

U.S. GOVERNMENT
LEASE FOR REAL PROPERTY

DATE OF LEASE:

LEASE NO.: GS-08P-14361

THIS LEASE, made and entered into this date by and between

Whose address is Acquest Development, LLC
80 Curtwright Drive, Suite 5
Williamsville, NY 14221

and whose interest in the property is hereinafter described as that of owner hereinafter called the Lessor for the premises described below and the UNITED STATES OF AMERICA, hereinafter called the Government:

WITNESSETH: The parties hereto for the consideration hereinafter mentioned, covenant and agree as follows:

1. The Lessor hereby leases to the Government the following described premises:

34,000 rentable square feet of office, warehouse and storage space which yields 32,200 ANSI/BOMA office area square feet. The facility will be constructed on that certain real property consisting of approximately 10.0 acres located 600 feet north of the intersection of US Highway 2 and County Road 5 in the southwest quarter of Section 33, Township 152 North, Range 51 West, in Grand Forks County, North Dakota (as described in Exhibit A attached hereto – legal description). Such facility described herein, together with the real property shall be hereinafter collectively referred to as the "Leased Premises" (as described in Exhibit B attached hereto)

A total of ninety (90) parking spaces are available to the Government, its visitors and employees at no additional cost. Thirty-five (35) of the parking spaces will be located in a heated garage. Fifty (50) outdoor, surface parking spaces will be designated for employees and the remaining five (5) outdoor, surface parking spaces will be designated for visitors.

Said premises to be used for such purposes as determined by the General Services Administration.

2. TO HAVE AND TO HOLD the said premises with their appurtenances for the term beginning on December 1, 2009 through November 30, 2029, subject to any renewal rights as may be hereinafter set forth.
3. The Government shall pay the Lessor rent as follows:

<u>TERM</u>	<u>ANNUAL RENT</u>	<u>MONTHLY RENT</u>	<u>RATE/RSF</u>
Years 1 – 20	\$1,411,000.00	\$117,583.33	\$41.50

Lessor has agreed to a gross rental abatement for months 1 through 6 which does not include the commission credit. Gross rent shall be abated for Months 1 through 6 and the commission credit from Shell Rent shall commence in Month 7 as described in Paragraph 34 herein.

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

Acquest Development, LLC
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4. The Government may terminate this lease at any time after the 15th year 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. This lease may be renewed at the option of the Government, for the following terms and at the following rentals; provided notice be given in writing to the Lessor at least _____ 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.

Handwritten signature/initials

9. The date of this lease is the date this contract was formed as a result of the Government's acceptance of the Lessor's Final Proposal Revision offer dated February 23, 2009, submitted by the Lessor under SFO No. 7ND2051 and all attachments. This Lease reflects the terms and conditions of the accepted Final Proposal Revision Offer.
10. Design Intent Drawings will be due from the Lessor within forty-five (45) working days from award. The space will be constructed and ready for occupancy by December 1, 2009. The space will comply with the handicap accessibility requirements of the Lease.
11. The date of December 1, 2009 in Paragraph 2 of the Standard Form 2 ("SF-2") herein is the estimated effective date. If the actual date of substantial completion is different from this date, then the actual effective date shall be established by Supplemental Lease Agreement. The lease term will then be in effect for twenty (20) years thereafter (unless terminated in accordance with Paragraph 4 of the SF-2), computed from the actual effective date. The anniversary date for adjustments shall be adjusted to coincide with any revised actual effective date.
12. The total ANSI/BOMA square foot area referred to in Paragraph 1 of the SF-2 herein is subject to an adjustment with the actual number of ANSI/BOMA square feet delivered to be determined by mutual field measurements. However, it is mutually agreed that the total ANSI/BOMA office area square feet may not exceed the maximum limitation of 32,200 ANSI/BOMA office area square feet as stated in Paragraph 1.1 of the Lease. If the actual number of ANSI/BOMA square feet differs from Paragraph 1 of the SF-2, the Lease shall be amended by Supplemental Lease Agreement after field measurement to establish the square footage in compliance with the terms of this paragraph. Should there be any adjustment in the actual amount of ANSI/BOMA area delivered, the per annum rental rate referred to in Paragraph 3 hereinabove shall be adjusted according to the rates set forth in Paragraph 3.
13. In accordance with Paragraph 3.11 of the Lease, the Common Area Factor is established as 1.056.
14. For the purpose of computing Operating Cost adjustments in accordance with Paragraph 4.4 of the Lease, the cost of services base is \$ 239,000 per annum or \$7.03 per rentable square foot of 34,000 square feet of rentable office, warehouse and storage space.
15. The lease is subject to real estate tax escalation. For tax escalation in accordance with terms of Paragraph 4.3 of the Lease, the percentage of occupancy is 100. The parcel codes for the property will be added to the Lease by Supplemental Lease Agreement.
16. Pursuant to Paragraph 4.9 of the Lease, in the event of the Government vacating in whole or in part prior to lease expiration, the rental will be reduced by \$3.00 per ANSI/BOMA Office Area square foot per annum for operating expenses.
17. Lessor shall provide heating, ventilation and air-conditioning (HVAC) Services, twenty-four (24) hours a day, seven (7) days a week.
18. Lessor shall provide Janitorial service within Tenant's space seven (7) days a week, during working hours while a tenant agency representative is present.

INITIALS:

WST

CMAA

LESSOR

GOVERNMENT

34. In accordance with Paragraph 1.13 (Broker Commission and Commission Credit), Studley, Inc. ("Studley") is the authorized real estate broker representing GSA in connection with this lease transaction. The Lessor and Studley have agreed to a cooperating lease commission of [REDACTED] of the firm term value of this lease ("Commission"). The total amount of the Commission is [REDACTED] which is subject to adjustment based on lump payment of tenant buildout and rent reduction. This Commission is earned upon lease execution and payable (i) one-half (1/2) when the Lease is awarded and (ii) one-half (1/2) upon the earlier of Tenant's occupancy of the premises leased pursuant to the Lease or the commencement date of the Lease. Due to the Commission Credit, which shall be hereby agreed to as [REDACTED], only [REDACTED] which is [REDACTED] of the Commission, will be payable to Studley (i) one-half (1/2) when the Lease is awarded and (ii) one-half (1/2) upon the earlier of Tenant's occupancy of the premises leased pursuant to the Lease or the commencement date of the Lease. The remaining [REDACTED], which is [REDACTED] of the Commission ("Commission Credit"), shall be credited to the Government as a credit to the shell rental portion of the annual rental payments.

Notwithstanding Paragraph 3 of the 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 seventh month of the rental payments and continue as indicated in this schedule for adjusted Monthly Rent:

Seventh Month's Rental Payment \$117,583 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted Seventh Month's rent.
Eighth Month's Rental Payment \$117,583 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted Eighth Month's rent.
Ninth Month's Rental Payment \$117,583 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted Ninth Month's rent.
Tenth Month's Rental Payment \$117,583 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted Tenth Month's rent.
Eleventh Month's Rental Payment \$117,583 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted Eleventh Month's rent.
Twelfth Month's Rental Payment \$117,583 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted Twelfth Month's rent.

INITIALS: West CMASO
LESSOR GOVERNMENT