

U.S. GOVERNMENT
LEASE FOR REAL PROPERTY

DATE OF LEASE:

August 15, 2011

LEASE No. GS-09B-02743

THIS LEASE, made and entered into this date between **GATEWAY CENTER ONE, LLC**

whose address is: 2715 Argent Ave
Elko, NV 89801-8439

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:

Approximately 2,700 rentable square feet (r.s.f.), yielding approximately 2,700 ANSI/BOMA Office Area square feet of office space located at Gateway Center One, 2715 Argent Avenue, Elko, Nevada 89801-8439 together with 2 onsite, surface parking spaces to be used for SUCH PURPOSES AS DETERMINED BY THE GENERAL SERVICES ADMINISTRATION. Actual suite location shall be determined at beneficial occupancy and memorialized under a subsequent supplemental lease agreement.

2. PARAGRAPH 2 IS INTENTIONALLY OMMITTED

3. PARAGRAPH 3 IS INTENTIONALLY OMMITTED

4. The Government may terminate this lease in whole or in part effective any time after the 5th year of this lease giving at least 120 days prior notice in writing to the Lessor. 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. PARAGRAPH 5 IS INTENTIONALLY OMMITTED

6. The Lessor shall furnish to the Government as part of the rental consideration, the following:

- A. All labor, materials, equipment, design, professional fees, permit fees, inspection fees, utilities, construction drawings (including, without limitation, plans and specifications), construction costs and services and all other similar costs and expenses associated with making the space, common areas, and related facilities ready for occupancy in accordance with the requirements of this lease and the Government's approved Design Intent Drawings; provided that the Government shall make payments for lump sum items identified in Paragraph 5.2 of the attachment sheets in the amounts specified therein. Rent is subject to adjustment in accordance with Paragraph 3.3, "Tenant Improvement Rental Adjustment" of the SFO. All cost associated with services, utilities, maintenance, repair, replacement, inspections, improvements and other requirements as required by the Solicitation For Offers No. GS-09B-02654 and its attachments.
- B. Adequate space for telecommunications antennae and transmission devices in accordance with Paragraph entitled, "Telecommunications: Local Exchange Access," of the Solicitation for Offers.

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7. The following are attached and made a part hereof:

All terms, conditions, and obligations of the Lessor and the Government as set forth in the following:

- a) The Solicitation For Offers Number GS-09B-02743 (50 pages) (all references to SFO shall also refer to any Special Requirements and Amendments);
- b) Sheet no. 1 containing Paragraphs 9-16;
- c) Sheet no. 2 containing Paragraphs 17-19;
- d) GSA Form 3518A – Representations and Certifications
- e) GSA Form 3517C– General Clauses

8. The following changes were made in this lease prior to its execution:

Paragraphs 2, 3 and 5 of this STANDARD FORM 2 were deleted in their entirety. Paragraphs 9 through 19 have been added.

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

LESSOR:

BY

(Name & Title)

(Signature)

IN PR

(Signature)

(Address)

UNIT

ISTRATION, Public Buildings Service:

BY

C

SHEET NUMBER 1 ATTACHED TO AND FORMING A PART OF LEASE NO. GS-09B-02743

9. **TO HAVE AND TO HOLD** the Premises with their appurtenances for the term beginning on the day the space is accepted by the Government as complete and ready for occupancy through the following ten (10) years term in accordance with the Paragraph entitled "Acceptance of Space" herein, subject to termination rights as may be hereinafter set forth.
10. The Government shall pay the Lessor annual rent as follows:

Rental Period	Shell Rent	Operating cost	TI	Total Annual Rent
Years 1 - 2	\$ 15.00 / rsf	\$ 7.69/ rsf	\$ 9.78 / rsf	\$ 87,660.74 / yr
Years 3 - 5	\$ 15.97 / rsf	\$ 7.69 / rsf	\$ 9.78 / rsf	\$ 90,279.74 / yr
Years 6 - 10	\$ 16.98 / rsf	\$ 7.69 / rsf	\$ 0.00 / rsf	\$ 66,609.00 / yr

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

GATEWAY CENTER ONE, LLC
2715 Argent Avenue
Elko, NV 89801-8439

11. **OPERATING COST:** Pursuant to Paragraph 4.3, "Operating Costs", the base rate for purposes of operating cost escalation is established at \$7.69 per rentable square foot per annum.
12. **ADJUSTMENT FOR VACANT PREMISES:** Pursuant to Paragraph 4.4, "Adjustment for Vacant Premises", in the event of the Government vacating in whole or in part prior to lease expiration, the rental will be reduced by \$7.69 per rentable square foot per annum for operating expenses. The Adjustment for Vacant Premises rate shall be escalated annually based upon Paragraph 4.3, "Operating Costs."
13. **OVERTIME USAGE:** Pursuant to Paragraph 4.6, "Overtime Usage", upon request by the GSA Field Office Manager, the Lessor shall provide heating, ventilation, and air-conditioning (HVAC) at any time beyond normal service hours (7:00a.m. – 5:30p.m., Monday through Friday, and except Saturdays, Sundays and Federal Holidays ("Normal Hours")), at a rate of \$0.00 per hour.
14. **24 HOUR ROOMS:** Pursuant to Paragraph 4.6, "Overtime Usage", The Overtime Usage rate specified shall not apply to any portion of the Premises that is required to have heating and cooling 24 hours per day as specified in the lease. The charges for heating and cooling of these areas has been made a part of the operating costs portion of the rental consideration.
15. **TENANT IMPROVEMENT ALLOWANCE:** The maximum Tenant Improvement Allowance has been established by Paragraph 3.2, "Tenant Improvements Included in Offer." The Tenant Improvement Allowance shall be amortized over the five (5) year firm term of the lease agreement at an interest rate (amortization rate) of 5.65 % per year.
16. **BUDGET AND PRICE PROPOSALS/CONSTRUCTION SCHEDULE:**
- A. The Lessor shall submit to the Government a budget proposal in accordance with SFO Paragraph 5.12 (E), "Tenant Improvements Price Proposal".
 - B. The price proposal required to be provided by Lessor in SFO Paragraph 5.12 (E), "Tenant Improvements Price Proposal," must be based upon the results of a competitive proposal process meeting all of the requirements of SFO Paragraph 5.3, B (1) through (9), entitled, "Tenant Improvements Pricing Requirements." The Government has the right, but not the obligation, to accept cost or pricing data as described in GSA Form 3517 in lieu of a competitive price proposal.
 - C. Failure to submit these budget and price proposals referenced above will constitute Lessor delay. In the event that either the budget proposal or price proposal exceeds the Tenant Improvement Allowance specified in the Lease, then the construction schedule shall be revised to afford the Government sufficient time to review and resolve the difference.
 - D. The construction schedule required in Paragraph 5.12 (F), "Construction of Tenant Improvements," of the SFO shall also include adequate time for additional review by the Government of revised Working Drawings/Construction Drawings. All references to "working days" in Paragraph 5.12, "Construction Schedule and Acceptance of Tenant Improvements" of the SFO shall not include the period from December 15 through January 1 of any calendar year.
 - E. In addition to the submission requirements specified under Paragraph 5.12, "Construction Schedule and Acceptance of Tenant Improvements," Lessor shall provide to the Government the final total costs of the completed Tenant Improvements in CSI format 10 working days prior to "Substantial Completion". The space will not be considered acceptable for inspection until the Government receives the final tenant improvement costs.

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 Lessor Government

17. ACCEPTANCE OF SPACE:

- A. The following is added to Paragraph 5. 12 G (1), "Acceptance of Space and Certificate of Occupancy": Subsequent Government inspections and notification of the results of such inspections shall be made in accordance with the foregoing procedure. Time frames for subsequent inspections will be established by the Government.
- B. Any items that have been identified at the acceptance of the space as punchlist items to be completed or corrected and which do not affect beneficial occupancy shall be completed by the Lessor within 30 calendar days of acceptance.
- C. Neither the Government's acceptance of the Premises for occupancy or acceptance of related appurtenances, nor the Government's occupancy of the Premises, shall be construed as a waiver of any requirement or right of the Government under this lease, or as otherwise prejudicing the Government with respect to any such requirement or right, or as an acceptance of any latent defect or condition.

18. UNAUTHORIZED IMPROVEMENTS: All questions pertaining to this lease agreement shall be referred in writing to the General Services Administration Contracting Officer. This contract is between GSA and the Lessor. GSA assumes no financial responsibility for any cost incurred by the Lessor except as provided by the terms of the lease agreement or authorized in writing by the GSA Contracting Officer. **If Lessor delivers space with improvements not authorized or requested in writing by the GSA Contracting Officer, then Lessor shall not be entitled to compensation.**

19. Wherever the words "Offeror", "Lessor" or "successful offeror" appear in this Lease, they shall be deemed to mean "Lessor"; wherever the words "solicitation", "Solicitation for Offers", or "SFO" appear in this Lease, they shall be deemed to mean "this Lease"; wherever the words "space offered for lease" appear in this Lease, they shall be deemed to mean "Premises".

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