

U.S. GOVERNMENT
LEASE FOR REAL PROPERTY

DATE OF LEASE:

JAN 21 2011

LEASE No. GS-09B-02434

THIS LEASE, made and entered into this date between: **Art Nieman**

whose address is:

Art Nieman
[REDACTED]
[REDACTED]

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:
3,944 rentable square feet (r.s.f.), yielding approximately **3,944** ANSI/BOMA Office Area square feet and related space located on the **first (1st)** Floor at the **Nieman Building, 9380 Bond Avenue, Suite A, El Cajon, CA 92021-2851**, together with **seven (7)** reserved, on-site parking spaces for Government vehicles. **Four (4)** spaces shall be available in front of the building and **three (3)** spaces should be available in the secure wareyard.
2. **TO HAVE AND TO HOLD** the said Premises with their appurtenances for the term beginning on February 15, 2011 through February 14, 2021, subject to termination and renewal rights as may be hereinafter set forth.
3. The Government shall pay the Lessor annual rent of \$71, 307.52 at the rate of \$5,942.29 per month in arrears. Rent for a lesser period shall be prorated. Rent checks shall be payable to:

Art Nieman
[REDACTED]
4. The Government may terminate this lease in whole or in part effective at any time after the **fifth (5th)** year of this lease by giving at least **ninety (90) 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; provided that the Government shall make payments for lump sum items identified in Paragraph 3.3 of the attachment sheets in the amounts specified therein. Rent is subject to adjustment in accordance with Paragraph 3.3, "Tenant Improvement Rental Adjustment" of the SFO. All cost associated with services, utilities, maintenance, repair, replacement, inspections, improvements and other requirements as required by the Solicitation For Offers No. 9CA2576 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.
- D. The space modifications as described herein as part of the Special Requirements described in Paragraph 11.1:
 - (1) 4' x 8', 5/8" fireproof plywood mounted on wall
 - (1) 20 amp, 120VAC dedicated electrical circuit. Mounted on left side of security system panel plywood. 24" AFF, in 1900 box with cover. No receptacle - will be used to hard wire security power.
 - ~~(1) dedicated analog Telco circuit for security system alarm dialer~~ **AN LB**
 - ~~(1) LAN/WAN IT drop mounted on left side of security system panel plywood. 54" AEF~~ **AN LB**

The Government will be responsible for installing the LENEL Security System.

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) Sheets no. 1-2 containing Paragraphs 9-18;
- b) The Solicitation For Offers Number 9CA2576 (pages 1- 39) (all references to SFO shall also refer to any Special Requirements and Amendments);
- c) Amendment # 1 for SFO # 9CA2576 dated July 21, 2010
- d) GSA Form 3517 (pages 1-2);
- e) GSA Form 3518 (pages 1-7);

8. The following changes were made in this lease prior to its execution:

Paragraphs 5 of this STANDARD FORM 2 was deleted in its entirety. Paragraphs 9 through 17 have been added.

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

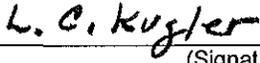
Lessor: Art Nieman

By: 
(Signature)


(Signature)

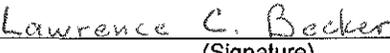
IN PRESENCE OF:


(Signature)


(Signature)

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

By: 
CONTRACTING OFFICER, GSA


(Signature)

SHEET NUMBER 1 ATTACHED TO AND FORMING A PART OF LEASE NO. GS-09B-02434

9. PARAGRAPH 9 IS INTENTIONALLY OMITTED.

10. PARAGRAPH 10 IS INTENTIONALLY OMITTED.

11. **TAX ADJUSTMENT:** Pursuant to Paragraph 4.2, "Tax Adjustment," for purposes of tax escalation, the Government occupies 3,944/7,400 rentable square fee (53.3%).

12. **OPERATING COST:** Pursuant to Paragraph 4.3, "Operating Costs," the base rate for purposes of operating cost escalation is established at \$6.58 per rentable square foot per annum.

13. **ADJUSTMENT FOR VACANT PREMISES:** Pursuant to Paragraph 4.4, "Adjustment for Vacant Premises," in the event of the Government vacating in whole or in part prior to lease expiration, the rental will be reduced by \$4.60 per ANSI/BOMA Office area (ABOA) usable square foot per annum for operating expenses. The Adjustment for Vacant Premises rate shall be escalated annually based upon Paragraph 4.3, "Operating Costs."

14. **OVERTIME USAGE:** Pursuant to Paragraph 4.6, "Overtime Usage," upon request by the GSA Field Office Manager, the Lessor shall provide heating, ventilation, and air-conditioning (HVAC) at any time beyond normal service hours (7:00 a.m. – 6:00 p.m.), Monday through Friday, and 9:00 a.m-12:00 p.m. Saturday except Federal Holidays ("Normal Hours"), at a rate of \$4.60 per hour for the premises. The Lessor will not charge the Government if Lessor otherwise provides these services to other building tenants during the Government's overtime hours. The Lessor must submit a proper invoice quarterly to GSA Building Manager or designee located at U.S. General Services Administration, 880 Front Street, Suite 4236, Los Angeles, CA 92101 to receive payment.

15. **UNAUTHORIZED IMPROVEMENTS:** All questions pertaining to this lease agreement shall be referred in writing to the General Services Administration Contracting Officer. This contract is between GSA and the Lessor. GSA assumes no financial responsibility for any cost incurred by the Lessor except as provided by the terms of the lease agreement or authorized in writing by the GSA Contracting Officer. If Lessor delivers space with improvements not authorized or requested in writing by the GSA Contracting Officer, then Lessor shall not be entitled to compensation.

16. 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" appears in this Lease, they shall be deemed to mean "Premises."

17. **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] x 3,944 RSF x 5-years x [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] ([REDACTED] x 3,944 RSF x 5-years x [REDACTED] x [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 \$5,942.29 minus prorated Commission Credit of [REDACTED] equals [REDACTED]9 adjusted First Month's Rent.

Second Month's Rental Payment \$5,942.29 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted Second Month's rent.

Initials: AM & LB
Lessor Govt