

U.S. GOVERNMENT LEASE FOR REAL PROPERTY
(Short Form)

1. LEASE NUMBER
GS-09B-02705

PART I - SOLICITATION/DESCRIPTION OF REQUIREMENTS (To be completed by Government)

A. REQUIREMENTS

- 2. The Government of the United States of America is seeking to lease approximately 5,460 rentable square feet of office space located in Carson City, Nevada for occupancy not later than May 1, 2012 for a term of ten (10) years, five (5) years firm. Rentable space must yield a minimum of 4,748 to a maximum of 5,050 square feet of ANSI/BOMA Office Area (ABOA) together with four (4) reserved parking spaces for use by Tenant for personnel, furnishing, and equipment.**
- 3. INITIAL OFFERS ARE DUE ON OR BEFORE CLOSE OF BUSINESS July 30, 2010.**

B. STANDARD CONDITIONS AND REQUIREMENTS

4. The following standard conditions and requirements shall apply to any premises offered for lease to the UNITED STATES OF AMERICA (the GOVERNMENT):
- a. Space offered must be in a quality building of sound and substantial construction meeting the Government's requirements for the intended use.
 - b. The Lessor shall provide floor plans for the offered space and a valid Certificate of Occupancy for the intended use of the Government and shall meet, maintain, and operate the building in conformance with all applicable current (as of the date of this solicitation) codes and ordinances. If space is offered in a building to be constructed for lease to the Government, the building must be in compliance with the most recent edition of the building code, fire code, and ordinances adopted by the jurisdiction in which the building is located.
 - c. Offered space shall meet or be upgraded to meet the applicable egress requirements in National Fire Protection Association (NFPA) 101, *Life Safety Code* or an alternative approach or method for achieving a level of safety deemed equivalent and acceptable by the Government. Offered space located below-grade, including parking garage areas, and all areas referred to as "hazardous areas" (defined in NFPA 101) within the entire building (including non-Government areas), shall be protected by an automatic sprinkler system or an equivalent level of safety. Additional automatic fire sprinkler requirements will apply when offered space is located on or above the 6th floor. Unrestricted access to a minimum of two remote exits shall be provided on each floor of Government occupancy. Scissor stairs shall be counted as only one approved exit. Open-air exterior fire escapes will not be counted as an approved exit. Additional fire alarm system requirements will apply when offered space is located 2 or more stories in height above the lowest level of exit discharge.
 - d. The Building and the leased space shall be accessible to persons with disabilities in accordance with appendices C and D of 36 CFR Part 1191 (ABA Chapters 1 and 2 and Chapters 3 through 10 of the ADA-ABA Accessibility Guidelines).
 - e. The leased space shall be free of all asbestos containing materials, except undamaged asbestos flooring in the space or undamaged boiler or pipe insulation outside the space, in which case an asbestos management program conforming to Environmental Protection Agency guidance shall be implemented. The space shall be free of other hazardous materials and in compliance with applicable Federal, State, and local environmental laws and regulations.
 - f. Services, utilities, and maintenance will be provided daily, extending from 6:00 a.m. to 6:00 p.m. except Saturday, Sunday, and Federal holidays. The Government shall have access to the leased space at all times, including the use of electrical services, toilets, lights, elevators, and Government office machines without additional payment.
 - g. The Lessor shall complete any necessary alterations within 90 days from Government's issuance of Notice to Proceed.
 - h. The Offeror must have an active registration in the Central Contractor Registration (CCR) System (via the Internet at <http://www.ccr.gov>) prior to lease award and throughout the life of the lease. To remain active, the Lessor must update or renew its registration annually. The Government will not process rent payments to Lessors without an active CCR Registration. The Government will recognize no change of ownership of the leased premises until the new owner registers in the CCR system.

5. SERVICES AND UTILITIES (To be provided by Lessor as part of rent)

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|--|--|--|---|--|
| <input checked="" type="checkbox"/> HEAT | <input checked="" type="checkbox"/> TRASH REMOVAL | <input checked="" type="checkbox"/> ELEVATOR SERVICE | <input checked="" type="checkbox"/> INITIAL & REPLACEMENT LAMPS, TUBES & BALLASTS | <input type="checkbox"/> OTHER (Specify below) |
| <input checked="" type="checkbox"/> ELECTRICITY | <input checked="" type="checkbox"/> CHILLED DRINKING WATER | <input checked="" type="checkbox"/> WINDOW WASHING | <input checked="" type="checkbox"/> PAINTING FREQUENCY | |
| <input checked="" type="checkbox"/> POWER (Special Equip.) | <input checked="" type="checkbox"/> AIR CONDITIONING | Frequency <u>Bi-annually</u> | Space <u>Every 5 years</u> | |
| <input checked="" type="checkbox"/> WATER (Hot & Cold) | <input checked="" type="checkbox"/> TOILET SUPPLIES | <input checked="" type="checkbox"/> CARPET CLEANING | Public Areas <u>Every 5 years</u> | |
| <input checked="" type="checkbox"/> SNOW REMOVAL | <input checked="" type="checkbox"/> JANITORIAL SERV. & SUPP. | Frequency <u>Annually</u> | | |

[Handwritten Signature]
RAS

6. OTHER REQUIREMENTS

Offerors should also include the following with their offers:

The Offeror's proposed amortization rate for tenant alterations based on the allowance as specified in the attachment.

(1) Improvements to be completed at Lessor's sole expense with no cost to the Government before commencement of this lease:

(a) Resurface parking lot, weather permitting;

(2) The Lessor shall replace the broadloom carpet (see paragraph 37) per specification of the lease. At least three (3) color board samples shall be provided for selection. Once bids are reviewed and notice to proceed is given by the Government, the Lessor will have 60 days to complete the work. The TI cost will be amortized over the first two years of the lease @ 7% interest once tenant improvements are completed and accepted. Rent shall be adjusted to include the amortized tenant improvements per supplemental lease agreement.

(3) Attachments are listed below:

- Attachment #1 to GSA Form 3626 Minimum Lease Security Standards (2-pages)
- Attachment #2 to GSA Form 3626 Minimum GSA Requirements (19 -pages, paragraphs 1-38)
- Form 3517A - General Clauses (2-pages)
- Form 3518A - Representations and Certifications (4-pages)
- Pre-Lease Building Security Plan (6-pages)
- Seismic Certification (1-pages)
- Form 12000- Pre-Lease Fire & Life Safety Evaluation with a CAD/PDF of the space (4-pages)
- Broker Commission Agreement
- Building Floor Footprint of Space Offered (Provided by Offeror) (1 page)
- Form 1217 - Lessor's Annual Cost Statement (Completed by Offeror) (2 pages)
- Carpet bid

7. NOTE: All offers are subject to the terms and conditions outlined above, and elsewhere in this solicitation, including the Government's General Clauses and Representations and Certifications.

8. BASIS OF AWARD

- THE ACCEPTABLE OFFER WITH THE LOWEST PRICE PER SQUARE FOOT, ACCORDING TO THE ANSI/BOMA Z65.1-1996 DEFINITION FOR BOMA USABLE OFFICE AREA, WHICH MEANS "THE AREA WHERE A TENANT NORMALLY HOUSES PERSONNEL AND/OR FURNITURE, FOR WHICH A MEASUREMENT IS TO BE COMPUTED."
- OFFER MOST ADVANTAGEOUS TO THE GOVERNMENT, WITH THE FOLLOWING EVALUATION FACTORS BEING
 - SIGNIFICANTLY MORE IMPORTANT THAN PRICE
 - APPROXIMATELY EQUAL TO PRICE
 - SIGNIFICANTLY LESS IMPORTANT THAN PRICE
 - (Listed in descending order, unless stated otherwise):

PART II - OFFER (To be completed by Offeror/Owner and remain open until lease award)

A. LOCATION AND DESCRIPTION OF PREMISES OFFERED FOR LEASE BY GOVERNMENT

1. NAME AND ADDRESS OF BUILDING (Include ZIP Code) Richard A. Herz Office Complex 1390 S. Curry St. Carson City, NV 89703	2. LOCATION(S) IN BUILDING <table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td style="width:50%; vertical-align: top;"> a. FLOOR(S) 1 </td> <td style="width:50%; vertical-align: top;"> b. ROOM NUMBER(S) </td> </tr> <tr> <td style="vertical-align: top;"> c. SQ. FT. RENTABLE <u>5,015</u> ABOA <u>5,015</u> Common Area Factor <u>1.0</u> </td> <td style="vertical-align: top;"> d. TYPE <input checked="" type="checkbox"/> GENERAL OFFICE <input type="checkbox"/> OTHER (Specify) <input type="checkbox"/> WAREHOUSE </td> </tr> </table>	a. FLOOR(S) 1	b. ROOM NUMBER(S)	c. SQ. FT. RENTABLE <u>5,015</u> ABOA <u>5,015</u> Common Area Factor <u>1.0</u>	d. TYPE <input checked="" type="checkbox"/> GENERAL OFFICE <input type="checkbox"/> OTHER (Specify) <input type="checkbox"/> WAREHOUSE
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B. TERM

3. To have and to hold, for the term commencing on September 1, 2011 continuing through August 31, 2021 inclusive. The Government may terminate this lease in whole or in part at any time on or after year five (5), by giving at least 90 days 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.

C. RENTAL

4. Rent shall be payable in arrears and will be due on the first workday of each month. When the date for commencement of the lease falls after the 15th day of the month, the initial rental payment shall be due on the first workday of the second month following the commencement date. Rent for a period of less than a month shall be prorated.

5. AMOUNT OF ANNUAL RENT \$74,623.20 for years 1-5 \$86,659.20 for years 6-10	7. HVAC OVERTIME RATE PER HOUR N/A	8. ELECTRONIC FUNDS TRANSFER PAYMENT SHALL BE MADE TO (Name and Address) Richard & Lee Herz Dixon, Trustee of the Richard & Patricia Herz trust for the Lee Herz Dixon Family 1300-1390 S. Curry St. Carson City, NV 89703-5202
6. RATE PER MONTH \$6,218.60 for years 1-5 \$7,221.60 for years 6-10		

9a. NAME AND ADDRESS OF OWNER (Include ZIP code. If requested by the Government and the owner is a partnership or joint venture, list all General Partners, using a separate sheet, if necessary.)
 Richard & Lee Herz Dixon, Trustee of the Richard & Patricia Herz Trust for the Lee Herz Dixon Family, 1300-1390 S. Curry St., Carson City, NV 89703-5202

9b. TELEPHONE NUMBER OF OWNER [REDACTED]	10. TYPE OF INTEREST IN PROPERTY OF PERSON SIGNING <input checked="" type="checkbox"/> OWNER <input type="checkbox"/> AUTHORIZED AGENT <input type="checkbox"/> OTHER (Specify)
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11a. NAME OF OWNER OR AUTHORIZED AGENT (Type or Print) [REDACTED]	11b. TITLE OF PERSON SIGNING Owner
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11d. DATE
8-30-11

AWARD (To be completed by Government)

1. Your offer is hereby accepted. This award consummates the lease which consists of the following attached documents: (a) this GSA Form 3626, (b) Representations and Certifications, (c) the Government's General Clauses, any attachments listed below:

(1) Attachments are listed below:

- Attachment #1 to GSA Form 3626 Minimum Lease Security Standards (2-pages)
- Attachment #2 to GSA Form 3626 Minimum GSA Requirements (19 -pages)
- Attachment #3 to GSA Form 3626 (2-pages)
- Building Floor Footprint of Space Offered (Provided by Offeror) (1 page)

2. Lease GS-09B-96239 is hereby terminated effective August 31, 2011 and Lessor waives all claims under lease GS-09B-96239.

3. Pursuant to Section 11.0 of this lease, included in the rental rate are the Lessor's Base Annual Operating Expenses of \$4.75 per Rentable Square Foot.

4. Pursuant to Section 10 "Tax Adjustment" of this lease, for purposes of tax escalation, the Government occupies 5,015 of the total 45,000 rentable square feet of the building (11.14%). Included in the rental rate are Lessor's Annual Taxes of \$0.62 per Rentable Square Foot.

5. Tenant Improvements - The Government intends to amortize into the rental rate, upon completion of the tenant improvements, \$45,000 over 2 years at 7% for the tenant improvement allowance. Of this \$45,000, an amount not to exceed \$43,802.00 shall be allocated towards carpet and amount not to exceed \$1,198 shall be allocated towards paint touch up. Lessor shall provide proof of labor and materials costs of paint touch up to Government for verification that costs are fair and reasonable. This will be submitted to the Government prior to the Government's issuance of Notice to Proceed with paint touch up, etc.

6. Tenant Improvements have not been completed as of the effective date of this GSA Form 3626. The Government intends to pay Annual Rent per Section C.Rental 5. effective September 1, 2011. Upon completion and acceptance by the Government of Tenant Improvements for the space, a Supplemental Lease Agreement will be issued to amortize the Tenant Improvements into the rental rate.

2. THIS DOCUMENT IS NOT BINDING ON THE GOVERNMENT OF THE UNITED STATES OF AMERICA UNLESS SIGNED BELOW BY AUTHORIZED CONTRACTING OFFICER.

3a. NAME OF CONTRACTING OFFICER (Type or Print)

Richard A. Scott

3c. DATE

SEP 06 2011