

Standard Form 2 Feb. 1965 Edition
General Services Administration FPR (41 CFR) 1-16.601

Lease Number: LSD14476

Date: March 12, 2010

THIS LEASE, made and entered into this date by and between Palace Builders INC whose address is 2541 West Haven St. Mitchell SD, 57301-3833

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 consideration hereinafter mentioned, covenant and agree as follows:

1. The Lessor hereby leases to the Government the following described premises:
Approximately 11,926 rentable square feet and four (13) parking spaces (1 for [REDACTED], 7 for [REDACTED], and 5 for [REDACTED] located at

420 South Garfield
Pierre, SD 57501-5452

to be used for office space to accommodate area employees of the [REDACTED], [REDACTED], [REDACTED], and the [REDACTED].

2. TO HAVE AND TO HOLD the said premises with their appurtenances for the term beginning on April 1, 2010 through March 3, 2020 subject to termination and renewal rights as may be hereinafter set forth.
3. The government shall pay the Lessor annual rent of \$139,195.32 at the rate of \$11,598.04 per month in arrears. Rent for a lesser period shall be prorated. Rent checks shall be made payable to: Palace Builders, INC located at 2541 West Haven St, Mitchell SD, 57301-3833. With an associated mailing address of P.O. BOX 7, Mitchell SD, 57301-3833
4. The Government may terminate this lease at any time after April 1, 2010 by giving at least ninety (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 of the rental consideration, the following:
 - A. Services, utilities, and maintenance as specified in Section 4
 - B. All alterations as described below are to be completed for the FWS space as required on or before 5/1/2010
 1. Hot water in the breakroom sink needs to be fixed
 2. Water enters the building in the supply room during hard rains. Please address this problem
 3. Men's restroom needs to be cleaned as per required cleaning schedule.
 4. Exhaust vents in rest-rooms needed
 5. Drains off roof on west side spill over with snow melt and hard rains, please correct or provide Alternate solutions for correction.
 - C. All handicapped accessibility requirements will be met as specified in Section 6.
 - D. In accordance with paragraph 4.3 of the SFO, titled "Operating Costs", Base operating cost will be \$4.16rsf and will be adjusted based on the CPI annually.

U.S. Government Lease for Real Property

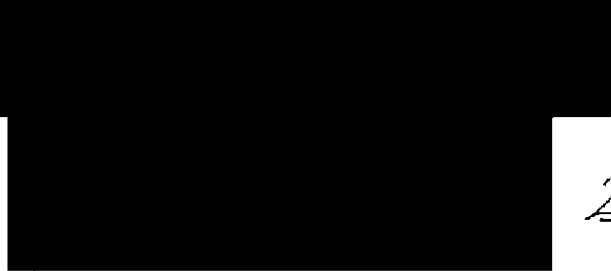
- E. In accordance with paragraph 4.2 of the SFO, titled "Tax Adjustment", The government occupies 100% of the building. Taxes are included in the shell rental amount.
- F. In accordance with paragraph 4.6 of the SFO, title "Overtime Usage", the government will have access to the leased space at all times without additional payment, including the use, during other than normal hours, of necessary services and utilities such as elevators, toilets, lights, and electric power
- G. The building must be in compliance with the General Services Administration (GSA) Fire Protection, Occupational Health, and Environmental Standards, local fire safety codes and regulations, and building code. Whenever a conflict arises between the GSA regulations and the local code, the more stringent requirement shall apply.

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

- Solicitation for Offers (SFO) – 48 pages
- Form 1364, Proposal to Lease Space – 2 pages
- Form 3517, General Clauses – 2 pages
- Form 3518, Representations and Certifications – 7 pages

7. The following changes were made in this lease prior to its execution: Not applicable.

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



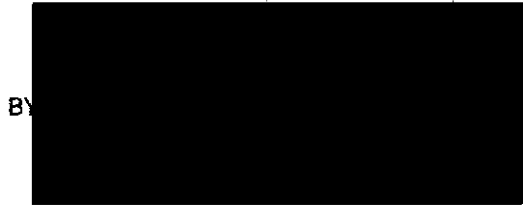
(Signature)

2541 W. Havers, Mitchell, SD

(Address)

UNITED STATES OF AMERICA

GENERAL SERVICES ADMINISTRATION



BY

Contracting Officer