

U.S. GOVERNMENT LEASE FOR REAL PROPERTY

DATE OF LEASE: **MAR 21 2012**

LEASE No. **GS-09B-02862**

THIS LEASE, made and entered into this date between **HIDDEN LAKE PROPERTIES, INC.**

whose address is: 11050 Pioneer Trail, Suite 100, Truckee, California 96161-0270

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:

4,105 rentable square feet (r.s.f.), yielding approximately 3,772 ANSI/BOMA Office Area square feet and related space located on the first floor of Building B at the Summit Building, 10775 Pioneer Trail, Truckee, CA 96161-0233, together with six (6) onsite surface parking spaces as depicted on the attached site plan (Exhibit A)(the "Premises"), 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, upon establishment of beneficial occupancy, annual rent as follows

Term	Shell	Operating Costs	Tenant Improvement	Annual Rent	Monthly Rent
Years 1-5	\$78,159.20	\$28,570.80	\$46,304.40	\$153,034.40	\$12,752.87
Years 6-10	\$85,481.31	\$28,570.80	\$0.00	\$114,052.11	\$9,504.34

Operating costs are subject to annual adjustment per paragraph 4.3 of Solicitation For Offers # 3CA0690 attached to and made part of this lease; the above amount represents the base rate specified in paragraph 11 below stated as an annual amount.

The Rent for a lesser period shall be prorated. Rent shall be paid through Electronic Funds Transfer to:

Hidden Lake Properties, Inc.
11050 Pioneer Trail, Suite 100
Truckee, California 96161-0270

4. The Government may terminate this lease in whole or in part effective at any time after the fifth year of this lease by giving at least ninety (90) calendar 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 and the Government's approved Design Intent Drawings. All cost associated with services, utilities, maintenance, repair, replacement, inspections, improvements and other requirements as required by the Solicitation For Offers No. 3CA0690 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 3CA0690 (Pages 1-47)
(all references to SFO shall also refer to any Special Requirements and Amendments);
- (b) Special Requirements (Pages 1-3);
- (c) Amendment Number 1 (Page 1);
- (d) Amendment Number 2 (Pages 1-5);
- (e) Amendment Number 3 (Page 1);
- (f) GSA Form 3517 (Pages 1-33);
- (g) GSA Form 3518 (Pages 1-7);
- (h) Sheet no. 1-2 (containing Paragraphs 9-21);
- (i) Site Plan. (Page 1)
- (j) Space 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 21 have been added.

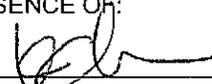
This document will not constitute a payment obligation until the date of execution by the Government. As a result, even though payments will be made retroactively, no monies whatsoever are due under this agreement until thirty (30) calendar days after the date of execution by the Government.

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

LESSOR: **HIDDEN LAKE PROPERTIES, INC.**

BY  _____
(Signature) (Signature)

IN PRESENCE OF:

 _____ 11050 Pioneer Trail #100 Truckee, CA.
(Signature) (Address) 96161

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

BY  M.E. NYGREN
CONTRACTING OFFICER

18. 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".
19. 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.

20. COMMISSION AND COMMISSION CREDIT:

The Lessor and the Broker have agreed to a cooperating lease commission of [REDACTED] of the firm term value of this lease. The total amount of the commission is [REDACTED]. The Lessor shall pay the Broker no additional commissions associated with this lease transaction. In accordance with the "Broker Commission and Commission Credit" paragraph, the Broker has agreed to forego [REDACTED] of the commission that it is entitled to receive in connection with this lease transaction ("Commission Credit"). The Commission Credit is [REDACTED]. The Lessor agrees to pay the Commission less the Commission Credit to the Broker in accordance with the "Broker Commission and Commission Credit" paragraph in the SFO attached to and forming a part of this lease.

Notwithstanding Paragraph 3 of this Standard Form 2, 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 month of the rental payments and continue as indicated in this schedule for adjusted Monthly Rent:

First Month's Rental Payment \$12,752.87 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted First Month's Rent.

Second Month's Rental Payment \$12,752.87 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted Second Month's Rent.

21. OFFEROR'S TENANT IMPROVEMENT FEE SCHEDULE:

This fee schedule will be applicable for Tenant Improvements and change orders during initial construction:

- General Conditions fee will be [REDACTED] of Total Subcontractors Costs estimated to be [REDACTED].
- General Contractor's fee will be [REDACTED] percent of Total Subcontractors Costs estimated to be [REDACTED].
- Architectural/Engineering fees will be a flat [REDACTED] fee.
- Project Management fees will be [REDACTED] of the Total Subcontractors Costs estimated to be [REDACTED].

Initials:  & 
Lessor Government