

**U.S. GOVERNMENT  
LEASE FOR REAL PROPERTY**

DATE OF LEASE: 2/01/2011

LEASE No. GS-09B-02319

THIS LEASE, made and entered into this date between **DICKINSON COMMERCIAL PROPERTIES LLC**,

whose address is: 4190 S. Pacific Drive,  
Chandler, Arizona 85248-5199

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:

15,080 rentable square feet (r.s.f.), yielding approximately 5,880 ANSI/BOMA Office Area square feet and related space, 1,600 square feet of warehouse area, and 7,600 square feet of wareyard area located at 2995 S. Pacific Avenue, Yuma, Arizona 85365-3510 together with 28 onsite reserved parking spaces inclusive of 7 parking spaces located within the wareyard area as depicted on the attached floor plan (Exhibit A) (the "Premises"), and Exhibit B (Wareyard) to be used for SUCH PURPOSES AS DETERMINED BY THE GENERAL SERVICES ADMINISTRATION.

2. PARAGRAPH 2 IS INTENTIONALLY OMITTED

3. The Government shall pay the Lessor annual rent of \$260,892.41 at the rate of \$21,741.03 per month in arrears for years one (1) through five (5). For years six (6) through ten (10) the Government shall pay the Lessor annual rent of \$226,200 at the rate of \$18,850.00 per month in arrears. Rent for a lesser period shall be prorated. Rent checks shall be payable to:

**Dickinson Commercial Properties LLC**  
4190 S. Pacific Drive.  
Chandler, Arizona 85248-5199

4. The Government may terminate this lease in whole or in part effective any time after the fifth year of this lease by giving at least ninety (90) 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 OMITTED.

6. The Lessor shall furnish to the Government as part of the rental consideration, the following:
- A. The parking space(s) described in Paragraph 1 and parking spaces required by local code.
  - B. 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.
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-02319 (pages 1- 47) (all references to SFO shall also refer to any Special Requirements and Amendments);
  - b) GSA Form 3517B (pages 1-33);
  - c) GSA Form 3518 (pages 1-7);
  - d) Sheet no. 1-2 containing Paragraphs 9-20;
  - e) Exhibit "A" Floor Plan (the "Premises") (page 1);
  - f) Exhibit "B" Wareyard (Site Plan) (page 1).
8. The following changes were made in this lease prior to its execution:
- Paragraphs 2 and 5 of this STANDARD FORM 2 were deleted in their entirety. Paragraphs 9 through 20 have been added. The words "in whole" have been added after the word "lease" in Paragraph 4 prior to lease execution.

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

LESSOR: **DICKINSON COMMERCIAL PROPERTIES LLC.**

BY

(Signature)

(Signature)

IN PRESENCE OF:

(Signature)

(Address)



**AMALIA MAXSON**  
NOTARY PUBLIC - ARIZONA  
PINALE COUNTY  
My Commission Expires  
October 24, 2014

**UNITED STATES OF AMERICA, GENERAL SERVICES ADMINISTRATION, Public Buildings Service:**

BY

CONTRACTING OFFICER, GSA

SHEET NUMBER 1 ATTACHED TO AND FORMING A PART OF LEASE NO. GS-09B-02319

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, five (5) years firm term in accordance with Paragraph 18 entitled "Inspection of Premises" herein, subject to termination rights as may be hereinafter set forth.
10. **TENANT IMPROVEMENT ALLOWANCE:** The maximum Tenant Improvement Allowance has been established by Paragraph 3.2, "Tenant Improvements Included In Offer (Aug 2008)". 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 8% per year. The Tenant Improvement Allowance shall be for improvements associated with the space identified on the Government Design Intent drawings. All tenant improvements required by the Government for occupancy shall be performed by the Lessor as part of the rental consideration, and all improvements shall meet the quality standards and requirements of this Lease Agreement, the Design Intent Drawings, and GSA Form 3517, General Clauses.
11. **OPERATING COST:** Pursuant to Paragraph 4.2, "Operating Costs", the base rate for purposes of operating cost escalation is established at \$3.36 per rentable square foot per annum.
12. **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 (6:00 a.m. - 6:00 p.m., Monday through Friday, and except Federal Holidays ("Normal Hours")), at a rate of \$25 per hour. The Lessor will not charge the Government if Lessor otherwise provides these services to other building tenants during the Government's overtime hours. The Lessor must submit a proper invoice quarterly to GSA Building Manager or designee located at: 300 West Congress Street, Rm 2J, Tucson, AZ 85701-1371, to receive payment.
13. **24 HOUR ROOMS:** The Overtime Usage rate specified above 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. The charge(s) for heating and cooling of this (these) area(s) shall be determined once the Construction Drawings have been completed and the amount of energy consumption required of this (these) area(s) identified.
14. **TAX ADJUSTMENT:** This lease is not subject to tax escalations.
15. **ADJUSTMENT FOR VACANT PREMISES:** Pursuant to Paragraph 4.3, "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 \$3.00 per rentable square foot per annum for operating expenses. The Adjustment for Vacant Premises rate shall be escalated annually based upon SF-2 Paragraph 11, "Operating Costs."
16. **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.**
17. **BUDGET AND PRICE PROPOSALS/CONSTRUCTION SCHEDULE**
- A. *Budget and Price Proposals for Tenant Improvements* – Within 7 calendar days of the Government Approved Design Intent Drawings, the Lessor shall submit to the Government a budget proposal based on these Design Intent Drawings. The budget proposal must be submitted in Construction Specification Institute (CSI) Format.
  - B. Failure to submit this budget and price proposals referenced above and in Paragraph [5.9 (B)], "Construction Schedule of Tenant Improvements" of the SFO, 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.
  - C. The construction schedule required in Paragraph [5.9], "Construction Schedule of Tenant Improvements" of the SFO shall also include adequate time for additional review by the Government Working Drawings/Construction Drawings. All references to "calendar days" in Paragraph 5.9, "Construction Schedule of Tenant Improvements" of the SFO shall not include the period from December 15 through January 1 of any calendar year.
  - D. In addition to the submission requirements specified under Paragraph 5.9(G)], "Construction Schedule of Tenant Improvements" of the SFO, Acceptance of Space, Lessor shall provide to the Government the final total costs of the completed Tenant Improvements in Construction Specification Institute (CSI) format thirty (30) calendar days prior to "Substantial Completion". Lessor

Initials: OO CD & DM  
Lessor Government

SHEET NUMBER 2 ATTACHED TO AND FORMING A PART OF LEASE NO. GS-09B-02319

acknowledges that the Government will not be responsible for the payment of any changes to the Tenant Improvements not approved in writing by the Contracting Officer in accordance with the terms of this Lease.

18. INSPECTION OF PREMISES:

- A. The Lessor shall notify the Government 21 calendar days in advance of the anticipated substantial completion date as defined in Paragraph 1 of the GSA Form 3517. Within 14 calendar days after the date the Lessor notifies the Government that the space is "substantially complete," the Government shall inspect the Premises and appurtenances. Within five (5) business days after the inspection, the Government shall notify the Lessor of any deficiencies in the Premises and appurtenances and the Lessor shall thereafter diligently pursue remedying any defects. If any subsequent Government inspection is required to confirm conformance with the results of a prior inspection, any such subsequent inspection and notification of the results of such inspection shall be made in accordance with the foregoing procedure and the time frames.
- B. The period during which rent shall be deemed to have commenced for the Premises shall be the date that the entire space is accepted for occupancy by the Government (or the date accepted for occupancy, subject to completion of a written punchlist of items not materially affecting beneficial occupancy which are yet to be finished). Any items to be completed or corrected that have been identified at the acceptance of the space as a punchlist item 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.

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"

20. WAIVER OF RESTORATION: The Lessor hereby waives, releases and discharges, and forever relinquishes any right to make a claim against the Government for waste, damages, or restoration arising from or related to (a) the Government's normal and customary use of the leased premises during the term of the lease (including any extensions thereof), as well as (b) any initial or subsequent alteration to the leased premises, including cabling, or removal thereof, during the term of this lease (including any extensions thereof), where such alterations or removals are performed by the Lessor or by the Government with the Lessor's consent, which shall not be unreasonably withheld. The Government may, at its sole option, abandon property in the leased space following expiration of the Lease, in which case the property will become the property of the Lessor and the Government will be relieved of any liability in connection therewith.

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Lessor Government