

LEASE NO. GS-08P-LMT00170

Global Lease
GSA FORM L100 (10/2016)

This Lease is made and entered into between

Mountain States Leasing Billings, LLC

(Lessor), whose principal place of business is P.O. Box 3502, Butte, MT 59701, 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

**5001 Southgate Drive
Billings, MT 59701-0000**

and more fully described in Section 1 and attached Exhibits, 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 on **October 1, 2017**, for **20 Years, 15 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.

FOR THE LESSOR:

Name: _____
Title: Managing Member
Entity Name: Mountain States Leasing Billings, LLC
Date: 10/1/2017

FOR THE GOVERNMENT:

Name: Shelley Smith
Title: Lease Contracting Officer
General Services Administration, Public Buildings Service
Date: 11/2/2017

WITNESSED FOR THE LESSOR BY:

Name: _____
Title: _____
Date: 10/1/2017

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.

SECTION 1 THE PREMISES, RENT, AND OTHER TERMS

1.01 THE PREMISES (OCT 2016)

The Premises are described as follows:

Approximately 53,893 ANSI/BOMA Office Area (ABOA) square feet (SF) of office and 9,076 ANSI/BOMA (ABOA) square feet (SF) of warehouse and related in the Building, as depicted on the floor plan(s) attached hereto.

1. Office total square footage is 50,428 RSF/44,820 ANSI/BOMA SF.
2. Warehouse total square footage is 9,076 RSF/9,076 ANSI/BOMA SF.
3. Blended total is 59,504 RSF/53,896 ANSI/BOMA SF.

B. Common Area Factor: The blended Common Area Factor (CAF), defined under Section 2 of the Lease, is established as 1.104052249 percent. The individual R/U for the office space is 1.125022713 percent and 1.1 percent for the warehouse space. The blended factor, rounded to the nearest whole percentage shall be used for purposes of rental adjustments in accordance with the Payment Clause of the General Clauses.

C. Unless otherwise noted, the Government accepts the Premises and tenant improvements in their existing condition ("as is"), except where specifications or standards are contained elsewhere in this Lease. These standards include security improvements, Fire Protection and Life Safety requirements, ABAAS compliance, as well as compliance with all local codes and ordinances. Such acceptance by the Government of existing Premises shall not relieve Lessor of continuing obligations for cleaning, janitorial, maintenance, repair, etc. as set forth in the Lease paragraphs and attached 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: 270 surface parking spaces as depicted on the plan, reserved for the exclusive use of the Government, of which 0 shall be structured/inside parking spaces, and 270 shall be surface/outside parking spaces. In addition, the 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 Building sufficient in size for the installation and placement of telecommunications equipment, (2) the right to access the roof of the Building, 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 (OCT 2016)

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

	Firm Term			Non-firm Term
¹ Shell Rent				
Years 1-5	\$784,700.80			
Years 6-10		\$869,418.80		
Years 11-15			\$924,384.80	
Years 16-20				\$979,368.80
² Operating Rent	\$238,012.00	\$238,012.00	\$238,012.00	\$238,012.00
³ RE Taxes	\$98,283.00	\$98,283.00	\$98,283.00	\$98,283.00
⁴ Tenant Improvements	\$0.00	\$0.00	\$0.00	\$0.00
⁵ BSAC	\$0.00	\$0.00	\$0.00	\$0.00
⁶ Parking	\$0.00	\$0.00	\$0.00	\$0.00
Total Annual Rent	\$1,120,995.80	\$1,205,713.80	\$1,260,679.80	\$1,315,663.80

¹Shell rent calculation: Shell Rent Amount multiplied by 59,504 RSF as stated under Paragraph 1.01

²Operating Costs rent calculation: \$4.00 per RSF multiplied by the 59,504 stated under Paragraph 1.01. (Tenant agency is separately metered and responsible for utilities i.e., electricity and gas. Operating Costs above represent maintenance, repair, janitorial, and other non-utility items. Operating Cost is subject to annual CPI adjustments.)

³Real Estate Taxes are 87.92% of the total RE Tax assessment. (67,676 RSF/59,504 RSF) See attached Tax Parcel documents.

⁴Tenant Improvements cost is \$0.00

⁵Building Specific Amortized Capital (BSAC) is \$0.00

⁶Parking costs are included in the shell rent

B. In instances where the Lessor amortizes either the TI or Building Specific Amortized Capital (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.

C. INTENTIONALLY DELETED

D. Rent is subject to adjustment upon reconciliation from quantities in the Lease to the approved DIDs and post-DID change orders, based on unit prices negotiated and agreed upon prior to Lease award.

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

G. 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 by the Lessor in the System for Award Management (SAM). If the payee is different from the Lessor, both payee and Lessor must be registered and active in SAM.

H. 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 herein 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, and maintenance required for the proper operation of the Property, the Building, and the Leased Premises, in accordance with the terms of the Lease, including, but not limited to, all inspections, modifications, repairs, replacements and public utilities (electricity and gas directly to the utility provider(s)). The Lessor shall ensure that such utilities are separately metered. The Lessor shall provide and install as part of shell rent, separate meters for utilities. Sub-meters are not acceptable. The Lessor shall furnish in writing to the LCO, prior to occupancy by the Government, a record of the meter numbers and verification that the meters measure Government usage only. Proration is not permissible. In addition, an automatic control system shall be provided to assure compliance with heating, ventilation, and air conditioning requirements.

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J. INTENTIONALLY DELETED

~~1.04 BROKER COMMISSION AND COMMISSION CREDIT (OCT 2016)~~

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1.05 TERMINATION RIGHTS (OCT 2016)

The Government may terminate this Lease, in whole or in parts, at any time effective after August 31, 2032, by providing not less than 180 days' prior written notice to the Lessor. The effective date of the termination shall be the day following the expiration of the required notice period or the termination date set forth in the notice, whichever is later. No rental shall accrue after the effective date of termination.

~~1.06 RENEWAL RIGHTS (OCT 2016)~~

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1.07 DOCUMENTS INCORPORATED IN THE LEASE (OCT 2016)

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

DOCUMENT NAME	NO. OF PAGES	EXHIBIT
FLOOR PLAN(S)		A
PARKING PLAN(S)		A
GSA FORM 3517B GENERAL CLAUSES		B1
GSA FORM 3518-SAM, ADDENDUM TO SYSTEM FOR AWARD MANAGEMENT (SAM) REPRESENTATIONS AND CERTIFICATIONS (ACQUISITIONS OF LEASEHOLD INTERESTS IN REAL PROPERTY)		B2
FACILITY SECURITY LEVEL II REQUIREMENTS		C
LESSOR SHELL ENERGY EFFICIENT IMPROVEMENTS		D
TAX PARCEL DOCUMENTS		E

1.08 TENANT IMPROVEMENT RENTAL ADJUSTMENT (OCT 2016)

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1.09 TENANT IMPROVEMENT FEE SCHEDULE (JUN 2012)

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1.10 BUILDING SPECIFIC AMORTIZED CAPITAL (SEP 2012)

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1.11 BUILDING SPECIFIC AMORTIZED CAPITAL RENTAL ADJUSTMENT (SEP 2013)

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1.12 PERCENTAGE OF OCCUPANCY FOR TAX ADJUSTMENT (OCT 2016)

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 87.92 percent. The Percentage of Occupancy is derived by dividing the total Government Space of 59,504 RSF by the total Building space of 67,676 RSF.

1.13 REAL ESTATE TAX BASE (SEP 2013)

The Real Estate Tax Base for this lease, as defined in the "Real Estate Tax Adjustment" paragraph of the Lease is \$98,235.00. Tax adjustments shall not occur until the tax year following lease commencement has passed. The full tax assessments for Parcel A29255 and Parcel A29254 are attached and made part of the lease.

1.14 OPERATING COST BASE (OCT 2016)

The parties agree, for the purpose of applying the paragraph titled "Operating Costs Adjustment," that the Lessor's base rate for all operating costs (excluding electricity and gas) shall be \$4.00 per RSF for both office and warehouse spaces (\$238,016.00 per annum).

1.15 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 \$0.00 per ABOA SF of Space vacated by the Government.

1.16 HOURLY OVERTIME HVAC RATES (OCT 2016)

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1.17 BUILDING IMPROVEMENTS (MAR 2016)

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

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