STANDARD FORM 2 FEBRUARY 1965 EDITION GENERAL SERVICES ADMINISTRATION FPR (41CFR) 1D16.601	**U.S. GOVERNMENT LEASE FOR REAL PROPERTY**
DATE OF LEASE: 5/5/2011	LEASE No. GS-09B-02669

THIS LEASE, made and entered into this date between AWD II, LLC

whose address is: 123 N. San Francisco St., Suite 300
Flagstaff, Arizona 86001

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:

   Block A: A total of 14,002 rentable square feet (r.s.f.), yielding approximately 13,423 ANSI/BOMA Office Area square feet and related space located at 123 North San Francisco Street, Flagstaff, Arizona 86001, together with 15 reserved parking spaces, to be used for SUCH PURPOSES AS DETERMINED BY THE GENERAL SERVICES ADMINISTRATION.

   Block B: A total of 621 rentable square feet (r.s.f.), yielding approximately 595 ANSI/BOMA Office Area square feet and related space located at 123 North San Francisco Street, Flagstaff, Arizona 86001, together with 1 reserved parking space, to be used for SUCH PURPOSES AS DETERMINED BY THE GENERAL SERVICES ADMINISTRATION.

   A total of 14,623 Rentable Square Feet of office and related space, consisting of 14,018 BOMA Usable Square Feet, along with sixteen (16) on-site parking spaces.

2. TO HAVE AND TO HOLD the said Premises with their appurtenances for the term beginning on April 1, 2011 through March 31, 2021, subject to termination and renewal rights as may be hereinafter set forth.

3. PARAGRAPH 3 IS INTENTIONALLY OMITTED.

4. **Block A**: The Government may terminate Block A in whole or in part effective at any time after the 5th year of this lease by giving at least 30 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.

   Block B: The Government may terminate Block B in whole or in part effective at any time by giving at least 30 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.

CONTINUED ON ATTACHED PAGE.

6. The Lessor shall furnish to the Government as part of the rental consideration, the following:
   A. The 16 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 final construction drawings. Rent is subject to adjustment in accordance with Paragraph 3.3, "Tenant Improvement Rental Adjustment" of the SFO. All costs associated with services, utilities, maintenance, repair, replacement, inspections, improvements and other requirements as required by the Solicitation For Offers No. 0AZ2043 and its attachments.
   C. Adequate space for telecommunications antennae and transmission devises in accordance with Paragraph entitled, "Telecommunications: Local Exchange Access," of the Solicitation for Offers.

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) The Solicitation For Offers Number 0AZ2043(pages 1-52) (all references to SFO shall also refer to any Special Requirements and Amendments);
   b) Amendment Number 1 (pages 1-2);
   c) GSA Form 3517 (pages 1-33);
   d) GSA Form 3518 (pages 1-7);
   e) Sheet No. 1 containing Paragraphs 9-21;

8. The following changes were made in this lease prior to its execution:
   Paragraphs 3, 5 and 9 of this STANDARD FORM 2 were deleted in their entirety. Paragraphs 10 through 18 have been added.

9. PARAGRAPH 9 IS INTENTIONALLY OMITTED.

CONTINUED ON ATTACHED PAGE.

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

LESSOR: AWD-II, LLC

BY _____ _____
(Signature) (Signature)

IN PRESENCE OF:

_____ _____
(Signature) (Address)

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

BY _____
CONTRACTING OFFICER, GSA

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   A. The 16 parking space(s) described in Paragraph 1 and parking spaces required by local code.

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

LESSOR: AWD II, LLC

BY _____ _____
(Signature) (Signature)

IN PRESENCE OF:

_____ 1230 N. San Francisco Street, Flagstaff, AZ 86001
(Signature) DEANNA S. AREND (Address)

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

BY _____
CONTRACTING OFFICER, GSA

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EXCEPTION TO SF2 APPROVED

6. The Lessor shall furnish to the Government as part of the rental consideration, the following:
   A. The 16 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 final construction drawings. Rent is subject to adjustment in accordance with Paragraph 3.3, "Tenant Improvement Rental Adjustment" of the SFO. All costs associated with services, utilities, maintenance, repair, replacement, inspections, improvements and other requirements as required by the Solicitation For Offers No. 0AZ2043 and its attachments.
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LESSOR: AWD II, LLC

BY _____ _____
(Signature) (Signature)

IN PRESENCE OF:

_____ 123 N San Francisco Street, Flagstaff, AZ 86001
(Signature) DEANNA S. AREND (Address)

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

BY _____
CONTRACTING OFFICER, GSA

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SHEET NUMBER 1 ATTACHED TO AND FORMING A PART OF LEASE NO. GS-09B-02669

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

    Years 1-5: Annual rent of $367,915.18 at the rate of $30,659.60 per month in arrears.
    Years 6-10: Annual rent of $386,632.64 at the rate of $32,219.39 per month in arrears.

    Rent for a lesser period shall be prorated. Rent checks shall be payable to:

    AWD II, LLC
    123 N. San Francisco Street
    Flagstaff, AZ 86001

11. TAX ADJUSTMENT: Pursuant to Paragraph 4.2, "Tax Adjustment GSAM 552.270-24," for purposes of tax escalation, the Government occupies 14,623/33,250 rentable square feet (43.98%).

12. OPERATING COST: Pursuant to Paragraph 4.3, "Operating Costs" , the base rate for purposes of operating cost escalation is established at $6.63 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 $6.63 per rentable 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 (6 a.m. - 6 p.m., Monday through Friday, and except Federal Holidays ("Normal Hours"), at a rate of $0.00 per hour. 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 230 North Avenue, Phoenix AZ 85025, to receive payment.

15. 24 HOUR ROOMS: The Overtime Usage rate specified above shall not apply to any portion of the Premises that is required to have heating and cooling 24 hours per day as specified by the Lease. The charges for heating and cooling of these areas shall be provided at the rate of $0.00 per hour after "Normal Hours".

16. UNAUTHORIZED IMPROVEMENTS: All questions pertaining to this lease agreement shall be referred in writing to the General Service Administration Contracting Officer. This contract is between GSA and the AWD II, LLC. GSA assumes no financial responsibility for any cost incurred by the Lessor except as provided by the term 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 if the improvements remain in place after the Government's acceptance of the space.**

17. 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" appear in this Lease, they shall be deemed to mean "Premises".

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Initials: _____ & _____
Lessor Government

SHEET NUMBER 2 ATTACHED TO AND FORMING A PART OF LEASE NO. GS-09B-02669

18. Pursuant to Paragraph 3.1, "**Unit Costs for Adjustment**", the following negotiated amounts may be used, during the first year of the lease to price alterations costing $100,000 or less. These prices may be indexed or renegotiated to apply to subsequent years of the lease upon mutual agreement of the Lessor and the Government.

ITEM	UNIT COST
1. The cost per linear foot of office subdividing ceiling-high partitioning.	[redacted] (b)(4)
2. The cost per floor-mounted duplex electrical outlet.	[redacted]
3. The cost per wall-mounted duplex electrical outlet.	[redacted]
4. The cost per floor-mounted fourplex (double duplex) electrical outlet.	[redacted]
5. The cost per wall-mounted fourplex (double duplex) electrical outlet.	[redacted]
6. The cost per dedicated clean electrical computer receptacle.	[redacted]
7. The cost per floor-mounted telephone/data outlet.	[redacted]
8. The cost per wall-mounted telephone/data outlet.	[redacted]
9. The cost per interior door.	[redacted]

Initials: _____ & _____
Lessor Government