

LEASE NO. GS-09B-02964

Streamlined Lease
GSA FORM L201B (JAN 2012)

This Lease is made and entered into between

McClellan Business Park, LLC

("the Lessor"), whose principal place of business is [ADDRESS], and whose interest in the Property described herein is that of Fee Owner, and

The United States of America

("the Government"), acting by and through the designated representative of the General Services Administration ("GSA"), upon the terms and conditions set forth herein.

Witnesseth: The parties hereto, for the consideration hereinafter mentioned, covenant and agree as follows:

The Lessor hereby leases to the Government the Premises described herein, being all or a portion of the Property located at

Building 1040, 5622 Price Avenue, McClellan, CA 95652-2425

as referenced in Exhibit A, together with rights to the use of parking and other areas as set forth herein.

LEASE TERM


To Have and To Hold the said Premises with their appurtenances for the term beginning upon acceptance of the Premises as required by this Lease and continuing for a period of

10 Years, 5 Years Firm,

subject to termination and renewal rights as may be hereinafter set forth, to be used for such purposes as determined by GSA. The commencement date of this Lease, along with any applicable termination and renewal rights, shall more specifically be set forth in a Lease Amendment upon substantial completion and acceptance of the Space by the Government.


In Witness Whereof, the parties to this Lease evidence their agreement to all terms and conditions set forth herein by their signatures below, to be effective as of the date of delivery of the fully executed Lease to the Lessor.

FOR THE LESSOR:




Name: Larry D. Keller
Title: Pres
Date: 7/10/12

FOR THE GOVERNMENT:



Name: ERIC JOHNSON
Title: Donald Thomas
Lease LCO
Date: 7/26/12

WITNESSED BY:



Name: Tiffany Garde
Title: Office Manager
Date: 7-10-2012

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SECTION 1 THE PREMISES, RENT, AND OTHER TERMS

1.01 THE PREMISES (AUG 2011)

The Premises are described as follows:

Office and Related Space: 5,586 rentable square feet (RSF), yielding 5,586 ANSI/BOMA Office Area (ABOA) square feet of office and warehouse, as depicted on the site location Exhibit A.

1.02 EXPRESS APPURTENANT RIGHTS (AUG 2011)

The Government shall have the non-exclusive right to the use of Appurtenant Areas, and shall have the right to post Government Rules and Regulations within such areas. The Government will coordinate with the Lessor to ensure signage is consistent with the Lessor's standards. Appurtenant to the Premises and included with the Lease are rights to use the following:

A. Parking: 10 parking spaces as depicted on the plan attached hereto as Exhibit B shall be surface parking spaces for the exclusive use of the Government. In addition, the Lessor shall provide such additional parking spaces as required by the applicable code of the local government entity having jurisdiction over the Property.

B. Antennas, Satellite Dishes, and Related Transmission Devices: Space located on the roof of the Building sufficient in size for the installation and placement of the telecommunications equipment as such may be described herein, together with the right to access the roof and use of, all building areas (e.g., chases, plenums) necessary for the use, operation and maintenance of such equipment at all times during the term of this Lease.

1.03 RENT AND OTHER CONSIDERATION (AUG 2011)

A. The Government shall pay the Lessor annual rent, payable monthly installments in arrears, at the following rates:

	FIRM TERM		NON FIRM TERM	
	ANNUAL RENT	ANNUAL RATE/RSF	ANNUAL RENT	ANNUAL RATE/RSF
SHELL RENT ²	\$72,531.24	\$12.99	\$90,723.00	\$16.24
TENANT IMPROVEMENTS RENT ^{1, 2}	\$ 33,494.76	\$5.99	\$ 0.00	\$0.00
OPERATING COSTS ²	\$ 45,976.00	\$8.23	\$ 45,976.00	\$8.23
TOTAL ANNUAL RENT	\$152,002.00	\$27.21	\$136,699.00	\$24.47

¹The Tenant Improvements Allowance is amortized at a rate of 8.5 percent per annum over 5 years.

²Rates may be rounded.

B. Rent is subject to adjustment based upon a physical mutual measurement of the Space upon acceptance, not to exceed 5,586 rentable SF based upon the methodology outlined under the "Payment" clause of GSA Form 3517.

C. Rent is subject to adjustment based upon the final Tenant Improvement (TI) cost to be amortized in the rental rate, as agreed upon by the parties subsequent to the Lease Award Date.

D. If the Government occupies the Premises for less than a full calendar month, then rent shall be prorated based on the actual number of days of occupancy for that month.

E. Rent shall be paid to the Lessor by electronic funds transfer in accordance with the provisions of the General Clauses. Rent shall be payable to the Payee designated in the Lessor's Central Contractor Registration.

F. The Lessor shall provide to the Government, in exchange for the payment of rental and other specified consideration, the following:

1. The leasehold interest in the Property described in "Paragraph 1.01 THE PREMISES" created herein;
2. All costs, expenses and fees to perform the work required for acceptance of the Premises in accordance with this Lease, including all costs for labor, materials, and equipment, professional fees, contractor fees, attorney fees, permit fees, inspection fees, and similar such fees, and all related expenses;
3. Performance or satisfaction of all other obligations set forth in this Lease; and all services, utilities, and maintenance required for the proper operation of the Property, the Building, and the Premises in accordance with the terms of the Lease, including, but not limited to, all inspections, modifications, repairs, replacements, and improvements required to be made thereto to meet the requirements of this Lease.
4. Performance or satisfaction of all other obligations set forth in this Lease; and all services, utilities (maintenance required for the proper operation of the Property, the Building, and the Leased Premises, in accordance with the terms of the Lease, including, but not limited to, all inspections, modifications, repairs, replacements and improvements required to be made thereto to meet the requirements of this Lease.

1.04 RESERVED

1.05 TERMINATION RIGHTS (AUG 2011)

The Government may terminate this Lease, in whole or in parts, at any time effective after the firm term of this Lease by providing not less than 90 days' prior written notice to the Lessor. The effective date of the termination shall be the day following the expiration of the required notice period or the termination date set forth in the notice, whichever is later. No rental shall accrue after the effective date of termination.

1.06 RESERVED**1.07 DOCUMENTS INCORPORATED BY REFERENCE (AUG 2011)**

The following documents are incorporated by reference, as though fully set forth herein:

DOCUMENT NAME	NO. OF PAGES	EXHIBIT
FLOOR PLAN(S)		A
PARKING PLAN(S)		B
AGENCY APPROVED DESIGN SCHEMATIC		C
AGENCY SPECIFIC REQUIREMENTS		D
SECURITY REQUIREMENTS		E
UNIT PRICE LIST		F
GSA FORM 3516 SOLICITATION PROVISIONS		NA
GSA FORM 3517B GENERAL CLAUSES		NA
GSA FORM 3518, REPRESENTATIONS AND CERTIFICATIONS		NA
GSA FORM 1364: LESSOR AMENDMENTS		G

1.08 TENANT IMPROVEMENTS AND PRICING (STREAMLINED) (SEPT 2011)**TURNKEY PRICING INCLUDING AGENCY SPECIFIC REQUIREMENTS PACKAGE AND DESIGN SCHEMATIC WITH POST AWARD DID WORKSHOP (STREAMLINED) (AUG 2011)**

The Lessor has agreed to total TI pricing of **\$136,047.86** based on the Agency Specific Requirements package and design schematic included in Exhibit C. This amount is amortized in the rent over the firm term of this Lease at an interest rate of 8.5 percent per year. Price adjustments to the final DIDs will be made in accordance with the unit costs in Exhibit E attached hereto. Final rent calculations will be reconciled and the Lease will be amended after acceptance of the Space.

1.09 INTENTIONALLY DELETED (STREAMLINED) (SEPT 2011)**1.10 TENANT IMPROVEMENT FEE SCHEDULE (AUG 2011)**

For pricing TI costs as defined herein, the following rates shall apply for the initial build-out of the Space, and alterations of the Space subsequent to Acceptance:

	INITIAL BUILD-OUT	POST-ACCEPTANCE ALTERATIONS
Architect/Engineer Fees (% of Construction Costs)	██████ ⁴⁾	██████ ⁴⁾
Lessor's Project Management Fee (% of Construction Costs)	██████ ^{b)(4)}	██████ ^{b)(4)}

1.11 PERCENTAGE OF OCCUPANCY FOR TAX ADJUSTMENT, ESTABLISHMENT OF TAX BASE (AUG 2011)

As of the Lease Award Date, the Government's Percentage of Occupancy, as defined in the "Real Estate Tax Adjustment" clause of this lease is **100** percent. The percentage of occupancy is derived by dividing the total Government space of **5,586** RSF by the total building space of **5,586** rentable square feet.

The real estate tax base, as defined in the "Real Estate Tax Adjustment" clause of the Lease is the amount of unadjusted real estate taxes for the first full tax year following the commencement of the Lease term.

1.12 OPERATING COST BASE (AUG 2011)

The parties agree that for the purpose of applying the clause titled "Operating Costs Adjustment Included in Offer" that the Lessor's base rate for operating costs shall be **\$8.23** per rentable sq. ft (\$45,976.00/annum).

1.13 RATE FOR ADJUSTMENT FOR VACANT LEASED PREMISES (AUG 2011)

In accordance with the section entitled "Adjustment for Vacant Premises" if the Government fails to occupy or vacates the entire or any portion of the Leased Premises prior to expiration of the term of the Lease, the operating costs paid by the Government as part of the rent shall be reduced by **\$0.00** per ABOA SF of space vacated by the Government.

1.14 **HOURLY OVERTIME HVAC RATES (AUG 2011)**

The following rates shall apply in the application of the clause titled "Overtime HVAC Usage:"

\$50.00 per hour for the entire space.

1.15 **RESERVED**

1.16 **RESERVED**