

LEASE NO. GS-10P-LID07435

Building ID4408

Succeeding/Superseding Lease
GSA FORM L202 (September 2013)

This Lease is made and entered into between

New Phase Investments LLC

(Lessor), whose principal place of business is PO Box 756, Rigby, ID, and whose interest in the Property described herein is that of Fee Owner, and
The United States of America

(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:

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

2281 West Heyrand Way, Idaho Falls, ID 83402

and more fully described in Section 1 and Exhibit A.1, together with rights to the use of parking and other areas as set forth herein, to be used for such purposes as determined by GSA.

LEASE TERM

To Have and To Hold the said Premises with its appurtenances for the term beginning November 1, 2014, and continuing for a period of

10 Years, 5 Years Firm,

subject to termination and renewal rights as may be hereinafter set forth.

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

[Redacted signature area]

Date: 9/15/14

[Redacted signature area]

Lease Contracting Officer
General Services Administration, Public Buildings Service

Date: 10/29/14

WITNESSED FOR THE LESSOR BY

[Redacted signature area]

Name: MARTIN R. JONES

Title: member

Date: 9-17-14

The information collection requirements contained in this Solicitation/Contract, that are not required by the regulation, have been approved by the Office of Management and Budget pursuant to the Paperwork Reduction Act and assigned the OMB Control No. 3090-0163.

SECTION 1 THE PREMISES, RENT, AND OTHER TERMS

1.01 THE PREMISES (SUCCEEDING) (SEP 2013)

Unless otherwise noted, the Government accepts the Premises and tenant improvements in their existing condition, except where specifications or standards are contained elsewhere in this Lease. These standards include security improvements, Fire Protection and Life Safety requirements, ABAAS compliance, as well as compliance with all local codes and ordinances. Such acceptance by the Government of existing Premises shall not relieve Lessor of continuing obligations for cleaning, janitorial, maintenance, repair, etc. as set forth in the Lease paragraphs and attached General Clauses.

The Premises are described as follows:

A. Office, warehouse and Related Space: 26,104 rentable square feet (RSF), yielding 25,426 ANSI/BOMA Office Area (ABOA) square feet (SF) of office, warehouse and related Space located on the 1st and 2nd floor(s) of the Building, as depicted on the floor plan(s) attached hereto as Exhibit A.

B. Common Area Factor: The Common Area Factor (CAF) is established as 3 percent. This factor, which represents the conversion from ABOA to rentable square feet, rounded to the nearest whole percentage, shall be used for purposes of rental adjustments in accordance with the Payment Clause of the General Clauses.

1.02 EXPRESS APPURTENANT RIGHTS (SEP 2013)

The Government shall have the non-exclusive right to the use of Appurtenant Areas, and shall have the right to post Rules and Regulations Governing Conduct on Federal Property, Title 41 CFR, Part 102-74, Subpart C within such areas. The Government will coordinate with Lessor to ensure signage is consistent with Lessor's standards. Appurtenant to the Premises and included in the Lease are rights to use the following:

A. Parking: **157** surface/outside parking spaces as depicted on the plan attached hereto as Exhibit **A.2**, reserved 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: (1) Space located on the roof of the Building sufficient in size for the installation and placement of telecommunications equipment, (2) the right to access the roof of the Building, and (3) use of all Building areas (e.g., chases, plenums, etc.) necessary for the use, operation, and maintenance of such telecommunications equipment at all times during the term of this Lease.

1.03 RENT AND OTHER CONSIDERATIONS (SEP 2013)

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

	FIRM TERM (11/1/14 – 10/31/19)	NON FIRM TERM (11/1/19 – 10/31/24)
	ANNUAL RENT	ANNUAL RENT
BASE RENT¹	\$276,900	\$313,286.93
TENANT IMPROVEMENT RENT²	\$25,367.39	\$0
TOTAL ANNUAL RENT	\$302,267.39	\$313,286.93

¹ Base rent will be subject to 2.5% annual escalation during years 2-10

² Tenant improvement rent will amortize \$110,671.25 in building improvements (in excess of the \$161,000 Lessor contribution) at 5.5% over 5 years.

B. 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.

C. Rent shall be paid to 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 (CCR), now the System for Award Management (SAM). If the payee is different from the Lessor, both payee and Lessor must be registered in SAM.

D. 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 the paragraph entitled "The Premises."

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 (with the exception of electricity and natural gas), 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 INTENTIONALLY DELETED

1.05 TERMINATION RIGHTS (AUG 2011)

The Government may terminate this Lease, in whole or in part, 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 RENEWAL RIGHTS (SEP 2013)

This Lease may be renewed at the option of the Government for two terms of **█ YEARS** at the following rental rates:

	OPTION TERM #1, YEARS █	OPTION TERM #2, YEARS █
	ANNUAL RENT	ANNUAL RENT
TOTAL ANNUAL RENT*	█	█

*Rent will be subject to continuing **█** annual escalation during years **█**

provided notice is given to the Lessor at least 90 days before the end of the original Lease term, all other terms and conditions of this Lease, as same may have been amended, shall remain in full force and effect during any renewal term.

1.07 DOCUMENTS INCORPORATED IN THE LEASE (SEP 2013)

The following documents are attached to and made part of the Lease:

DOCUMENT NAME	NO. OF PAGES	EXHIBIT
FLOOR PLAN(S)	2	A-1
PARKING PLAN(S)	1	A-2
AGENCY SPECIFIC REQUIREMENTS	16	B
SECURITY REQUIREMENTS – LEVEL 1	4	C
GSA FORM 3516 SOLICITATION PROVISIONS	5	D
GSA FORM 3517B GENERAL CLAUSES	47	E
GSA FORM 3518, REPRESENTATIONS AND CERTIFICATIONS	10	F
COMPLETED SEISMIC CERTIFICATION	8	K
AMENDMENT #1 TO █ P 3ID0108, DATED 5/23/14	1	L
AMENDMENT #2 TO █ #3ID0108, DATED 6/11/14	1	M

1.08 TENANT IMPROVEMENT ALLOWANCE

Government and Lessor agree that the building modifications and improvements called for in this lease will be completed at a total cost of \$271,671.25. The Landlord agrees to make a total of \$161,000 available toward the construction of these modifications and improvements within the base rental rate. The Government agrees to spend an additional \$110,671.25 if necessary to complete the building modifications, which amount shall be amortized at a 5.5% annual rate over the firm term of the lease.

1.09 INTENTIONALLY DELETED

1.10 INTENTIONALLY DELETED

1.11 INTENTIONALLY DELETED

1.12 INTENTIONALLY DELETED

1.13 INTENTIONALLY DELETED

LESSOR:  GOVERNMENT: 

1.14 INTENTIONALLY DELETED

1.15 INTENTIONALLY DELETED

1.16 INTENTIONALLY DELETED

1.17 BUILDING IMPROVEMENTS (SEP 2012)

The Lessor shall complete the improvements identified in Exhibit B prior to acceptance of the Space:

LESSOR:  GOVERNMENT: 