

COGENT COMMUNICATIONS HOLDINGS, INC., AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

8. Stock option and award plan: (Continued)

A summary of the Company's non-vested restricted stock awards as of December 31, 2019 and the changes during the year ended December 31, 2019 are as follows:

Non-vested awards	Shares	Weighted-Average Grant Date Fair Value
Non-vested at December 31, 2018	1,187,586	\$ 41.12
Granted	473,550	\$ 53.53
Vested	(365,223)	\$ 41.83
Forfeited	(12,632)	\$ 50.49
Non-vested at December 31, 2019	1,283,281	\$ 45.40

The weighted average per share grant date fair value of restricted stock granted was \$53.53 in 2019 (0.5 million shares) \$44.02 in 2018 (0.5 million shares) and \$40.52 in 2017 (0.5 million shares). The fair value was determined using the quoted market price of the Company's common stock on the date of grant. Valuations were obtained to determine the fair value for the shares granted to the Company's CEO that are subject to the total shareholder return of the Company's common stock compared to the total shareholder return of the Nasdaq Telecommunications Index. The fair value of shares of restricted stock vested in 2019, 2018 and 2017 was \$20.8 million, \$19.1 million and \$12.6 million, respectively.

Equity-based compensation expense related to stock options and restricted stock was \$18.5 million, \$17.7 million, and \$13.3 million for 2019, 2018, and 2017, respectively. The income tax benefit related to stock options and restricted stock was \$3.0 million, \$1.8 million, and \$2.5 million for 2019, 2018, and 2017, respectively. The Company capitalized compensation expense related to stock options and restricted stock for 2019, 2018, and 2017 of \$1.8 million, \$1.7 million and \$1.2 million, respectively. As of December 31, 2019, there was \$31.7 million of total unrecognized compensation cost related to non-vested equity-based compensation awards. That cost is expected to be recognized over a weighted average period of 1.9 years.

9. Related party transactions:

Office lease

The Company's headquarters is located in an office building owned by Sodium LLC whose owner is the Company's Chief Executive Officer. The fixed annual rent for the headquarters building is \$1.0 million per year plus an allocation of taxes and utilities. The lease began in May 2015 and the lease term was for five years. In February 2020 the lease term was extended to May 2025. The lease is cancellable by the Company upon 60 days' notice. The Company's audit committee reviews and approves all transactions with related parties. The Company paid \$1.7 million in 2019, \$1.7 million in 2018 and \$1.6 million in 2017 for rent and related costs (including taxes and utilities) for this lease.