

U.S. GOVERNMENT LEASE FOR REAL PROPERTY

DATE OF LEASE 12 JAN 2010 LEASE NO. GS-09B-02443

THIS LEASE, made and entered into this date by and between Sandhill Investors II LLC., Whose address is 980 Sandhill Road, Suite 200 Reno, NV 89521-1901

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 20,518 rentable square feet (RSF) of office and related warehouse space, which yields 19,522 ANSI/BOMA Office Area square feet (USF) of space at Creekside Corporate Center II, 980 Sandhill Road, Reno, NV 89521 as indicated on the attached Floor Plan, to be used for such purposes as determined by the General Services Administration.
* Included in the rent at no additional cost to the government are 62 on-site surface parking spaces and 2 reserved on-site surface visitor parking spaces for exclusive use of the Government employees and patrons.
* The common area factor for the leased premises occupied by the Government is established as 1.051 (see "Common Area Factor" paragraph of the lease).
* The leased premises occupied by the Government for real estate tax adjustments is established as 65.82% (see also "Percentage Occupancy" paragraph of the lease).

- 2. TO HAVE AND TO HOLD the said premises with their appurtenances for a term of 15 years (10 years firm) beginning upon the substantial completion of the space, and acceptance by the Government as satisfactorily complete. Design and construction of the space shall begin upon award of this lease in conformance with the Construction Schedule of Tenant Improvements paragraph of the attached Solicitation for Offers. The commencement date of this lease, along with any applicable termination and renewal rights, shall more specifically be set forth in a Supplemental Lease Agreement upon substantial completion and acceptance of the space by the Government.

- 3. The Government shall pay the Lessor annual rent for years 1 - 10 of \$47,852.37 (OR) \$574,228.49 (OR) \$574,298.82 (\$27.99/RSF - \$29.41/USF) at the rate of \$47,852.37 per month in arrears. See schedule of rent components for details of step rent beginning in year 11. Accumulated operating cost adjustments will be included in the stated per annum rates at the time they become effective. Rent for a lesser period shall be prorated. Rent checks shall be made payable to:

Sandhill Investors II, LLC,
980 Sandhill Road, Suite 200
Reno, NV 89521-1901

IN WITNESS WHEREOF the parties hereto have hereunto subscribed their names as of the date first above written.
LESSOR
SIGNATURE: Doug Roberts
NAME OF SIGNER: Doug Roberts
ADDRESS: 11 Reed Suite 200 Reno NV 89521
NAME OF SIGNER: Chris Parker
UNITED STATES OF AMERICA
NAME OF SIGNER: PETER SHTEYN
OFFICIAL TITLE OF SIGNER: CONTRACTING OFFICER

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4. The Government may terminate this lease in whole or in part at any time on or after 120 months by giving at least 90 days' notice in writing to the Lessor, and no rental shall accrue after the effective date of termination. Said notice shall be computed commencing with the day after the date of mailing.
 5. The Lessor shall furnish to the Government, as part to the rental consideration, the following:
Those tenant improvements, facilities, services, supplies, utilities, and maintenance in accordance with SFO 9NV2049 dated 08/20/2009, as amended on 11/16/2009. (45 pages including amendment)
 6. The following are attached and made a part hereof:
 - A. Standard Form 2, 3 pages (excluding attachments)
 - B. Schedule of Rent Components;
 - C. Solicitation for Offers 9NV2049 dated 08/20/2009, 45 pages including amendment;
 - D. [REDACTED] - Special (Program of) Requirements, 50 pages;
 - E. GSA Form 3517 entitled GENERAL CLAUSES (Rev. 11/05), 33 pages;
 - F. GSA Form 3518 entitled REPRESENTATIONS AND CERTIFICATIONS (Rev. 1/07), 7 pages;
 - H. Floor Plan, 2 pages;
 - I. Building Security Unit Price List, 3 pages;
 - L. Site Plan, 1 page;
 7. In accordance with the SFO paragraph entitled Tenant Improvement Rental Adjustment, Tenant Improvements in the total amount of \$736,565.00 (19,522 USF x \$37.73) are amortized through the rent for 10 years at the rate of 8.00%. The amortized costs of these improvements are included in the stated rent in Paragraph 3 above. Deviations to the approved design intent drawings will not be permitted unless prior written authorization is obtained from the GSA Contracting Officer.
 8. In accordance with the SFO paragraph entitled Operating Costs Base, the base is established as \$5.53 per RSF (\$113,464.54 per annum).
 9. In accordance with the SFO paragraph entitled Adjustment for Vacant Premises, the adjustment is established as \$0.00 per USF for vacant space (rental reduction).
 10. In accordance with the SFO Paragraph entitled Overtime Usage, the rate for overtime usage is established as \$40.00 per hour for the entire Government leased premises.

In any event, no overtime HVAC will be charged for the normal building hours of 7 am to 6 pm, Monday through Friday.

INITIALS:


LESSOR

&


GOVT

B. SCHEDULE OF RENT COMPONENTS

	Years 1 - 10		Years 11 - 15	
	Annual Rent	Annual Rate / RSF	Annual Rent	Annual Rate / RSF
Shell Rental Rate	\$353,525.14	(DC) \$17.23	\$491,611.28	\$23.96
T.I Rental Rate*	\$107,309.14	107,238.81 \$5.23	\$0.00	\$0.00
Operating Cost	\$113,464.54	\$5.53	\$113,464.54	\$5.53
Full Service Rate	\$574,298.82	\$27.99	\$605,075.82	\$29.49
	\$ 574,225.49 (DC) 95			

*The Tenant Improvements Allowance is amortized at a rate of 8% per annum for 10 years.

INITIALS: JK & PS
 LESSOR & GOV'T