preferred, but not required)
- s. Flat screen television with a minimum size of 40"
- t. One (1) operational fire extinguisher (certified and up to date) per dwelling unit

G. Service Requirements

- a. All utility costs will be included and paid in the total rental amount
- b. Potable hot and cold running water in kitchen and bathroom
- c. Tenant adjustable heating throughout apartment (including kitchen and bathrooms)
- d. Tenant adjustable air conditioning in all rooms (except bathrooms)
- e. Basic cable or satellite service for television
- f. High speed Internet service (DSL or better) with Wi-Fi accessible throughout the dwelling unit
- g. Two (2) sets of keys to all locks (per bedroom)
- h. Maintenance, repair, and replacement of all Lessor systems and appliances at Lessor's sole expense

- i. Pest control as per local health department requirements
- j. Outside garbage containers
- k. Snow and ice removal from sidewalks and driveways
- l. Regular maintenance and cleaning of common areas
- m. Weekly cleaning including kitchen, bathroom, emptying trash cans, and floors throughout the apartment (desired, but not required)

H. Lease Term

The lease term shall be for a period of up to five (5) years, with a termination clause providing the U.S. Government the right to terminate the lease at any time by giving 30 days prior written notice.

I. Rent

Rent shall be paid in Euro Semi Annually in advance through electronic bank transfer. Proposals received with a rental price that is determined to be substantially above the market rate may be disqualified.

J. Security Deposit

Due to U.S. fiscal law, the payment of a security deposit is prohibited. However, a joint condition inspection of the housing will be performed with the Lessor prior to U.S. occupancy. The results of this inspection will be mutually agreed to and signed by both the Lessor and the U.S. Government. This signed inspection will be incorporated into the lease. The lease will include a clause stating that the U.S. Government will be responsible for damages beyond reasonable wear and tear. Upon lease termination, a final joint condition inspection will be performed and the U.S. Government may repair such identified damages or pay the Lessor an agreeable sum of money for the repair of those damages.

K. Lease Agreement

The lease agreement shall be in English and in similar form to the attached draft lease. A translated Italian courtesy copy of the lease will also be provided, but the English version shall still govern.

L. Occupancy Date

The U.S. Government is seeking beneficial occupancy of a total of 34 bedrooms as negotiations are completed and leases are executed.

2. PROPOSAL SUBMISSION

A. Proposal Submission Requirements

- a. Description of the premises
- b. Map showing the location of the premises
- c. Photographs of the premises clearly depicting the interior (all rooms), exterior, and street views
- d. List of provided furnishings and services
- e. Proposed rental rate

- f. Proposed occupancy date
- g. Floorplan or drawing of the premises
- h. Certificate of Compliance
- i. Proof of Ownership or right to lease
- j. Ape (Energy Certification)
- k. Cadastral Information

B. Proposal Submission Deadline

All proposals must be submitted via email to Italyrealestatefieldoffice@usace.army.mil

or by registered mail to: Italy Real Estate Field Office,
Attn: CENAU-RE-I, Unit 31401, Box 86,
Caserma Carlo Ederle,
Viale della Pace 193,
36100 Vicenza, Italy

This Solicitation may remain open until the full requirement is met or closed at any time, as determined by the U.S. Government.

3. PROPOSAL EVALUATION AND AWARD

A. Evaluation Factors

Proposals will be evaluated based upon the factors below:

- a. Price
- b. Condition / Furnishings / Services
- c. Layout Functionality
- d. Location

B. Competitive Range

Received proposals will be evaluated using the above factors to determine which proposals offer the **best value** to the U.S. Government. The top proposals will establish the Competitive Range. Proposals that do not meet the minimum requirements listed in this Solicitation may be disqualified.

C. Negotiations

Oral and/or written negotiations may be held with each responsive Offeror within the Competitive Range in order to clarify details and ensure mutual understanding.

D. Inspection

Following or during negotiations, a U.S. Government authorized representative may inspect the proposed housing unit to verify conditions and potential concerns. If correctable concerns are identified, the Offeror will be notified of any required alterations.

E. Best and Final Offer

Concluding negotiations and inspections, competitive Offerors may be provided an opportunity to revise and submit a Best and Final Offer.

F. Award

Best and Final Offers will be reviewed and the U.S. Government may execute a lease with the Offeror selected for award. This lease will be similar to the attached Draft Lease and executed in English, with a courtesy translation in Italian. The U.S. Government reserves the right to negotiate and award a lease at any time following receipt of initial offers.

This solicitation is non-binding upon the U.S. Government and may or may not result in the award of a lease contract, subject to availability of appropriations. Nothing in the Solicitation shall be interpreted to require obligations or payments by the U.S. Government in violation of the Anti-Deficiency Act (31 USC 1341).

DEPARTMENT OF THE ARMY

LEASE CONTRACT DACA90520002..00
(OCONUS Reference No.: DA-RE-IT-...)

BETWEEN

.....

AND

THE UNITED STATES OF AMERICA

THIS LEASE, made this day of between - (hereinafter called "Lessor"), Fiscal Code No., whose address is, whose interest in the property hereinafter described is that of Owner, represented by its Chairman of the Board,, Fiscal Code, whose address is - and the UNITED STATES OF AMERICA (hereinafter called "U.S. GOVERNMENT"), c/o Caserma Carlo Ederle in Vicenza, Fiscal Code N°. 80028250241, acting by and through its Contracting Officer (Real Estate Contracting Officer),, pursuant to delegations of authority from the Secretary of the Army, under the authority of Title 10, United States Code, Section 2675.

The parties hereto for the considerations hereinafter mentioned covenant and agree as follows:

1. DESCRIPTION OF THE PREMISES: The Lessor hereby leases to the U.S. Government the following described premises: fully furnished dwelling unit, located on, consisting of, complete with secured parking space/garage, together with all improvements, rights, privileges, easements, and appurtenances belonging thereto. The premises are identified at the Ufficio del Territorio di (cadastral office) as: Town of, Sheet, Plot, Sub.

2. TERM: To have and to hold the said premises and their appurtenances for the term beginning on and ending on subject to termination and renewal rights as hereinafter set forth. The obligation of the U.S. Government to make payments under this lease contract in any fiscal year is subject to appropriations being provided for that fiscal year. Nothing in this lease contract shall be interpreted to require obligations or payments by the U.S. Government in violation of the Anti-Deficiency Act (31 USC 1341).

3. RENTAL AND OTHER CHARGES: a. The U.S. Government shall pay the Lessor the amount of:

- (1) €.....00/year - as basic annual rent.
- (2) €.....00/year - as annual reimbursement for contract registration or flat tax rate (Cedolare Secca), refuse collection, cesspool emptying, all the condominium expenses (such as stairway lights, stairwell cleaning, gardening, etc.), supply and consumption of potable water, electricity, gas, and internet service, elevator costs to include the maintenance and the annual control and inspection charges, annual cleaning and adjustment of heating unit/hot water tank/air-conditioning/water softener units, adding salt for the water softener systems, annual servicing of the sump-pumps and their backup batteries, pruning of trees, vines and hedges, and full and general maintenance and repairs with the inclusion of minor maintenance (as per Art. 1609 of the Italian Civil Code), and reimbursement of other expenses herein indicated

For a total annual amount of (EURO) €...../year.

b. The U.S. Government agrees to make payment of basic rent and other charges within 30 days from the start date of the period it refers to, and upon submission of an invoice to be presented prior to the beginning of the rental period, as described herein after. In the event the invoice is presented after the beginning of the rental period, the 30 days for payment shall be calculated starting from the day following the presentation of the invoice.

- (1) for the first period,: €.....;
- (2) for all subsequent semi-annual installments, starting: €.....;
- (3) for the last period,: €.....;

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c. Rental payments shall be made to the Lessor by electronic bank transfer (bonifico bancario) to the International IBAN and Swift/BIC coordinates indicated on the WIRE TRANSFER AUTHORIZATION FORM (UFC FORM 26).

d. The Prompt Payment Act, Public Law 97-177 (96 Stat. 85, 31 USC 3901) is applicable to payments under this lease and requires the payment to Lessors of interest on overdue payments, except as provided in 3.f. below. However, the Lessor agrees that interest will not be demanded before the 30th day after such rental payment is due.

e. Determination 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.

f. The Lessor agrees to grant the United States until 1 December to pay the semi-annual installment for the period beginning 1 October due to administrative delays associated with the United States fiscal year appropriations process. When such payments are made between 1 October and 1 December, the Lessor agrees that interest shall not start to accrue in accordance with para. 3.d. until after 1 December.

4. OTHER LEASED ITEMS: The Lessor shall furnish to the U.S. Government, as part of the rental consideration, the items described in ANNEX "B".

5. TERMINATION: a. The US Government shall have the right to terminate this lease, in whole or in part, at any time by giving the Lessor at least 30 days advance written notice by registered mail prior to the last day of the month in which termination is desired. In the case of such an early termination, in whole or in part, of the contract, the Lessor shall refund the U.S. Government any portion of the rent and other charges paid in advance and not earned at the time of termination of the lease.

b. The Lessor shall have the right to terminate this lease by giving the US Government at least 180 days advance written notice prior to the expiration date of the final term (ending) or renewal thereof. Should the Lessor not notify the US Government in writing of his intention to terminate the lease and/or the two parties could not reach a mutual agreement to renew, the U.S. Government shall have the option to extend the existing lease for 6 additional months, at the same clauses and conditions.

c. No restoration shall be required of the U.S. Government upon termination, in whole or in part, or expiration of this Lease Contract except for the damage caused by either misconduct, negligence, or fault of the tenant. If the Lessor requires restoration of such damages for which the U.S. Government is responsible, he shall give written notice to the U.S. Government at least sixty days prior to the termination or expiration of the Lease Contract. Within 90 days following the termination, the Lessor will furnish to the U.S. Government a claim with a detailed cost estimate that the U.S. Government will evaluate and depreciate by applying an "average life" factor to each item. The parties shall then arrive at a mutually accepted solution, and enter into an Agreement stipulating a cash settlement in exchange for a full release and waiver of all claims. Under no circumstances shall the U.S. Government be obligated to repaint the premises upon termination or expiration of the Lease Contract.

d. Partial Terminations shall be executed in accordance with the terms and conditions of this Lease Contract, particularly with the conditions set forth in Annex A – PARTIAL TERMINATIONS.

6. TAXES: a. The Lessor accepts full and sole responsibility for the payment of all taxes and other charges of a public nature which may arise in connection with this lease or which may be assessed against the demised premises. This includes, but not limited to, registration of the lease and payment of relative charges, road access tax, TASI to include the tenants' portion, TARI, and IMU.

b. The Lessor warrants that the rental charges do not include any tax, duty, patent royalty or similar charge which the U.S. Government and the Lessor's Government have agreed shall not be applicable to expenditures in the Lessor's Country by the United States or any tax, duty, or similar charge from which the Lessor is exempt under the laws of the Lessor's Country. If any such tax, duty, or similar charge has been included in the lease through error or otherwise, the lease rates shall be correspondingly reduced.

c. If for any reason after the execution of the lease the Lessor is relieved in whole or in part from the payment or the burden of any tax, duty, patent royalty or similar charge included in the lease rates, the lease rates shall be correspondingly reduced.

7. PAYMENT REQUESTS/INVOICES: The Lessor shall furnish two (2) copies of the payment requests, or invoices if the Lessor is an economic operator/firm, for the rental and other charges to the Italy Real Estate Field Office, Attn: CENAU-RE-I, Unit 31401 Box 86, Caserma Carlo Ederle, Viale della Pace, 36100 Vicenza, Italy. Each payment request/invoice shall include the name and address of the Lessor, the name of the bank and International IBAN and Swift/BIC coordinates to which the payment is to be made, and

an itemized list of all charges. The original of each payment request/invoice will be signed by the Lessor or his authorized representative and will include the following certificate in English:

“I certify that this invoice is true and correct, that payment thereof has not yet been made and that its amount does not include the Added Value Tax (IVA) because this transaction is not subject to the IVA tax in accordance with Article 72 of Presidential Decree No. 633 of 26 Oct 1972. I also certify that the amount of this invoice is exclusive of all other taxes and duties from which the U.S. Government is exempted by virtue of any tax agreement between the United States Government and the Italian Government.”

8. **WARRANTY OF RIGHT TO LEASE PREMISES:** The Lessor warrants that he has the right to lease the property. If the title of the Lessor shall fail, or should it be discovered that he could not lease the property, the U.S. Government may void this lease. In the event that the title of the Lessor shall fail and the U.S. Government shall be obliged to vacate the premises, the Lessor, his heirs or assigns agree to indemnify the U.S. Government for all loss, damage, liability or expenses incurred by reason of such failure.

9. **LESSOR’S SUCCESSORS:** The terms and provisions of this Lease Contract and the conditions herein shall bind the Lessor and the Lessor’s heirs, executors, administrators, successors and assigns.

10. **EQUIPMENT AND UTILITIES:** The Lessor warrants the mechanical equipment and utilities to be in good serviceable and operating condition. In particular the Lessor warrants that the heating system of the leased premises is adequate and sufficient to maintain a 22 degrees Celsius temperature and the air-conditioning system of the leased premises is adequate and sufficient to maintain a 24 degrees Celsius temperature. If the photovoltaic (if installed), solar (if installed), heating, air-conditioning, domestic hot water, electric, water softener, sump-pumps and their backup systems (batteries or generators), water or gas systems prove to be inadequate, the Lessor agrees to correct the deficiencies at his expense. Furthermore, the Lessor warrants the mechanical equipment, utilities and their respective systems comply with present Italian safety norms. Should these norms be changed or modified the Lessor will, at his expense, do whatever is necessary to comply with the new norms.

11. **EXCLUSIVE USE:** The premises are to be used by members of the U.S. Forces. The Lessor shall not interfere with nor restrict the U.S. Forces in the peaceful use and enjoyment of the leased premises, nor shall the Lessor erect any fence, wall, partition, or any construction upon the leased premises, except as otherwise agreed to by the U.S. Government.

12. **SALE OR TRANSFER OF LEASED PREMISES:** The Lessor agrees, in the event of sale or transfer of the premises during the term of this lease or renewal thereof, to include in the contract of sale or transfer, a provision to the fact that the sale or transfer is subject to the terms and conditions of this lease.

13. **MAINTENANCE AND REPAIRS:** a. The Lessor shall, at all times, maintain the leased premises, to include all the Lessor furnished items, in good repair and tenantable condition, with the inclusion of minor maintenance (as per Art. 1609 of the Italian Civil Code). In the event the Lessor shall be absent or otherwise unavailable, he shall provide to the U.S. Government the name, address and telephone number of a designated representative who will assume full responsibility for maintenance and repairs.

b. In addition to extraordinary maintenance and repairs, the Lessor shall be responsible to perform all minor maintenance and repairs irrespective of the provisions of Article 1609 of the Italian Civil Code. All minor and extraordinary maintenance and repairs shall be performed as soon as possible.

c. The U.S. Government may, at its election, either perform emergency maintenance and repairs and recoup the costs from the Lessor or notify the Lessor of the emergency and require the Lessor to perform the necessary work. All emergency maintenance and repairs performed by the Lessor will be completed within 72 hours from the time of notification. Emergency maintenance and repairs include but are not limited to:

- (1) Failure of heating system to maintain specified temperature.
- (2) Failure of hot water system.
- (3) Failure of the air-conditioning system during the summer months.
- (4) Inadequate or no water pressure.
- (5) Leaking water pipes.
- (6) Blocked or leaking drains.
- (7) Electrical failure on the premises.
- (8) Internet connection failure on the premises.
- (9) Failure of any of the major appliances such as refrigerator.

d. In the event the Lessor shall fail or neglect to perform non-emergency maintenance and repairs within 10 days from the date notice is given by the U.S. Government, and in case of an emergency the U. S. Government may immediately perform such maintenance and repairs and deduct all costs thereof from the rental and other charges due or to become due under the terms of this lease.

e. Upon written request by the U.S. Government, the Lessor shall perform necessary repairs of damages resulting from negligence or misconduct of U.S. personnel, dependents, or guests, and charge the reasonable costs thereof to the U.S. Government.

f. Irrespective of the provisions of Article 1609 of the Italian Civil Code the Lessor shall perform all maintenance and repairs, to include but not limited to the following:

- (1) the cleaning of the air-conditioning units and the heating units as required by the most current Italian codes and standards to include clean/replace filters, replenish refrigeration gas/liquids, burners, exhaust fume checks, etc. Air-conditioning units and heating units shall be adjusted to be compliant with pollution prevention and energy conservation directives dictated by most current Italian codes and laws. The Lessor shall perform annual cleaning (to include fumes control) and adjustment of heating unit/hot water tank prior to the beginning of each heating season, as required by Italian safety norms, and shall perform the maintenance and repairs of the units. Furthermore, the Lessor shall perform cleaning of the air conditioning units in accordance to the requirements of the manufacturer, as a minimum once a year prior to the beginning of the summer season, and shall perform the maintenance and repairs of the units.
- (2) if one or more photovoltaic and/or solar systems are installed, the cleaning (minimum once a year, possibly at the part of spring), maintenance and repairs, and ensure maximum efficiency of the photovoltaic and solar panels as dictated by the manufacturer and by the most current

CEI norms, and Italian codes and laws. All work shall be performed to Italian and CEI codes, industry standards, and laws.

- (3) Inspect and clean annually (or as required) sewage septic tanks, sewage inspection manholes, IMHOF, grease condensation tanks and pipes to assure proper operation and prevent sewage stoppage. The Lessor shall also ensure the sump-pumps and their backup systems are inspect and clean annually (or as required) to ensure maximum efficiency.
- (4) cleaning, servicing, and repairs of the sump-pumps and their backup batteries, and the servicing of the fire extinguishers in the basement areas.
- (5) cleaning, servicing, and repairs of the water softener system of each dwelling unit, and shall provide and add the necessary salt and/or liquids when necessary to assure proper operation of the system.
- (6) inspection and servicing of the gas detectors in each kitchen and replacement of the sensors every 5 years.
- (7) the servicing, and repairs of the driveway gate and its motorization to ensure proper operation of the system.

g. The Lessor shall be responsible for initial landscaping, fertilizing, seeding, sodding of the gardens. He will also be responsible for the care and cleaning of common areas twice a week (laundry rooms, stairs, entrance and parking areas), weekly cleaning of the kitchen, bathrooms, floors throughout the premises, and emptying of the trash cans, and mowing and the pruning or cutting of trees, vines and hedges. Furthermore the Lessor shall be responsible for pest control and snow and ice removal from sidewalks and driveways.

h. For the premises leased to the U.S. Government with this Lease Contract, the Lessor shall be responsible to obtain the Fire Prevention Certificate (Certificato Prevenzione Incendi), if required by Italian and/or local norms and regulations. Furthermore, the Lessor shall furnish and maintain in an efficient state the systems, devices, equipment, and any other fire safety measures provided, and shall perform maintenance and inspections in accordance with the timelines specified in the Fire Department's (comando Vigili del Fuoco) Fire Prevention Certificate, as required in Italian and/or local norms and regulations, and as required by the manufacturer of the items installed.

14. ASBESTOS: The Lessor certifies that no asbestos material is present on the premises. The U.S. Government is authorized to inspect the premises for material containing asbestos. If in case any material is found which releases asbestos fibers into the air, the Lease Contract may be terminated by the U.S. Government without notice, unless the Lessor removes the parts containing asbestos within 4 weeks. Any costs arising therefrom for the U.S. Government must be borne by the Lessor.

15. DAMAGES: a. The U.S. Government shall be liable only for damage to the premises resulting from negligence or misconduct of U.S. personnel, dependents, or guests. It is agreed and understood that the U.S. Government shall not be liable for any loss, destruction, or damages to the premises due to any defect beyond the control and without the fault or negligence of the U.S. Government, including, but not restricted to, acts of God, fires, lightning, floods, or unusually severe weather.

b. If, during the term of this lease, the premises be destroyed by fire or any other casualty, this lease shall immediately be terminated. In that event, the Lessor shall refund the U.S. Government any portion of the rent and other charges paid in advance and not earned at the time of termination due to destruction. If, however, the premises be partially destroyed or damaged by fire or any other casualty, this lease may be terminated at the option of the U.S. Government upon written notice. If not terminated, the rent shall be reduced proportionally by supplemental agreement effective from the date of such partial destruction or damage and the Lessor shall at his expense repair the premises as soon as possible.

16. **RIGHT OF INSPECTION BY LESSOR:** Upon request, the Lessor or his agent shall be authorized to inspect the premises at reasonable hours.

17. **ADDITIONS AND ALTERATIONS:** a. Upon written approval of the U.S. Government, the Lessor may make additions and alterations of the leased premises. This will be accomplished by supplemental agreement.

b. Upon written approval of the Lessor, the U.S. Government may make additions, alterations, or improvements and attach fixtures or signs in or upon the leased premises. These additions, alterations, improvements, fixtures, or signs shall be considered as personal property and shall remain the property of the U.S. Government and may be removed or otherwise disposed of by the U.S. Government upon expiration or termination of the Lease. In this case, Art. 1592 of the Italian Civil Code will also apply.

18. **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 a commission, percentage, or contingent fee, excepting 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 U.S. 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.

19. **UNITED STATES OFFICIALS NOT TO BENEFIT:** No member of or Delegate to Congress or Resident Commissioner shall be admitted to any share or part of this lease or to any benefit that may arise therefrom, but this provision shall not be construed to extend to this lease if made with a corporation for its general benefit.

20. **GRATUITIES:** a. The U.S. 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 of the United States 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 U.S. Government with a view toward securing a lease or securing favorable treatment with respect to the performance of such lease; provided that the existence of facts upon which the Secretary of the Army of the United States or his duly authorized representative make such findings shall be in issue and may be reviewed in any competent court.

b. In the event this lease is terminated as provided in subparagraph a. above, the U.S. Government shall be entitled (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 of the United

States of his duly authorized representative) which shall not be less than three nor more than ten times the costs incurred by the Lessor in providing any such gratuities to any such officer or employee.

c. The rights and remedies of the U.S. 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.

21. **CONDITION REPORT:** A joint physical inventory and inspection report of the demised premises shall be made as of the effective date of this lease, reflecting the then existing condition, and will be signed on behalf of the parties hereto. The same procedure shall apply at the time the U.S. Government surrenders possession of the premises to the Lessor.

22. **DEFINITIONS:** The term "Contracting Officer" means the person executing this lease on behalf of the U.S. Government, and any other officer or civilian employee who is properly designated Contracting Officer; and the term includes, except as otherwise provided in this lease, the authorized representative of a Contracting Officer acting within the limits of his authority.

23. **NOTICE:** Any notice under the terms of this agreement shall be in writing signed by a duly authorized representative of the party giving such notice. If notice is given by the U.S. Government, it shall be addressed to, Alla C.A del, Via, telephone No., e-mail address, (however, the point of contact for any maintenance problems is telephone No.-.....); if given by Lessor, it shall be addressed to Italy Real Estate Field Office, Attn: CENAU-RE-I, Unit 31401 Box 86, Caserma Carlo Ederle, Viale della Pace, 36100 Vicenza, Italy, telephone No. 0444-712761, e-mail address ItalyRealEstateFieldOffice@usace.army.mil.

24. **ENERGY PERFORMANCE CERTIFICATE (APE):** The U.S. Government acknowledges receiving a copy of the Energy Performance Certificates for the leased premises. Copies of the Energy Performance Certificates are enclosed in ANNEX "E" to this Lease Contract.

25. **INTERPRETATION:** This lease is executed in English with a courtesy translation furnished to the Lessor: in the event of inconsistency between any terms of this lease and its translation, the English language shall control.

26. **SOVEREIGNTY:** None of the foregoing provisions may be deemed or construed to imply a waiver of the U.S. Government's rights as a sovereign. Third party claims shall be resolved in accordance with the NATO SOFA and/or any Bilateral Agreements between the United States of America and the Republic of Italy concerning claims against the United States Government and/or U.S. Forces in Italy by third parties.

27. **DISPUTES CLAUSE:** a. All disputes arising under or relating to this Lease shall be resolved under the provisions of the Contract Disputes Act of 1978, as amended (41 U.S.C. §§7101-7109).

b. The Parties shall proceed diligently with their performance of this Lease, pending final resolution of any request for relief, claim, appeal, or action arising under the Lease.

28. **MODIFICATION:** No change or modification of this lease shall be effective unless it is in writing and signed by both parties to the lease.

29. ANNEXES: The following annexes are an integral part of this lease:

- ANNEX "A" - PARTIAL TERMINATIONS.
- ANNEX "B" - ITEMS OF PROPERTY TO BE FURNISHED BY LESSOR.
- ANNEX "C" - SPECIAL CONDITIONS.
- ANNEX "D" - DRAWINGS AND PHOTOGRAPHS.
- ANNEX "E" - ENERGY PERFORMANCE CERTIFICATE (APE)
- ANNEX "F" - JOINT INSPECTION REPORT.

IN WITNESS WHEREOF, the parties hereunto subscribed their names on the date above written.

IN THE PRESENCE OF:

LESSOR:

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.....

THE UNITED STATES GOVERNMENT:

 THE UNITED STATES OF AMERICA
 Represented by
 CHIEF, REAL ESTATE
 REAL ESTATE CONTRACTING OFFICER
 USACE, EUROPE DISTRICT

The undersigned Lessor specifically accepts and approves each and every condition and clause contained in the lease and particularly paragraphs 2, 3, 4, 5, 6, 7, 12, 13, 14, 16, 20, 23, 25, 26 and 27 in accordance with and to the effect of Article 1341 of the Italian Civil Code.

LESSOR:

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ANNEX "A" – PARTIAL TERMINATIONS

In the event the U.S. Government should exercise the option reserved to it in Paragraph “5. TERMINATION” of the original Lease Contract, and perform a partial termination of the leased premises, the following shall apply:

1. For each type of real property the parties have identified specific annual rental and other costs which shall be the basis to calculate the new rent and other costs should a partial termination be executed. The costs, which are fixed for the entire term of the Lease Contract, are:

Real Property Type	(1) Basic Annual Rental per Real Property Type	(2) Annual Reimbursements Costs for each type of Real Estate
For each Apartment with its respective garage and storage room	€	€
For each reserved uncovered parking space	€	€

2. Lessor shall refund the U.S. Government any portion of the rent and other charges paid in advance and not earned at the time of the partial termination. At U.S. Government’s discretion the amount will either be deducted from the first rental and other charges to become due under the terms of the Lease Contract after the notice has been issued, or, shall be included as part of the Partial Settlement Agreement and Release Agreement.

3. On the date the premises are returned to the Lessor, the U.S. Government and the Lessor must perform a joint physical inventory and inspection of the demised premises to identify all maintenance, repairs and damages, and the items which the U.S. Government will be leaving on the premises. If the Lessor requires restoration of such damages for which the U.S. Government is responsible, he shall give written notice to the U.S. Government within 90 days of the inspection and will furnish to the U.S. Government a claim with a detailed cost estimate that the U.S. Government will evaluate in accordance with Paragraph “5. TERMINATION” of the Original Lease Contract. Once the partial termination and the join inspection have been completed, and the two parties have reached a mutual agreement on the termination costs, a Supplemental Agreement “Partial Settlement Agreement and Release” shall be executed.

LESSOR:

THE UNITED STATES GOVERNMENT:

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THE UNITED STATES OF AMERICA
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 REAL ESTATE CONTRACTING OFFICER

ANNEX "B" - ITEMS OF PROPERTY TO BE FURNISHED BY LESSOR

Prior to the effective date of the lease, the Lessor agrees to install, construct or otherwise furnish as part of the rental consideration at no additional expense to the U. S. Government, the following items:

1. Provide air-conditioning in each room of each dwelling unit, with the exception of bathrooms, storage rooms, stairwell and garages. The air-conditioning must be capable of maintaining a comfortable temperature throughout the dwelling unit.
2. Install pendant and/or wall mounted light fixtures, complete with energy saving LED bulbs (or energy saving fluorescent bulbs where LED bulbs are impractical or not recommended), open-type, wherever there is a light-point. Provide closed type light fixtures to illuminate the exterior of the building, common areas, walkways and driveways. All the lights must be connected to a photocell and some strategically placed with motion sensors .
3. Each window and French door shall be provided with insect screens, and either curtain rods with curtains, venetian blinds or vertical blinds, and shutters with security latches. Where shutters are not provided the window must have shatterproof glass.
4. In each kitchen:
 - a. Install one stainless steel double sink with stoppers and drain board, length 120 cm, into a base cabinet unit. The portion under the sink will be enclosed with two or more cabinet doors and will have an opening for the passage of the various connections (such as for dishwasher, stove, etc.).
 - b. Furnish and install regular sized wall mounted kitchen cabinets (for a total of linear centimeters) consisting of: one cabinet with dish strainer installed above the sink; one cabinet with kitchen exhaust hood connected to a chimney; the remaining cabinets must have doors and contain a middle shelf for storing kitchen utensils and supplies.
 - c. Furnish and install regular sized base kitchen cabinets (for a total of linear centimeters, including the above listed sink cabinet) consisting of: one regular size base kitchen cabinet with three or four draws; the remaining cabinets must have doors and contain a middle shelf for storing kitchen utensils and supplies.
 - d. Provide a refrigerator with freezer, a gas and/or electrical range (oven and cooking surface may be separate), a microwave, and a dishwasher, and ensure the room complies with present Italian safety norms. Each appliance must have its own individual electrical outlet. Additional outlets must be installed for small kitchen appliances (such as toaster, water boiler or kettle, etc).
 - e. Tile the wall where the kitchen sink and stove will be located.
5. Bathrooms shall be provided with:
 - a. Soap-dishes, toilet paper holder, and towel racks of solid material and well fixed to the walls.

- b. Medicine cabinet above sinks with fluorescent light and mirror.
 - c. Where shower plate is provided, install a shower booth around the shower plate.
 - d. Where bathtubs are provided, shower head holder properly fastened to wall at approx. 1.60 meters from the base of the bathtub and shower curtain rod with curtain properly fastened to wall on two ends, middle portion to be secured to ceiling.
 - e. Each Dwelling Unit must be provided with at least one bathtub or shower plate.
 - f. Each bathroom must be provided with either an operating window (can be opened and closed) and/or an exhaust fan sufficiently dimensioned for the room.
6. In each laundry area or location provide connections for a washing machine and a clothes dryer located side-by-side or stacked/one above the other. Provided a washing machine and a clothes dryer. Where a clothes dryer cannot be provided provide drying racks.
 7. The main entrance door to each dwelling unit must be armored/security type with security lock, deadbolt lock and peep-hole.
 8. Install, where necessary, door stops to preclude damage to walls, fittings or doors.
 9. Upgrade the existing electrical distribution system (to include circuit breakers and ground fault system) within each dwelling unit to ensure it is capable of sustaining a 6Kw load. Increase the electrical capacity of each electrical meter to 6Kw.
 10. The building shall have centralized (or individual for each dwelling unit) television antennas consisting of a television antenna capable of receiving normal Italian terrestrial digital television signals, and a satellite dish pointed at 9° East (Euro Bird). The television and satellite systems shall be complete with distribution cables and outlets. Outlets are to be installed in the living/dining rooms, kitchens, den (family room, tavern) and all the bedrooms. Each living room shall be provided with flat screen television with a minimum size of 40 inches.
 11. Each dwelling unit shall be provided with high speed internet service complete with wireless accessibility throughout the dwelling unit.
 12. As a minimum install a handrail on one side of all staircases.
 13. Each Dwelling Unit must be provided with an intercom system. Where the pedestrian gate is not visible from the front windows of the dwelling unit the dwelling must be provided with a video-intercom system.
 14. Floors below ground level must be furnished with sump pumps, complete with backup batteries and an automatic battery charger, connected to the town storm drainage or sewer line. The pump must be sufficiently dimensioned to maintain the basement area dry.

15. Provide a perimeter fence for the entire complex and a fenced private yard for each dwelling unit, complete with pedestrian gates with lock and motorized vehicle gates complete with remote control and key access. All pedestrian gates shall be provided with automatic closing mechanism.
16. Install a lockable mailbox for each dwelling unit and in multifamily complexes provide a condominium mailbox for advertisement papers. Install the mailboxes on the perimeter fence/wall adjacent to the call buttons.
17. Paint the dwelling units inside and out, clean them thoroughly and perform all necessary repairs.
18. Perform initial landscaping, fertilizing, seeding, sodding of the yards.
19. Each dwelling unit shall be provided with easy to adjust thermostats complete with instructions in English. The thermostats must be strategically placed to enable a balance temperature throughout the dwelling unit.
20. In each dwelling unit install:
 - a. Smoke detectors, installed in every room with the exclusion of the bathrooms, connected to the electrical system.
 - b. Gas and Carbon Monoxide detectors as appropriate for the type of heating/hot water and cooking devices foreseen, located where they will provide maximum security within the premises.
21. For each tenant of each dwelling unit the Lessor shall provide 2 (two) keys for each exterior door/gate, 2 (two) remote controls for each automatic gate and/or door, and 2 (two) keys for the entrance to the dwelling unit. Provide for each dwelling unit 2 (two) keys for each utility meter room/closet/box, and 1 (one) key for each interior door. Where there is more than one automatic gate and/or door the remote control must include all the frequencies in the one device. In addition, for each dwelling unit the Lessor shall provide 1 (one) key for each exterior door/gate, 1 (one) remote control for each automatic gate and/or door, and 1 (one) key for the entrance to the dwelling unit.
22. Lessor shall ensure that sufficient spare floor and wall tiles are held in stock for ready replacement.
23. Instructions for refuse collection complete with any necessary containers and/or keys and a calendar of pickup dates.
24. Instructions in English on use of the heating and air-conditioning units and any other device that the premises may be equipped with, such as irrigation systems, alarms systems, etc.
25. All pedestrian gates and condominium doors shall have automatic closing mechanisms installed.
26. For each dwelling unit provide 2 sets of dishes (a set consists of deep, flat and side dishes), 1 bowl, 2 set of glasses (a set consists of water and wine glasses), 2 sets of coffee mugs and 2 sets of silverware (a set consists of knife, fork, table spoon and tea spoon) per tenant.
27. For each dwelling unit provide pots, pans, cooking utensils, bottle and can opener, corkscrew opener and 2 dish towels.

- 28. For each dwelling unit provide ironing board and iron with automatic shut off, electrical or gas coffee pot and kettle, and 1 operational fire extinguisher with up to date certification.
- 29. Each bedroom (minimum 14m²) shall be provided with wardrobes, night stand, bed side lamp, chest of draws, a double bed (minimum 140 X 190 cm) with mattress, new mattress cover, 2 pillows with new cover, 2 complete sets of linen (set consists of top and bottom sheets) , 2 blankets, 1 comforter and 2 bed covers.
- 30. For each living/dining room provide dining table with 2 chairs per tenant, computer desk with chair, sofa, and TV stand (and television as provided for in Art. 10 above).
- 31. For each tenant provide 2 sets of towels (a set consists of a bath towel and a hand towel).
- 32. For each dwelling unit provide a vacuum cleaner, broom with dustpan, mop with bucket, garbage can in kitchen and each bathroom, and a storage room and/or a closet where to store the items listed in this article.
- 33. For each dwelling unit provide outside garbage containers and garbage bags (if the bags are specifically required and issued only by the local town authority or by the refuse collection contractor).

TENANT: The number of tenants is determined by considering one person for each bedroom having a minimum surface area of 14 m².

LESSOR:

THE UNITED STATES GOVERNMENT:

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THE UNITED STATES OF AMERICA
Represented by
CHIEF, REAL ESTATE
REAL ESTATE CONTRACTING OFFICER

ANNEX "C" - SPECIAL CONDITIONS

1. The Lessor shall obtain and provide a copy of:
 - a. Insurance policies related to this particular building against fire and water (to include broken pipes) damage.
 - b. “Certificato di Agibilità” (Certificate of Habitation) issued by the local Municipal Authority when the building was constructed.
 - c. “Certificati di Conformità” (certificates of compliance) to Italian safety norms for all the electrical distribution systems, gas distribution systems and the heating/hot water units.
 - d. The registered copy of this contract, not later than 45 days after signing this Lease Contract (date indicated on the first page).
 - e. A document indicating ownership of the property or the right to lease it.
 - f. “Attestato di Prestazione Energetica” (Energy Performance Certificate) of each dwelling unit/entire building.

2. The Lessor shall deliver the premises with functional utility services, all items listed in Annex "B" installed and completed, and provide the documents listed in paragraph 1 above, before *(the start date of this lease contract)*. In the event the premises are not delivered and/or the work is not completed and/or the above documents are not provided on the above date, the Lessor will pay, as liquidated damages, the sum of €...../dwelling unit for each day of delay, which sum shall be deducted from the rental due or to become due.

3. The Lessor shall be responsible to perform all minor maintenance and repairs, to the premises and items provided by the Lessor, irrespective of the provisions of Article 1609 of the Italian Civil Code.

4. The Lessor certifies that the existing electrical distribution system (to include circuit breakers and ground fault system) of each dwelling unit is capable of sustaining a 6Kw load.

5. Prior to the start date of this lease contract the Lessor shall ensure all utility connections (water, gas, sewer, electricity and internet service) are completed and connected to the distribution system of the firms providing the service.

6. The Lessor intends to exercise the option of being taxed according to the “CEDOLARE SECCA” (FLAT RATE TAX). Should, at a later date, the Lessor decide to revert back to the normal taxation system the contract registration and all the registration cost shall remain with the Lessor. This contract must be registered within 30 days of the contract date and each annual renewal must be done within 30 days of the anniversary. It is the Lessor’s responsibility to ensure the registration is performed within these limitations and provide the U.S. Government with a photocopy demonstrating the renewed registration. Under no

circumstances will the U.S. Government be responsible for any late registration fines if the Lessor fails to register the lease in time.

LESSOR:

THE UNITED STATES GOVERNMENT:

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REAL ESTATE CONTRACTING OFFICER

ANNEX "D"- DRAWINGS AND PHOTOGRAPHS

ANNEX "E"- ENERGY PERFORMANCE CERTIFICATE (APE)

ANNEX "F"- JOINT INSPECTION REPORT

The joint physical inventory and inspection report of the demised premises shall be made as of the effective date of this lease (when the dwellings are accepted)