

US GOVERNMENT LEASE FOR REAL PROPERTY

DATE OF LEASE

September 19, 2011

LEASE NO.

GS-10B-07311

Bldg # ID4402

THIS LEASE, made and entered into this date by and between T & B LAND HOLDING, LLC

Whose address is 950 W. BANNOCK STREET, SUITE #270
BOISE, IDAHO 83002-5999

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 9,973 rentable square feet (RSF) of office and related space, which yields 8,748 ANSI/BOMA Office Area square feet (USF) of space at Banner Bank Building, 950 W. Bannock Street, Boise, Idaho 83702-5999 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 seven (7) parking spaces for exclusive use of Government employees and patrons, although included in the rent parking shall be valued at \$1,080.00 per space/year

2. TO HAVE AND TO HOLD the said premises with their appurtenances for the term beginning on the date accepted by the Government as complete and ready for occupancy through the following ten (10) years term in accordance with the Paragraph 5.10 (G.) entitled "Acceptance of Space and Certificate of Occupancy."

3. The Government shall pay the Lessor annual rent as follows:

Years	Annual Shell Rent	Annual Operating Cost	Annual Amortized TI's	Annual Building Specific Security	Total Annual Rent
1 - 3	\$181,608.33	\$24,832.77*	\$53,126.47	\$11,584.14	\$271,151.71
4 - 6	\$195,171.61	\$24,832.77*	\$53,126.47	\$11,584.14	\$284,714.99
7 - 10	\$209,433.00	\$24,832.77*	\$53,126.47	\$11,584.14	\$298,976.38

*Subject to annual operating cost adjustments

Rent for a lesser period shall be prorated and paid in arrears. Rent checks shall be made payable to:

T & B LAND HOLDING, LLC
C/O: 10TH AND BANNOCK, LLC
950 W. BANNOCK STREET, SUITE #270
BOISE, IDAHO 83002-5999

4. PARAGRAPH 4 IS INTENTIONALLY OMITTED.

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

LESSOR
T & B LAND HOLDING, LLC

BY *Gary J. Christensen*
(Signature) *Its Manager*

Manager
(Title)

IN PRESENCE OF

950 W. Bannock #270
BOISE, ID 83201
(Address)

UNITED STATES OF AMERICA

BY *[Signature]*
(Signature)

Contracting Officer, General Services Administration

(Official Title)

5. This lease may be renewed at the option of the Government, for the following terms and at the following rental rates:

Years	Annual Shell Rent	Annual Operating Cost*	Total Annual Rent
11 - 16	\$209,732.19	\$24,932.50	\$234,664.69

*Subject to previous year's annual operating cost adjustments

provided notice be given in writing to the Lessor at least 120 days before the end of the original lease term or any renewal term; all other terms and conditions of this lease shall remain the same during any renewal term. Said notice shall be computed commencing with the day after the date of mailing.

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 7ID2124 dated May 20, 2011.
 - B. Build out in accordance with standards set forth in SFO 7ID2124 dated May 20, 2011, 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. Solicitation for Offers 7ID2124 dated May 20, 2011
 - B. GSA Form 3517 entitled GENERAL CLAUSES (Rev. [11/05])
 - C. 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 \$366,891.12 (8,748 USF x \$41.94) shall be amortized through the rent for ten (10) years at the rate of 7.875%. The total annual cost of Tenant Improvements for the amortization period shall be \$53,126.47.
9. In accordance with the SFO paragraph entitled *Tax Adjustment*, the base year taxes are established at \$2.03. Taxes shall be increased or decreased from the base pursuant to annual adjustment per the SFO. The tax Parcel number(s) is identified as R1013003480. The first adjustment will be for the 2012 calendar year.
10. In accordance with the SFO paragraph entitled *Percentage of Occupancy*, the percentage of Government occupancy is established as (9,973/171,666) or 5.81%.
11. In accordance with the SFO paragraph entitled *Operating Costs Base*, the escalation base is established as \$2.50/RSF (\$24,932.50/annum).
12. In accordance with the SFO paragraph entitled *Common Area Factor*, the common area factor is established as 14% (9,973 RSF/8,748 USF).
13. In accordance with the SFO paragraph entitled *Adjustment for Vacant Premises*, the adjustment is established as \$1.15/USF for vacant space (rental reduction).
14. In accordance with the SFO Paragraph entitled *Overtime Usage*, overtime shall be provided at no additional cost to the Government. The rate for overtime usage is established as \$10.00 per hour for the entire Government space.
15. Building Security costs in the total amount of \$80,000 shall be amortized through the rent for 120 months at the rate of 7.875%.
16. The Lessor waives restoration per paragraph 5.14 of the SFO.

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17. COMMISSION AND COMMISSION CREDIT: In accordance with SFO Paragraph 2.3. Broker Commission and Commission Credit, UGL Services Equis Operations Co. ("Broker") is the authorized real estate broker representing GSA in connection with this lease transaction. The total amount of the Commission is [REDACTED] and is earned upon lease execution, payable according to the Commission Agreement signed between the two parties, executed on June 9, 2011. Due to the Commission Credit described in SFO Paragraph 2.3.B, only [REDACTED] of the Commission, will be payable to UGL Services Equis Operations Co. with the remaining [REDACTED] which is the "Commission Credit", to be credited to the shell rental portion of the annual rental payments due and owing to fully recapture this Commission Credit. The reduction in shell rent shall commence with the first month of the rental payments and continue until the credit has been fully recaptured in equal monthly installments over the shortest time period practicable.

Notwithstanding Paragraph 3 of this Lease, 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 apply to the first month of the rental payments as indicated in this schedule for adjusted Monthly Shell Rent:

First Month's Shell Rental Payment is \$15,134.04 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted First Month's Shell Rent.

Second Month's Shell Rental Payment is \$15,134.04 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted Second Month's Shell Rent.

Third Month's Shell Rental Payment is \$15,134.04 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted Third Month's Shell Rent.

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