

US GOVERNMENT LEASE FOR REAL PROPERTY

DATE OF LEASE

LEASE NO.

LUT14604

THIS LEASE, made and entered into this date by and between NSC SLIC I, LLC

Whose address is 4701 WEST 2100 SOUTH
SALT LAKE CITY, UT 84120-1223

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 24,129 rentable square feet (RSF) of office and related space, which yields 20,982 ANSI/BOMA Office Area square feet (USF) of space in the building located at Continental Airlines Building, 5416 Amelia Earhart Drive, Salt Lake City, Utah 84116-3714 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 58 on site parking spaces, 4 of which shall be located in a secured area and are for exclusive use of the Government.

2. TO HAVE AND TO HOLD the said premises with their appurtenances for the term beginning on 150 calendar days after the Contracting Officer issues the Tenant Improvement Notice to Proceed and continuing through fifteen (15) years, subject to termination and renewal rights as may be hereinafter set forth.

3. The Government shall pay the Lessor monthly in arrears in accordance with the following table:

Months	Annualized Shell	Annualized Cost of Services	Annualized Tenant Improvement Allowance	Annualized Building Specific Security	Total Annual Rent	Total Monthly Rent
1 - 120	\$229,225.50	\$134,398.58	\$133,487.78	\$11,134.81	\$508,246.67	\$42,353.89
121 - 180	\$229,225.50	\$134,398.58	\$0.00	\$0.00	\$363,624.08	\$30,302.01

Rent shall be adjusted in accordance with the provisions of the Solicitation For Offers and General Clauses. Rent for a lesser period shall be prorated. Rent shall be made payable to:

NSC SLIC I, LLC
4701 WEST 2100 SOUTH
SALT LAKE CITY, UT 84120-1223

(Continued on Page 2)

_____ who subscribed their names as of the date first above written.

MANAGER

KEITH C. WALLACE JR. / CFO
(Title)

(Address)

UNITED STATES OF AMERICA

Contracting Officer, General Services Administration

(Official Title)

4. The Government may terminate this lease at any time after the 10th 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. This lease may be renewed at the option of the Government, for the following terms and at the following rentals, provided notice be given in writing to the Lessor at least _____ days before the end of the original lease term or any renewal term; all other terms and conditions of this lease shall remain the same during any renewal term. Said notice shall be computed commencing with the day after the date of mailing.~~

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

A. Those facilities, services, supplies, utilities, and maintenance in accordance with SFO OUT2050 dated October 15, 2010, as amended.

B. Build out in accordance with standards set forth in SFO OUT2050 dated October 15, 2010, as amended, and the Government's design intent drawings. Government space plans shall be developed subsequent to award. All tenant alterations to be completed by the lease effective date identified under Paragraph 2 above. Lease term to be effective on date of occupancy and shall be confirmed in a subsequent Supplemental Lease Agreement. The Lessor hereby waives restoration.

C. Deviations to the approved design intent drawings will not be permitted unless prior written authorization is obtained from the GSA Contracting Officer.

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

A. Solicitation for Offers OUT2050 dated October 15, 2010 (53 pages)

B. Special Requirement 1: Design Guide 2010-HQ MEPCOM (194 pages)

C. Special Requirement 2: [REDACTED] Minimum Antiterrorism Standards for Buildings (71 pages)

D. Amendment No 1 dated January 1, 2011 (1 page)

E. Exhibit A – Legal Description (1 page)

F. Exhibit B – Floor Plan (1 page)

G. GSA Form 3517B entitled GENERAL CLAUSES (Rev. [11/05]) (33 pages)

H. GSA Form 3518 entitled REPRESENTATIONS AND CERTIFICATIONS (Rev. [1/07]) (7 pages)

8. Paragraph 5 of Standard Form 2 has been deleted in its entirety.

9. In accordance with the SFO paragraph entitled *Tenant Improvement Rental Adjustment*, Tenant Improvements in the total amount of \$916,855.07 (20,982 USF x \$43.697220) shall be amortized through the rent for 120 months at the rate of 8.0%. The total annual cost of Tenant Improvements for the amortization period shall be \$133,487.78.

10. In accordance with the SFO paragraph entitled *Percentage of Occupancy*, the percentage of Government occupancy is established as 18.18956% (24,129 RSF / 132,653 RSF).

11. In accordance with the SFO paragraph entitled *Operating Costs*, the cost of services base is \$134,398.58. per annum. This lease is subject to operating cost escalation.

12. In accordance with the SFO paragraph entitled *Common Area Factor*, the common area factor is established as 1.1499857 (24,129 RSF/20,982 USF).

13. In accordance with the SFO paragraph entitled *Adjustment for Vacant Premises*, the adjustment is established as \$4.20/USF for vacant space (rental reduction).

14. In accordance with the SFO Paragraph entitled *Tax Adjustment*, this lease is subject to real estate tax adjustment. The base amount is established as \$156,367.00 for the building. The percentage of occupancy is 18.18956%.

(Continued on Page 3)

LESSOR

UNITED STATES OF AMERICA

BY

(Initial)

(Initial)

15. In accordance with the SFO Paragraph entitled *Overtime Usage*, the rate for overtime usage is established as \$45.50 per hour for the entire Government leased premises. The Lessor shall not charge the Government for Overtime Heating and Cooling if the building is open and the Heating and Cooling is operating for all other tenants beyond the Normal Hours stipulated in this agreement. The Overtime Heating and Cooling Usage rate shall not apply to any portion of the Premises that is required to have heating and cooling 24 hours per day as specified by the lease agreement.

16. Security costs, included in the shell cost, in the total amount of \$11,134.81 shall be amortized through the rent for 120 months at the rate of 8.0%.

17. Fees applicable to Tenant Improvements shall not exceed:
- General Conditions – 8.65% of Tenant Improvement costs
 - General Contractor – 9.0% of Tenant Improvement costs
 - Architectural/Engineering – Flat Fee of \$49,000.00
 - Lessor Project Management Fee – 0.0%

18. In accordance with Paragraph 2.5 (Broker Commission and Commission Credit), Studley, Inc. ("Studley") is the authorized real estate broker representing GSA in connection with this lease transaction. The Lessor and Studley have agreed to a cooperating lease commission of [REDACTED] of the firm term value of this lease ("Commission"). The total amount of the Commission is [REDACTED] and is earned upon lease execution, payable according to the Commission Agreement signed between the two parties. Due to the Commission Credit described in Paragraph 2.B, only [REDACTED], or [REDACTED] of the Commission, will be payable to Studley. The remaining [REDACTED], or [REDACTED] which is the "Commission Credit", shall 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 full month of the rental payments and continue until the credit has been fully recaptured in equal monthly installments over the shortest time period practicable.

Notwithstanding Paragraph 3 of this Lease, the shell rental payments due and owing under this lease shall be reduced to fully recapture this Commission Credit. The reduction in shell rent shall commence with the first full month of the rental payments and continue as indicated in this schedule for adjusted Monthly Rent:

First Full Month's Rental Payment \$42,353.89 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted First Month's Rent
Second Full Month's Rental Payment \$42,353.89 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted Second Month's Rent
Third Full Month's Rental Payment \$42,353.89 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted Third Month's Rent
Fourth Full Month's Rental Payment \$42,353.89 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted Fourth Month's Rent.
Fifth Full Month's Rental Payment \$42,353.89 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted Fifth Month's Rent.
Sixth Full Month's Rental Payment \$42,353.89 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted Sixth Month's Rent.

19. This lease will be supplemented to show the actual effective date and the exact amount of square footage after the space has been prepared, mutually measured and accepted by the Contracting Officer. In the event the actual amount of space exceeds 20,982 ANSI/BOMA Office Area square feet, there will be no additional cost to the Government.

20. The annual rental rate is firm and will not be adjusted based on the mutual measurement, except as provided in clause 552.270-20, page 12, paragraph 27 of the GSA Form 3517B. The rate per square foot and the base year service cost will be modified to reflect the final measurement.

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LESSOR

UNITED STATES OF AMERICA

BY _____

(initial)

BY _____

(initial)

21. Per the Debt Collection Improvement Act, effective July 27, 1996, Electronic Funds Transfer (EFT) shall be required on all existing and new lease contracts after January 1, 1998.

22. All questions pertaining to this Lease shall be referred to the Contracting Officer of General Services Administration (GSA) or their designee. The Government occupant is not authorized to administer this lease, and GSA assumes no responsibility for any cost incurred by the Lessor except as provided by the terms of this Lease or authorized in writing by Contracting Officer or their designee. The Lessor will not be reimbursed for any services not provided for in this Lease, including but not limited to: repairs, alterations and overtime services. Additionally, rental will not be paid for occupancy in whole or in part except for the term specified herein.

END

LESSOR

UNITED STATES OF AMERICA

BY

(Initial)

BY

(Initial)