

STANDARD FORM 2  
FEBRUARY 1965 EDITION  
GENERAL SERVICES  
ADMINISTRATION  
FPR (41CFR) 101-11.601

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

DATE OF LEASE: November 16, 2009 LEASE No. GS-09B-02395

THIS LEASE, made and entered into this date between **Virgil Traynor and Jacqueline Traynor, Trustees of the 1992 Traynor Revocable Trust**

whose address is: [REDACTED]

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:  
7,291 rentable square feet (r.s.f.), yielding approximately 7,291 ANSI/BOMA Office Area square feet and related space located at . 11885 Edgewood Road, Auburn, California, together with two (2) onsite, outside, secured, reserved, surface parking spaces to be used for SUCH PURPOSES AS DETERMINED BY THE GENERAL SERVICES ADMINISTRATION.
2. Paragraph 2 is intentionally omitted.
3. Paragraph 3 is intentionally omitted.
4. The Government may terminate this lease in whole or in part effective any time after the tenth (10<sup>th</sup>) year of this lease giving at least sixty (60) 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 two (2) parking space(s) described in Paragraph 1 and twenty-two (22) parking spaces as 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 and the Government's approved Design Intent Drawings; provided that the Government shall make payments for lump sum items identified in Paragraph 3.3 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. 8CA3120 and its attachments.
- C. Adequate space for telecommunications antennae and transmission devices in accordance with Paragraph entitled, "Telecommunications: Local Exchange Access," of the Solicitation for Offers.

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 8CA3120 (pages 1-49) (all references to SFO shall also refer to any Special Requirements and Amendments);
- b) Special Requirements (pages 1-36);
- c) Amendment Number 1 (pages 1-3), Amendment Number 2 (Pages 1-2), Amendment Number 3 (Pages 1-2)
- d) GSA Form 3517 (pages 1-33);
- e) GSA Form 3518 (pages 1-7);
- f) Sheet no. 1- containing Paragraphs 9-17;
- g) Sheet no. 2- containing Paragraphs 18-22;
- h) Exhibit "A" to GS-09B-02395;

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. Paragraph 9-22 has been added.

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

LESSOR: **Virgil Traynor and Jacqueline Traynor, Trustees of the 1992 Traynor Revocable Trust**

BY Virgil Traynor Jacqueline Traynor  
(Signature) (Signature)

IN PRESENCE OF:

Greg Traynor  
(Signature)

[Redacted Signature]

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

BY [Signature]  
CONTRACTING OFFICER, GSA



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 fifteen (15) years term in accordance with the Paragraph entitled "Inspection of Premises" herein, subject to termination rights as may be hereinafter set forth.

For months one (1) through one hundred twenty (120); annual rent of \$164,047.50 at the rate of \$13,670.63 per month in arrears.

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

—

11. **TAX ADJUSTMENT:** Pursuant to Paragraph 4.3, "Tax Adjustment," for purposes of tax escalation, the Government occupies 7,291/9,523 rentable square feet (76.56%).
12. **OPERATING COST:** Pursuant to Paragraph 4.4, "Operating Costs", the base rate for purposes of operating cost escalation is established at \$5.70 per rentable square foot per annum.
13. **ADJUSTMENT FOR VACANT PREMISES:** Pursuant to Paragraph 4.5, "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 \$5.70 per rentable square foot per annum for operating expenses. The Adjustment for Vacant Premises rate shall be escalated annually based upon Paragraph 4.4, "Operating Costs."
14. **OVERTIME USAGE:** Pursuant to Paragraph 4.7, "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 (7:00 a.m. – 6:00 p.m., Monday through Friday, and except Federal Holidays ("Normal Hours")), at a rate of \$12.00 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 650 Capitol Mall, Suite 8-100, Sacramento, California, 95814, to receive payment.
15. **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 charges for heating and cooling of these areas shall be provided at the rate of \$10.00 per 14 ANSI/BOMA square foot after "Normal Hours".
16. **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 ten (10) year firm term of the lease agreement at an interest rate (amortization rate) of 5% per year.
17. **BUDGET AND PRICE PROPOSALS/CONSTRUCTION SCHEDULE:**
  - A. Budget and Price Proposals for Tenant Improvements

(2) Paragraph 5.13, "Construction Schedule of Tenant Improvements" of the SFO is hereby amended so that the price proposal referenced therein shall be a price proposal based on the Tenant Improvements and associated work shown on the Working Drawings/Construction Drawings. Lessor shall submit the price proposal together with the Working Drawings/Construction Drawings.

- B. 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.
- C. The construction schedule required in Paragraph 5.13, "Construction Schedule of Tenant Improvements" of the SFO shall also include adequate time for additional review by the Government of revised design intent drawings and Working

Initials: [Signature] & [Signature]  
Lessor Government

**SHEET NUMBER 2 ATTACHED TO AND FORMING A PART OF LEASE NO. GS-09B-02395**

Drawings/Construction Drawings. All references to "working days" in Paragraph 5.13, "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 5.13, "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 a format meeting the requirements of Paragraph A(1) ten (10) working days prior to "Substantial Completion". Lessor 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 five (5) business days in advance of the anticipated substantial completion date as defined in Paragraph 1 of the GSA Form 3517. Within five (5) business 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.) The space will not be considered acceptable for occupancy until the Government receives the final tenant improvement cost. 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. 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.

**19. OCCUPANCY REPORTS:**

- A. Building Systems: As part of its obligations under SFO, Paragraph 8.2 "Building Systems," of the SFO, the Lessor shall furnish at no cost to the Government a required building system report prior to the Government's occupancy of the Premises.
- B. Acoustical Requirements: As part of its obligations under SFO, Paragraph 6.8 "Acoustical Requirements" of the SFO, the Lessor shall furnish at no cost to the Government a required acoustical report prior to the Government's occupancy of the Premises.

20. **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 if the improvements remain in place after the Government's acceptance of space.**
21. 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".
22. Lessor shall provide alternate space to the Government at no cost while tenant improvement build-out is being completed. Lessor shall provide a detailed plan and schedule which provides the Government with enough information to make a decision in regards to the acceptability of the alternate space. Detailed plan and schedule shall be provided by the Lessor within fourteen (14) working days from award. The alternate space provided by the Lessor shall be approved by the Government.

Initials:  &   
Lessor Government