

**LEASE NO. GS- 09P-LCA03221**

Standard Lease  
GSA FORM L201C (September 2013)

This Lease is made and entered into between

Sonora Building Complex, a California General Partnership whose principal place of business is 133 Old Wards Ferry Road, Suite G, Sonora, CA 95370-5909 and whose interest in the Property described herein is that of Fee Owner, and

The United States of America

(Government), acting by and through the designated representative of the General Services Administration (GSA), upon the terms and conditions set forth herein.

Witnesseth: The parties hereto, for the consideration hereinafter mentioned, covenant and agree as follows:

Lessor hereby leases to the Government the Premises described herein, being all or a portion of the Property located at

19777 Greenley Road, Sonora, CA 95370-5909 and more fully described in Section 1 and Exhibit A, together with rights to the use of parking and other areas as set forth herein, to be used for such purposes as determined by GSA.

**LEASE TERM**

To Have and To Hold the said Premises with its appurtenances for the term beginning upon acceptance of the Premises as required by this Lease and continuing for a period of

10 Years, 10 Years Firm,

subject to termination and renewal rights as may be hereinafter set forth. The commencement date of this Lease, along with any applicable termination and renewal rights, shall be more specifically set forth in a Lease Amendment upon substantial completion and acceptance of the Space by the Government.

In Witness Whereof, the parties to this Lease evidence their agreement to all terms and conditions set forth herein by their signatures below, to be effective as of the date of delivery of the fully executed Lease to the Lessor.

[Redacted Signature]

Title: MANAGING PARTNER  
Acting Trustee

Entity Name: Sonora Building Complex, a California General Partnership

Date: NOVEMBER 28, 2014

**FOR THE GOVERNMENT:**

[Redacted Signature]

Name: EILEEN KHANLDO

Title: Lease Contracting Officer

General Services Administration, Public Buildings Service

Date: DECEMBER 12, 2014

**WITNESSED FOR THE LESSOR BY:**

[Redacted Signature]

Name: JOHN F. FELDSTEIN

Title: ATTORNEY AT LAW  
CALIFORNIA BAR NO. 100661

Date: NOVEMBER 28, 2014

The information collection requirements contained in this Solicitation/Contract, that are not required by the regulation, have been approved by the Office of Management and Budget pursuant to the Paperwork Reduction Act and assigned the OMB Control No. 3090-0163.

LESSOR: [Signature] GOVERNMENT: [Signature]

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**SECTION 1 THE PREMISES, RENT, AND OTHER TERMS**

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**1.01 THE PREMISES (JUN 2012)**

The Government has the right to accept the space "As Existing" pursuant to the terms and conditions of this paragraph. For purposes of the lease, "As Existing" shall mean the following: All items referred to "As Existing" shall be those items that are in existence as of lease award in the configuration and the condition existing as of lease award (the "Existing Items") including, but not limited to, carpet, floorcovering, wall covering, painted surfaces (except interior painting) and mechanical, electrical and plumbing systems. The Existing Items shall be in "good repair and tenantable condition" as of the lease commencement. Further, Lessor shall maintain (or replace, if necessary) such Existing Items so that they remain in "good repair and tenantable condition" throughout the term this lease. If replacement of Existing Items becomes necessary, such replacement shall be at the Lessor's sole cost and expense including but not limited to the security of the premises and the moving and returning of furnishings, including disassembly and reassembly of systems furniture per manufacturer's warranty. All work shall be performed after normal business hours as described elsewhere in the lease. The replacement must be no less than equal in quality and function to the Existing Items or shall meet the performance standards of the previous lease (Lease No. 57-91S8-01-S02, dated December 12, 2000). These standards include security improvements, Fire Protection and Life Safety requirements, ABAAS compliance, as well as compliance with all local codes and ordinances. The addition of this paragraph in no way relieves the Lessor from maintenance of the Premises and all improvements as outlined in Paragraph 12 of GSA Form 3517B.

The Premises are described as follows:

A. Office and Related Space: 40,667 rentable square feet (RSF), yielding 40,667 ANSI/BOMA Office Area (ABOA) square feet (SF) of office, warehouse, auto shop, and related space located at 19777 Greenley Road, Sonora, CA 95370-5909. The expiring lease consists of 45,142 ABOA SF of office, warehouse, auto shop, and related space comprised of three (3) Building(s), as depicted on the floor plan(s) attached hereto as Exhibit A1 through A5. The location of the 4,475 ABOA SF reduction in space shall be mutually determined after award.

B. Common Area Factor: The Common Area Factor (CAF) is established as zero (0) percent. This factor, which represents the conversion from ABOA to rentable square feet, rounded to the nearest whole percentage, shall be used for purposes of rental adjustments in accordance with the Payment Clause of the General Clauses.

**1.02 EXPRESS APPURTENANT RIGHTS (SEP 2013)**

The Government shall have the non-exclusive right to the use of Appurtenant Areas, and shall have the right to post Rules and Regulations Governing Conduct on Federal Property, Title 41, CFR, Part 102-74, Subpart C within such areas. The Government will coordinate with Lessor to ensure signage is consistent with Lessor's standards. Appurtenant to the Premises and included in the Lease are rights to use the following:

A. Parking: The Government requires two hundred and forty six (246) surface/outside parking spaces as depicted on the plan attached hereto as Exhibit B, of which one hundred and sixty five (165) spaces shall be reserved for the exclusive use of the Government. Reserved parking spaces shall be paved, striped and located within a fenced area, accessible by a powered slide gate. The remaining eighty one (81) spaces shall be non-fenced and non-reserved, shall be paved, striped, and must accommodate full sized vehicles. Not less than ten (10) of the eighty one (81) spaces shall be designated visitor parking and shall include two (2) handicap accessible visitor parking spaces with appropriate signage, and one (1) parking space for recreational vehicles (minimum size of 55' x 15') with "thirty (30) minute limited parking" signage. Visitor parking shall be near the main (public) entrance and shall be designed for easy ingress and egress. In addition, the Government requires approximately 0.70 Acres of fenced open land (dirt acceptable) accessible by a powered slide gate for the storage of heavy equipment and vehicles. All parking spaces must be lit in accordance with the Security Requirements set forth in the Lease. Lessor shall include the cost of this parking as part of the rental consideration. In addition, if applicable, Lessor shall provide such additional parking spaces as required by the applicable code of the local government entity having jurisdiction over the Property.

B. Antennas, Satellite Dishes, and Related Transmission Devices: (1) Space located on the roof of the Premises sufficient in size for the installation and placement of telecommunications equipment, (2) the right to access the roof of the Premises, and (3) use of all Building areas (e.g., chases, plenums, etc.) necessary for the use, operation, and maintenance of such telecommunications equipment at all times during the term of this Lease.

1.03 RENT AND OTHER CONSIDERATION (SEP 2013)

A. The Government shall pay the Lessor annual rent, payable in monthly installments in arrears, at the following rates:

	Shell Rent per Rsf/Yr	Operating Expenses per Rsf/Yr(3)	Amortized TI's per Rsf/Yr(2)	Amortized BSAC per Rsf/Yr(4)	Total Annual Rent per Rsf	Total Annual Rent(1)
Year 1	\$15.18	\$6.11	\$4.22	\$0.670	\$26.18	\$1,064,580.20
Year 2	\$15.18	\$6.11	\$4.22	\$0.670	\$26.18	\$1,064,580.20
Year 3	\$15.66	\$6.11	\$4.22	\$0.670	\$26.66	\$1,084,182.22
Year 4	\$15.66	\$6.11	\$4.22	\$0.670	\$26.66	\$1,084,182.22
Year 5	\$16.14	\$6.11	\$4.22	\$0.670	\$27.14	\$1,103,702.38
Year 6	\$16.14	\$6.11	\$4.22	\$0.670	\$27.14	\$1,103,702.38
Year 7	\$16.38	\$6.11	\$4.22	\$0.670	\$27.38	\$1,113,462.46
Year 8	\$16.38	\$6.11	\$4.22	\$0.670	\$27.38	\$1,113,462.46
Year 9	\$16.38	\$6.11	\$4.22	\$0.670	\$27.38	\$1,113,462.46
Year 10	\$16.38	\$6.11	\$4.22	\$0.670	\$27.38	\$1,113,462.46

<sup>1</sup>Rent calculation: Annual rent for years 1 and 2 is based on \$26.177987 per RSF multiplied by 40,667 RSF

<sup>2</sup>The Amortized Tenant Improvement Allowance is based on a total allowance of \$1,287,639.14, amortized at a rate of 6 percent per annum over 10 years. In the event the Government uses less than this amount, the rental rate will be adjusted accordingly.

<sup>3</sup>Operating Costs rent calculation: \$6.11 per RSF multiplied by 40,667 RSF and are subject to annual CPI escalations

<sup>4</sup>Building Specific Amortized Capital (BSAC) of \$203,335 are amortized at a rate of 6 percent per annum over 10 years

In instances where the Lessor amortizes either the TI or BSAC for a period exceeding the Firm Term of the Lease, should the Government terminate the Lease after the Firm Term or does not otherwise renew or extend the term beyond the Firm Term, the Government shall not be liable for any costs, including unamortized costs beyond the Firm Term.

B. Rent is subject to adjustment based upon a mutual on-site measurement of the Space upon acceptance, not to exceed 42,700 ABOA SF based upon the methodology outlined under the "Payment" clause of GSA Form 3517.

C. Rent is subject to adjustment based upon the final Tenant Improvement (TI) cost to be amortized in the rental rate, as agreed upon by the parties subsequent to the Lease Award Date.

D. Rent is subject to adjustment based on the final Building Specific Amortized Capital (BSAC) cost to be amortized in the rental rate, as agreed upon by the parties subsequent to the Lease Award Date.

E. If the Government occupies the Premises for less than a full calendar month, then rent shall be prorated based on the actual number of days of occupancy for that month.

F. Rent shall be paid to Lessor by electronic funds transfer in accordance with the provisions of the General Clauses. Rent shall be payable to the Payee designated in the Lessor's Central Contractor Registration (CCR), now the System for Award Management (SAM). If the payee is different from the Lessor, both payee and Lessor must be registered in SAM.

G. Lessor shall provide to the Government, in exchange for the payment of rental and other specified consideration, the following:

1. The leasehold interest in the Property described in the paragraph entitled "The Premises."

2. All costs, expenses and fees to perform the work required for acceptance of the Premises in accordance with this Lease, including all costs for labor, materials, and equipment, professional fees, contractor fees, attorney fees, permit fees, inspection fees, and similar such fees, and all related expenses.

3. Performance or satisfaction of all other obligations set forth in this Lease; and all services, utilities, and maintenance required for the proper operation of the Property, the Building, and the Premises in accordance with the terms of the Lease, including, but not limited to, all inspections, modifications, repairs, replacements, and improvements required to be made thereto to meet the requirements of this Lease.

1.04 BROKER COMMISSION AND COMMISSION CREDIT (JUN 2012)

A. Carpenter/Robbins Commercial Real Estate, Inc. (Broker) is the authorized real estate Broker representing GSA in connection with this Lease transaction. The total amount of the Commission is [REDACTED] is earned upon Lease execution, payable according to the Commission Agreement signed between the two parties. Only [REDACTED] of the Commission will be payable to Carpenter/Robbins Commercial Real Estate, Inc. with the remaining [REDACTED], which is the Commission Credit, to be credited to the shell rental portion of the annual rental payments due and owing to fully recapture this Commission Credit. The reduction in shell rent shall commence with the first month of the rental payments and continue until the credit has been fully recaptured in equal monthly installments over the shortest time practicable.

B. Notwithstanding the "Rent and Other Consideration" paragraph of this Lease, the shell rental payments due and owing under this Lease shall be reduced to recapture fully this Commission Credit. The reduction in shell rent shall commence with the first month of the rental payments and continue as indicated in this schedule for adjusted Monthly Rent:

Month 1 Rental Payment of \$88,715.02 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted 1st Month's Rent.\*

Month 2 Rental of \$88,715.02 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted 2nd Month's Rent.\*

\* Subject to change based on adjustments outlined under the paragraph "Rent and Other Consideration."

1.05 INTENTIONALLY DELETED

1.06 INTENTIONALLY DELETED

1.07 DOCUMENTS INCORPORATED IN THE LEASE (SEP 2013)

The following documents are attached to and made part of the Lease:

DOCUMENT NAME	NO. OF PAGES	EXHIBIT
Floor Plan(s)	5	A
Parking Plan(s)	1	B
Agency Special Requirements [REDACTED] Requirements, Dated 11-26-2008	6	C
Agency's Special Requirements - Section 270000 Telecommunications Wiring Systems, Dated 03-03-2011	69	D
Special Requirements-General	13	E
[REDACTED]	8	F
Security Unit Price List	4	G
GSA Form 3517B General Clauses	47	H
GSA Form 3518 Representations and Certifications	10	I
Certificate Of Seismic Compliance Existing Building	1	J
Lease Amendment Issued Under RLP Amendment No. 1	2	K
Lease Amendment Issued Under RLP Amendment No. 2	1	L
Lease Amendment Issued Under RLP Amendment No. 3	1	M

1.08 TENANT IMPROVEMENT ALLOWANCE (AUG 2011)

The Tenant Improvement Allowance (TIA) for purposes of this Lease is \$48.61 per ABOA SF for [REDACTED] office space (approximately 21,220 ABOA SF), \$8.10 per ABOA SF for [REDACTED] warehouse space (approximately 17,722 ABOA SF), and \$48.61 for [REDACTED] office space (approximately 1,725 ABOA SF). The same TI Allowance is offered for other locations. This amount is amortized in the rent over the Firm Term of this Lease at an annual interest rate of six percent (6%).

1.09 TENANT IMPROVEMENT RENTAL ADJUSTMENT (SEP 2013)

A. The Government, at its sole discretion, shall make all decisions as to the use of the TIA. The Government may use all or part of the TIA. The Government may return to the Lessor any unused portion of the TIA in exchange for a decrease in rent according to the agreed-upon amortization rate over the Firm Term.

B. The Government may elect to make lump sum payments for any or all work covered by the TIA. That part of the TIA amortized in the rent shall be reduced accordingly. At any time after occupancy and during the Firm Term of the Lease, the Government, at its sole discretion, may elect to pay lump sum for any part or all of the remaining unpaid amortized balance of the TIA. If the Government elects to make a lump sum payment for the TIA after occupancy, the payment of the TIA by the Government will result in a decrease in the rent according to the amortization rate over the Firm Term of the Lease.

C. If it is anticipated that the Government will spend more than the allowance identified above, the Government may elect to:

1. Reduce the TI requirements;
2. Pay lump sum for the overage upon substantial completion in accordance with the "Acceptance of Space and Certificate of Occupancy" paragraph;
3. Negotiate an increase in the rent.

**1.10 TENANT IMPROVEMENT FEE SCHEDULE (JUN 2012)**

For pricing TI costs, the following rates shall apply for the initial build-out of the Space.

	INITIAL BUILD-OUT
GENERAL CONDITIONS (% OF TI CONSTRUCTION COSTS)	5%
GENERAL CONTRACTOR'S FEES (% OF TI CONSTRUCTION COSTS)	5%
ARCHITECT/ENGINEER FEES (% OF TI CONSTRUCTION COSTS)	5%
LESSOR'S PROJECT MANAGEMENT FEE (% OF TI CONSTRUCTION COSTS)	4%

**1.11 BUILDING SPECIFIC AMORTIZED CAPITAL (SEP 2012)**

For purposes of this Lease, the Building Specific Amortized Capital (BSAC) is \$5.00 per ABOA SF. The Lessor will make the total BSAC amount available to the Government, which will use the funds for security related improvements. This amount is amortized in the rent over the Firm Term of this lease at an annual interest rate of 6 percent.

**1.12 BUILDING SPECIFIC AMORTIZED CAPITAL RENTAL ADJUSTMENT (SEP 2013)**

A. The Government, at its sole discretion, shall make all decisions about the use of the Building Specific Amortized Capital (BSAC). The Government may use all or part of the BSAC. The Government may return to the Lessor any unused portion of the BSAC in exchange for a decrease in rent (where applicable) according to the agreed-upon amortization rate over the Firm Term.

B. The Government may elect to make lump-sum payments for any work covered by the BSAC. The part of the BSAC amortized in the rent shall be reduced accordingly. At any time after occupancy and during the Firm Term of the Lease, the Government, at its sole discretion, may elect to pay a lump sum for any part or all of the remaining unpaid amortized balance of the BSAC. If the Government elects to make a lump-sum payment for the BSAC after occupancy, the payment of the BSAC by the Government will result in a decrease in the rent according to the amortization rate over the Firm Term of the Lease.

C. If it is anticipated that the Government will spend more than the BSAC identified above, the Government may elect to:

1. Reduce the security countermeasure requirements;
2. Pay a lump sum for the amount overage upon substantial completion in accordance with the "Acceptance of Space and Certificate of Occupancy" paragraph; or
3. Negotiate an increase in the rent.

**1.13 PERCENTAGE OF OCCUPANCY FOR TAX ADJUSTMENT (JUN 2012)**

As of the Lease Award Date, the Government's Percentage of Occupancy, as defined in the "Real Estate Tax Adjustment" paragraph of this Lease is ninety percent (90%). The Percentage of Occupancy is derived by dividing the total Government Space of 40,667 RSF by the total Building space of 45,142 RSF.

**1.14 REAL ESTATE TAX BASE (SEP 2013)**

The Real Estate Tax Base, as defined in the "Real Estate Tax Adjustment" paragraph of the Lease is \$0.66/Rsf. Tax adjustments shall not occur until the tax year following lease commencement has passed.

**1.15 OPERATING COST (SEP 2013)**

The parties agree, for the purpose of applying the paragraph titled "Operating Costs Adjustment," that the Lessor's rate for operating costs shall be \$6.11 per RSF (\$248,475.37/annum).

**1.16 RATE FOR ADJUSTMENT FOR VACANT LEASED PREMISES (SEP 2013)**

In accordance with the paragraph entitled "Adjustment for Vacant Premises," if the Government fails to occupy or vacates the entire or any portion of the Premises prior to expiration of the term of the Lease, the operating costs paid by the Government as part of the rent shall be reduced by \$6.22 per ABOA SF of Space vacated by the Government.

**1.17 HOURLY OVERTIME HVAC RATES (AUG 2011)**

The following rates shall apply in the application of the paragraph titled "Overtime HVAC Usage:"

- \$85.19 per hour for the office building, \$39.71 per hour for the warehouse building, and \$26.99 per hour for the auto shop building.

1.18 24-HOUR HVAC REQUIREMENT (APR 2011)

The hourly overtime HVAC rate specified above shall not apply to any portion of the Premises that is required to have heating and cooling 24 hours per day. If 24-hour HVAC is required by the Government for any designated rooms or areas of the Premises, such services shall be provided by the Lessor at an annual rate of Zero Dollars (\$0.00) per ABOA SF of the area receiving the 24-hour HVAC.

1.19 BUILDING IMPROVEMENTS (SEP 2012)

Before the Government accepts the Space, the Lessor shall complete the following additional Building improvements:

- A. See Section 7 Additional Terms and Conditions

1.20 HUBZONE SMALL BUSINESS CONCERNS ADDITIONAL PERFORMANCE REQUIREMENTS (MAR 2012)

If the Lessor is a qualified HUBZone Small Business Concern (SBC) that did not waive the price evaluation preference then as required by 13 C.F.R. 126.700, the HUBZone SBC must spend at least 50% of the cost of the contract incurred for personnel on its own employees or employees of other qualified HUBZone SBC's and must meet the performance of the work requirements for subcontracting in 13 C.F.R. § 125.6(c). If the Lessor is a HUBZone joint venture, the aggregate of the qualified HUBZone SBC's to the joint venture, not each concern separately, must perform the applicable percentage of work required by this clause.