

# US GOVERNMENT LEASE FOR REAL PROPERTY

DATE OF LEASE

LEASE NO. LSD14322

THIS LEASE, made and entered into this date by and between **SBC ARCHWAY VII, LLC**

Whose address is 6161 S SYRACUSE WAY, STE 330  
GREENWOOD VILLAGE, CO 80111-4755

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 18,711 rentable square feet (RSF) of office and related space, which yields 18,339 ANSI/BOMA Office Area square feet (USF) of space in a building to be constructed at 2350 Sophia Court, Rapid City, South Dakota 57702, 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 60 secured, surface parking spaces for exclusive use of Government employees and patrons.

2. **TO HAVE AND TO HOLD** the Premises with their appurtenances for the term beginning on the day the space is accepted by the Government as complete and ready for occupancy through the following 10 (ten) years term in accordance with the Paragraph entitled "Acceptance of Space" herein, subject to termination rights as may be hereinafter set forth.

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

- For Months 1 - 3, Free Rent shall be applied to Shell and Operating Rent only. Rent payments for these first three months shall be paid in the amount of \$10,679.83.

- For Months 4 - 120, Annual Rent of \$644,781.06 at the rate of \$53,731.76 per month in arrears. Annual rent is inclusive on the following rent breakdown:

Rent Breakdown (Years 1-10)	Annual Rent	Monthly Rent
Shell Rent	\$421,945.41	\$35,162.12
Operating Cost	\$94,677.66	\$7,889.81
Amortization of TI	\$112,928.11	\$9,410.67
Amortization of BSAC*	\$15,229.88	\$1,269.16
Full Service Rent	\$644,781.06	\$53,731.76

\*Building Specific Amortized Security Costs

- Rent for a lessor period shall be prorated. Rent checks shall be made payable to:

SBC ARCHWAY VII, LLC  
6161 S SYRACUSE WAY, STE 330  
GREENWOOD VILLAGE, CO 80111-4755

4. The Government has no termination rights during the term of this lease.

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

MANAGING MEMBER  
(Title)

6161 S. SYRACUSE WAY, SUITE 330  
GREENWOOD VILLAGE, CO. 80111  
(Address)

UNITED STATES OF AMERICA

BY

Contracting Officer, General Services Administration  
(Official Title)

5. 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 8SD2034 dated June 11, 2009, as amended.
  - B. Build out in accordance with standards set forth in SFO 8SD2034 dated June 11, 2009, 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.

6. The following are attached and made a part hereof:
- A. Solicitation for Offers 8SD2034 dated June 11, 2009, and Amendment 1, dated June 25, 2009;
  - B. [Redacted] Space Allocation & Design Model, Appendices A-I;
  - C. GSA Form 3517 entitled GENERAL CLAUSES (Rev. [11/05]);
  - D. GSA Form 3518 entitled REPRESENTATIONS AND CERTIFICATIONS (Rev. [1/07]);
  - E. Site Plan;
  - F. Floor Plan;
  - G. Davis-Bacon Wage Rates

7. In accordance with the SFO paragraph 3.2 entitled *Tenant Improvement Rental Adjustment*, Tenant Improvements in the total amount of \$823,237.71 (18,339 USF x \$44.89) may be amortized through the rent for 10 years at the rate of 6.65%, and shall be paid at a rate of \$9,410.67 per month. The total annual cost of Tenant Improvements for the amortization period shall be \$112,928.11. Any adjustments to these tenant improvement costs shall be paid at occupancy per SFO Paragraph 3.3 and documented through a Supplemental Lease Agreement (SLA).

8. Security costs in the total amount of \$111,025.00 shall be amortized through the rent for 120 months at the rate of 6.65%. These costs shall be handled as building specific security shell items, per SFO Section 10.0, and thus will not be reimbursed via lump sum payment to the Lessor.

9. Pursuant to SFO Paragraph 4.2, "Tax Adjustment," the base rate for purposes of tax escalation is established at \$2.03 per rentable square foot per annum; the Government occupies 18,711 / 18,711 rentable square feet (100%).

10. In accordance with the SFO paragraph entitled *Operating Costs Base*, the escalation base is established as \$5.06/RSF (\$94,677.66/annum).

11. In accordance with the SFO paragraph entitled *Common Area Factor*, the common area factor is established as 1.02 (18,711 RSF/18,339 USF).

12. In accordance with the SFO paragraph entitled *Adjustment for Vacant Premises*, the adjustment is established as \$1.00/USF for vacant space (rental reduction).

13. In accordance with the SFO Paragraph entitled *Overtime Usage*, the rate for overtime usage is established as \$45.00 per hour for the entire building or any portion thereof.

14. 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 \$3.00/sf/annually.

15. 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]. 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 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:

Fourth Month's Rental Payment \$53,731.76 minus prorated Commission Credit of [Redacted] equals [Redacted] adjusted Fourth Month's Rent

Fifth Month's Rental Payment \$53,731.76 minus prorated Commission Credit of [Redacted] equals [Redacted] adjusted Fifth Month's Rent

Sixth Month's Rental Payment \$53,731.76 minus prorated Commission Credit of [Redacted] equals [Redacted] adjusted Sixth Month's Rent

The Lessor hereby waives restoration.

LESSOR

UNITED STATES OF AMERICA

BY

*MAA*

(Initial)

BY

*MAA*

(Initial)