

US GOVERNMENT LEASE FOR REAL PROPERTY

DATE OF LEASE

July 29, 2011

LEASE NO.

GS-10B-07261

BUILDING NO.

AK3416-74
AK3416

THIS LEASE, made and entered into this date by and between L STREET INVESTMENTS

Whose address is 420 L STREET
ANCHORAGE, AK 99501-1945

and whose interest in the property hereinafter described is that of **OWNER**

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

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

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

A total of 4,031 rentable square feet (RSF) of office and related space, which yields 3,555 ANSI/BOMA Office Area (ABOA) square feet of space at 420 L STREET, ANCHORAGE, AK 99501-1971 to be used for such purposes as determined by the U.S. General Services Administration. Included are two (2) parking spaces (one surface, one structured) for exclusive use of Government employees.

2. TO HAVE AND TO HOLD the said premises with their appurtenances for a term of 10 years subject to beneficial occupancy and renewal rights as hereinafter set forth. Beneficial occupancy shall be established via Supplemental Lease Agreement.

3. The Government shall pay the Lessor annual rent of \$165,432.24 at the rate of \$13,786.02 per month in arrears. Rental start date shall be established via Supplemental Lease Agreement documenting beneficial occupancy.

Years	Annual Shell	Annual Operating	Annual TI	Annual Parking	Total Annual Rent
1-5	\$108,635.45	\$33,094.51	\$18,381.36	\$5,320.92*	\$165,432.24
6-10	\$108,635.45	\$33,094.51	\$18,381.36	\$5,852.88*	\$165,964.20

*Parking spaces are priced at \$5,320.92 annually and will be adjusted every five (5) years to the rate of the public facility being used. The estimate for parking in Years 6-10 is \$5,852.88 annually, or as mutually acceptable by the Lessor and the Government.

Rent for a lesser period shall be prorated. Rent checks shall be made payable to:

L STREET INVESTMENTS
C/O FRAMPTON & OPINSKY, LLC
2525 BLUEBERRY ROAD, SUITE 204
ANCHORAGE, AK 99503-2647

4. *Termination Rights.* THIS PARAGRAPH HAS BEEN INTENTIONALLY DELETED

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

LESSOR L STREET INVESTMENTS

BY

Kevin R. Atkinson
(Signature)

(Title)

IN PRESENCE OF

Lawrence M. Leitch
(Signature)

2525 Blueberry Rd #204 Anch, AK
(Address)
99503

UNITED STATES OF AMERICA

BY

Terria Heinlein
(Signature)

Contracting Officer, General Services Administration
(Official Title)

5. This lease may be renewed at the option of the Government, for the following terms and at the following rentals:

Option Period	Annual Shell
Five (5) Years (Years 11-15)	\$130,120.68*
Five (5) Years (Years 16-20)	\$169,584.17*

*This rate is not inclusive of operating costs or parking
Upon Government's exercising of the option, Lessor shall provide current GSA Form 1217 to establish operating expenses and actual parking rates in order to determine the fully serviced annual rental rate.

provided notice be given in writing to the Lessor at least 120 days before the end of the original lease term or any renewal term; all other terms and conditions of this lease shall remain the same during any renewal term. Said notice shall be computed commencing with the day after the date of mailing.

6. The Lessor shall furnish to the Government, as part to the rental consideration, the following:
- A. Those facilities, services, supplies, utilities, and maintenance in accordance with SFO 8AK2170 dated May 3, 2011.
 - B. Build out in accordance with standards set forth in SFO 8AK2170 dated May 3, 2011, the Government's Scope of Work dated May 5, 2011, and the document titled "██████████ Tenant Improvements." All tenant alterations to be completed by the lease effective date identified under Paragraph 2 above. Lease term to be effective on date of occupancy, if different from the date identified in Paragraph 2. The Lessor hereby waives restoration.
 - C. Deviations to the approved Scope of Work dated May 5, 2011 or document titled "██████████ Tenant Improvements" will not be permitted unless prior written authorization is obtained from the GSA Contracting Officer.
7. The following are attached and made a part hereof:
- A. Solicitation for Offers 8AK2170 dated May 3, 2011
 - B. GSA Form 3517 entitled GENERAL CLAUSES (Rev. [11/05])
 - C. GSA Form 3518 entitled REPRESENTATIONS AND CERTIFICATIONS (Rev. [1/07])
 - D. Scope of Work dated May 5, 2011 (2 pages)
 - E. "██████████ Tenant Improvements (7 pages)
8. In accordance with the SFO paragraph entitled *Required Tenant Improvements*, Tenant Improvements in the total amount of \$126,971.25 shall be amortized through the rent for ten (10) years at the rate of 7.8697%. The total annual cost of Tenant Improvements for the amortization period shall be \$18,381.36. Upon full execution, this document also serves as a notice to proceed.
9. *Tax Adjustment*. THIS PARAGRAPH HAS BEEN INTENTIONALLY DELETED
10. The percentage of Government occupancy is established as 9.1387%.
11. *Operating Costs Base*. THIS PARAGRAPH HAS BEEN INTENTIONALLY DELETED
12. The common area factor is established as 1.133895921 (4,031RSF/3,555 ABOA Sq. Ft.).
13. In accordance with the SFO paragraph entitled *Adjustment for Vacant Premises*, the adjustment is established as \$0.30/ABOA Sq. Ft. for vacant space (rental reduction).
14. In accordance with the SFO Paragraph entitled *Overtime Usage*, the rate for overtime usage is established as \$200.00 per hour for the entire building or any portion thereof.
15. *Security costs*. THIS PARAGRAPH HAS BEEN INTENTIONALLY DELETED

The Lessor hereby waives restoration.

LESSOR

UNITED STATES OF AMERICA

BY

KRA

(Initial)

BY

JH

(Initial)