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 1,380 rentable square feet of office space located in Klamath Falls, Oregon for occupancy not later than July 27, 2010 for a term of ten years. Rentable space must yield a minimum of 1,317 to a maximum of 1,380 square feet of ANSI/BOMA Office Area (ABOA) for use by Tenant for personnel, furnishing, and equipment.

3. INITIAL OFFERS ARE DUE ON OR BEFORE CLOSE OF BUSINESS June 11, 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. Seisnor 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 (ADA-ADA 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 7:00 a.m. to 5:00 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. Paragraph g is intentionally deleted.

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)

<table>
<thead>
<tr>
<th>Heat</th>
<th>Electricity</th>
<th>Trash Removal</th>
<th>Elevator Service</th>
<th>Initial &amp; Replacement</th>
<th>Other</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

6. OTHER REQUIREMENTS

Offerors should also include the following with their offers:

- Attachment 1 (Pages 1 - 14) (initialed)
- GSA Form 12000 - Pre-Lease Fire Protection and Life Safety (Pages 1-4) (completed/signed/initialed)
- GSA Form 3517A - General Clauses (Pages 1-2) (initialed)
- GSA Form 3518A - Representation and Certifications (Pages 1-4) (completed/signed/initialed)
- SF388 I - ACH Vendor/Miscellaneous Payment Enrollment Form (Page 1) (completed/signed/initialed)

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 RATING
  - SIGNIFICANTLY MORE IMPORTANT THAN PRICE
  - APPROXIMATELY EQUAL TO PRICE
  - SIGNIFICANTLY LESS IMPORTANT THAN PRICE
  (Listed in descending order, unless stated otherwise)
PART II - OFFER

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

<table>
<thead>
<tr>
<th>Name and Address of Building (Include ZIP Code)</th>
<th>Location(s) in Building</th>
</tr>
</thead>
<tbody>
<tr>
<td>Earley Building</td>
<td></td>
</tr>
<tr>
<td>507 Main Street</td>
<td></td>
</tr>
<tr>
<td>Klamath Falls, OR 97601-6031</td>
<td></td>
</tr>
</tbody>
</table>

Earley Building

<table>
<thead>
<tr>
<th>Floor(s)</th>
<th>Room Number(s)</th>
<th>Space Type</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td></td>
<td>General Office</td>
</tr>
</tbody>
</table>

3. To have and to hold, for the term commencing on July 27, 2010 and continuing through July 26, 2020 inclusive, subject to renewal rights as set forth in Paragraph 1 of Attachment 1.

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.

<table>
<thead>
<tr>
<th>Amount of Annual Rent</th>
<th>$20,700.00</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rate Per Month</td>
<td>$1,725.00</td>
</tr>
</tbody>
</table>

5. ELECTRONIC FUNDS TRANSFER PAYMENT SHALL BE MADE TO:

Robert L. Hesseltine
312 S Crescent Ave, Suite B
Lodi, CA 95240-2053

6. NAME AND ADDRESS OF OWNER (Include ZIP code. If requested by the Government, the owner is a partnership or joint venture, list all General Partners, using a separate sheet, if necessary):

Hesseltine Realty, 312 S Crescent Ave, Suite B, Lodi, CA 95240-2053

7. TYPE OF INTEREST IN PROPERTY OF PERSON SIGNING:

Owner

8. NAME AND ADDRESS OF CONTRACTING OFFICER:

LINDSEY D. SNOW
CONTRACTING OFFICER

PART III - AWARD

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, and (d) the following changes or additions made or agreed to by you:

- Attachment 1 (Pages 1 - 14)
- GSA Form 3517A - Special Space Specifications and Requirements (Pages 1-77)
- GSA Form 3518A - General Clauses (Pages 1-2)
- GSA Form 3518A - Representation and Certifications (Pages 1-4)
- Floorplan

This lease succeeds lease LOR06225. Upon the effective date of this lease, the previous lease is terminated.

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

LINDSEY D. SNOW
CONTRACTING OFFICER

GENERAL SERVICES ADMINISTRATION
GSA FORM 3626 (REV. 4/2009)
Page 2 of 2
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