

U.S. GOVERNMENT LEASE FOR REAL PROPERTY

DATE OF LEASE

1-27-2011

LEASE NO.

LCO14568

THIS LEASE, made and entered into this date by and between **RICHARD S COULTER**, private owner

whose address is **12653 OSBORNE STREET
PACOIMA, CA 91331-2104**

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:

A total of 3,472 rentable square feet (RSF) of office and related space, which yields 3,472 ANS/BOMA Office Area square feet (USF) of space located at **111 Waverly Avenue, Trinidad, CO 81082-2039** (Legal description being in the County of Las Animas, Colorado, Capitol Hill Block 8, South 35 feet of lots 1-2-3-4 and the South 35 feet of the Easterly 17.5 feet of lot 5 and lots 26-27-28-29-30) to be used for such purposes as determined by the General Services Administration. Included in the rent at no additional cost to the Government are twelve (12) parking spaces for exclusive use of Government employees and patrons.

2. TO HAVE AND TO HOLD the said premises with their appurtenances for the term beginning within forty-five (45) days after the Contracting Officer issues the Tenant Improvement Notice to Proceed and continuing for twenty (20) years, subject to termination and renewal rights as may be hereinafter set forth.

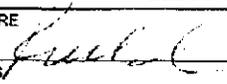
3. The Government shall pay the Lessor annual rent of \$98,187.76 paid monthly in arrears for years one (1) through five (5), \$111,902.16 paid monthly in arrears for years six (6) through ten (10), \$113,742.32 paid monthly in arrears, and \$98,187.76 paid monthly in arrears for years sixteen (16) through twenty (20) per the table below. Rent for a lesser period shall be prorated.

YEARS 1-5	RSF	\$/RSF	Annual Rent
Tenant Imp. Allow.	3,472	\$ 3.96	\$ 13,749.12
Bldg. Spec. Sec.	3,472	\$ 0.52	\$ 1,805.44
Shell Rent	3,472	\$ 16.85	\$ 58,503.20
Operating Expenses	3,472	\$ 6.94	\$ 24,130.00
Years 1-5 Annual Rent			\$ 98,187.76

YEARS 6-10	RSF	\$/RSF	Annual Rent
Tenant Imp. Allow.	3,472	\$ 3.96	\$ 13,749.12
Bldg. Spec. Sec.	3,472	\$ 0.52	\$ 1,805.44
Shell Rent	3,472	\$ 20.80	\$ 72,217.60
Operating Expenses	3,472	\$ 6.94	\$ 24,130.00
Years 5-10 Annual Rent			\$ 111,902.16

LESSOR: ALBUQUERQUE PLAZA OFFICE INVESTMENT, LLC, a Delaware limited partnership

SIGNATURE



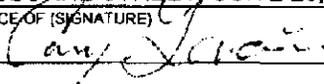
NAME OF SIGNER

RICHARD S COULTER

ADDRESS

12653 OSBORNE STREET/SUITE 26, PACOIMA, CA 91331

IN THE PRESENCE OF (SIGNATURE)

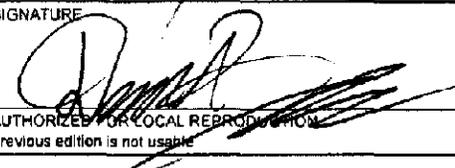


NAME OF SIGNER

CARY GARCIA

UNITED STATES OF AMERICA

SIGNATURE



NAME OF SIGNER

DANA BECKWITH

OFFICIAL TITLE OF SIGNER

LEASING CONTRACTING OFFICER

YEARS 11-15	RSF	\$/RSF	Annual Rent
Tenant Imp. Allow.	3,472	\$ 3.98	\$ 13,749.12
Bldg. Spec. Sec.	3,472	\$ 0.52	\$ 1,805.44
Shell Rent	3,472	\$ 21.33	\$ 74,057.76
Operating Expenses	3,472	\$ 6.94	\$ 24,130.00
Years 10-15 Annual Rent			\$ 113,742.32

YEARS 16-20	RSF	\$/RSF	Annual Rent
Shell Rent	3,472	\$ 21.33	\$ 74,057.76
Operating Expenses	3,472	\$ 6.94	\$ 24,130.00
Years 16-20 Annual Rent			\$ 98,187.76

Rent shall be made payable to:

RICHARD S COULTER
12653 OSBORNE STREET, SUITE 26
PACOIMA, CA 91331

4. The Government may terminate this lease in whole or in part at any time after the fifteenth (15th) year of the lease by giving at least ninety (90) days' notice in writing to the Lessor and 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 omitted.
6. The Lessor shall furnish to the Government, as part to the rental consideration, the following:
 - A. Those facilities, services, supplies, utilities, and maintenance in accordance with SFO# 9CO2060b dated 08/02/10.
 - B. Build out in accordance with standards set forth in SFO 9CO2060b dated 08/02/10, as amended, and the Government's design intent drawings. Government space plans shall be developed subsequent to award. All tenant alterations to be completed by the lease effective date identified under Paragraph 2 above. Lease term to be effective on date of occupancy, if different from the date identified in Paragraph 2. The Lessor hereby waives restoration.
 - C. Deviations to the approved design intent drawings will not be permitted unless prior written authorization is obtained from the GSA Contracting Officer.
7. The following are attached and made a part hereof:
 - A. SFO Amendment #1 dated September 28, 2010, 2 pages.
 - B. SFO Amendment #1 Davis Bacon Labor Wages dated 09/28/2010, 8 pages.
 - C. Solicitation for Offers # 9CO02060b dated 08/02/10, 54 pages.
 - D. [REDACTED] - Trinidad, CO Special Requirements, 23 pages.
 - E. GSA Form 3517B entitled GENERAL CLAUSES (Rev. 11/05), 33 pages.
 - F. GSA Form 3518 entitled REPRESENTATIONS AND CERTIFICATIONS (Rev. 1/07).
8. In accordance with the SFO paragraph entitled *Tenant Improvement Rental Adjustment*, Tenant Improvements in the total amount of \$129,435.98 (3,307 USF x \$39.14) shall be amortized through the rent for fifteen (15) years at the rate of 8.75%. The total annual cost of Tenant Improvements for the amortization period shall be \$13,749.12. The cost of the Tenant Improvements to the Government shall not exceed \$129,435.98. If the Tenant Improvement costs are lower than the offered amount it shall result in a credit to the Government.
9. In accordance with the SFO paragraph entitled *Percentage of Occupancy*, the percentage of Government occupancy is established as 100% (3,472 RSF / 3,472 RSF).
10. In accordance with the SFO paragraph entitled *Operating Costs Base*, the escalation base is established as \$24,130.00/annum (\$6.94988/RSF).

11. In accordance with the SFO paragraph entitled *Common Area Factor*, the common area factor is established as 1.00 (3,472 RSF/3,472 USF).
12. In accordance with the SFO paragraph entitled *Tax Adjustment*, the initial tax base is \$9,000.00 (which is included in the shell rate).
13. In accordance with the SFO paragraph entitled *Adjustment for Vacant Premises*, the adjustment is established as \$3.35/ABOASF for vacant space (rental reduction).
14. In accordance with the SFO Paragraph entitled *Overtime Usage*, The rate for overtime usage is established as \$32.00 per hour for the entire building or any portion thereof. Overtime will not be charged during the building normal hours of 6:30 am to 5:30 pm M-F.
15. The Lessor and the Broker have agreed to a cooperating lease commission of [REDACTED] of the fifteen (15) year firm term value of this lease valued at \$1,619,161.20. The total amount of the commission is [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]. 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 monthly shell rental payments due and owing under this lease shall be reduced to fully recapture this Commission Credit.
16. The General Conditions shall be at the rate of 5% and the General Contractor's Fee shall be at the rate of 7%.
17. Architectural and Engineering Fees shall be \$3.50 per ANSI/BOMA office usable square foot for the area that requires tenant improvements above the shell only.
18. The Lessor Mark-up shall be [REDACTED] of the total project costs.
19. The Lessor hereby waives and forever relinquishes any right to make a claim against the Government for restoration arising from alteration or removal of any alteration by the Government during the term of this lease or any extensions, and for alterations completed by either the Government or Lessor including initial build out of the lease space and/or any subsequent modifications required during the lease period. At the Government's sole discretion, alterations that remain in the leased space after termination of the lease contract will become property of the Lessor.
20. All questions pertaining to this Lease shall be referred to the Contracting Officer of the General Services Administration (GSA) or their designee. The Government occupant is not authorized to administer this lease and GSA assumes no responsibility for any cost incurred by the Lessor except as provided by the terms of this Lease or any other authorized cost in writing by the GSA Contracting Officer. The Lessor will not be reimbursed for any services not provided for in this Lease, including but not limited to repairs, changes of scope of work, alterations, and overtime services without the written authorization of a Contracting Officer. Additionally, rental will not be paid for occupancy in whole or in part except for the term specified herein.
21. Commitments the Lessor has made:
 1. The sidewalk will be maintained by the adjacent property owner. There is no building down the hill from me so I would maintain it.
 2. I will have the same person that maintains my parking lot keep the sidewalk along Waverly Ave. clear in the winter.
 3. I don't know of any plans to improve the sidewalk along Waverly Ave. at this time, but if it is not in good enough shape for pedestrian traffic I will repair it.
 4. The city maintains Waverly Ave. year round and removes the snow from it in the winter.