U.S. GOVERNMENT LEASE FOR REAL PROPERTY

DATE OF LEASE: 9/7/2010

LEASE NO.

LUT14540

THIS LEASE, made and entered into this date August 15, 2011 by and between Bella Vista Plaza, LLC

Whose address is 2069 N. Main St. STE 200. Cedar City, UT 84721

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:

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

- *A total of 1,433 rentable square feet (RSF) of office and related space, which yields 1,143 ANSI/BOMA Office Area square feet (USF) of space at Bella Vista Plaza, 2069 N. Main St. Cedar City, UT 84721 as indicated on the attached Floor Plan, to be used for such purposes as determined by the General Services Administration.
- * Included in the rent and at no additional cost to the government are 2 surface parking spaces for exclusive use of the Government employees and patrons.
- * The common area factor for the leased premises occupied by the Government is established as 1.25 (see "Common Area Factor" paragraph of the lease).
- *The leased premises occupied by the Government for real estate tax adjustments is established as 9.28% (see also "Percentage Occupancy" paragraph of the lease).
- 2. TO HAVE AND TO HOLD the said premises with their appurtenances for a term of 10 years 5 years firm beginning on 8/15/2011. Design and construction of the space shall begin upon award of this lease in conformance with the Construction Schedule of Tenant Improvements paragraph of the attached Solicitation for Offers. The commencement date of this lease, along with any applicable termination and renewal rights, shall more specifically be set forth in a Supplemental Lease Agreement upon substantial completion and acceptance of the space by the Government.
- The Government shall pay the Lessor annual rent of \$34,350.21rsf at the rate of \$2,862.5175
 per month in arrears. Base operating cost of \$4.75/RSF will be used and adjusted annually per SFO paragraph 4.3
 Operating Costs.

Rent checks shall be made payable to:

Bella Vista Plaza, LLC 2069 N. Main St. Ste 200 Cedar City, UT. 84721

- 4. The Government may terminate this lease in whole or in part at any time on or after 8/15/2016 by giving at least 60 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. The Lessor shall furnish to the Government, as part to the rental consideration, the following:
 Those tenant improvements, facilities, services, supplies, utilities, and maintenance in accordance with SFO 7UT2125.
- 6. The following are attached and made a part hereof:
 - X A. Standard Form 2
 - X B. Schedule of Rent Components:
 - X C. Solicitation for Offers 7UT2125
 - X D. Supplemental Lease Requirements
 - X E. GSA Form 3517 entitled GENERAL CLAUSES (Rev. 11/05
 - X F. GSA Form 3518 entitled REPRESENTATIONS AND CERTIFICATIONS

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- 7. In accordance with the SFO paragraph entitled Tenant Improvement Rental Adjustment, Tenant Improvements in the total amount of \$86,644.21 are amortized through the rent for 5 years at the rate of 7.25%. The amortized cost of these improvements are included in the stated rent in Paragraph 3 above. Deviations to the approved design intent drawings will not be permitted unless prior written authorization is obtained from the GSA Contracting Officer.
 - a. Annual rent for years 6 to 10 will be reduced to reflect elimination of the amoritized tenant improvement component.
- In accordance with the SFO paragraph entitled Operating Costs Base, the base is established as \$4.75 per RSF (\$6,806.75 per annum).
- In accordance with the SFO paragraph entitled Adjustment for Vacant Premises, the adjustment is established as \$5.60 per USF for vacant space (rental reduction).
- In accordance with the SFO Paragraph entitled Overtime Usage, the rate for overtime usage is established as \$.78 per ABOA RSF.

Areas requiring 24 hour HVAC (LAN, etc.) \$3.14 per ABOA RSF.

- 11. In accordance with SFO Paragraph entitled Tax adjustment, the base year tax rate for the building is \$21,150
- The Lessor shall furnish to the Government as part of the rental consideration, the following:
 - a. All labor, materials, equipment, design, professional 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. All costs associated with services, utilities, maintenance, repair, replacement, inspections, improvements and other requirements as required by solicitation for offer No. 7UT2125 and it's attachments.
- 13. The Lessor shall remain responsible for maintenance, repair, and replacement of any installed items under this lease.

 These items can be removed by the Government at any time and the Lessor waives restoration in connection with these items. If after the lease term and any extended, renewal or succeeding lease term, the Government elects to abandon any items in place, the title shall pass to the Lessor

SCHEDULE OF RENT COMPONENTS

Annual Rent applies to Years	Rentable S.F.	Base Rent	Operating Costs**	Total TI*	Taxes	Total Rent	Annual Rent psf
0 to 5	1,433	\$15462.56	\$6,806.75	\$10,118.18	\$1,962	\$34,350.21	\$23.97
6 to 10	1,433	\$15,462.56	\$6,806.75	\$0.00	\$1,962	\$24,232.03	\$16.9 1

^{*}The Tenant Improvements Allowance is amortized at a rate of 7.25% per annum for 5 years.

INITIALS & GOV'T

STANDARD FORM 2 (REV. 12/2008)

^{**} CPI adjustments apply annually

^{***} Years 6 to 10 on rent schedule are pending CPI adjustments.

IN WITNESS WHEREOF, the parties hereto have hereunto s	ESSOR
Lessor Bella Vista Pleza LLC	NAME OF SIGNER DUCUSCOMS MONOYING MCHINOLO
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	nanaging me
2069 N. Main ST Coderly, UT 347	21
IN THE PRESENCE OF (SIGNATURE)	NAME OF SIGNER
	Charles A. Fetersen
	Charles H. PETERSEN
UNITED STA	ATES OF AMERICA
	NAME OF SIGNER
	OFFICIAL TITLE OF SIGNER
	OFFICIAL TITLE OF SIGNER
	Jewing Contracting Officer
	STANDARD FORM 2 (REV. 12/200 Prescribed by GSA – FPR (41 CFR) 1-:16:6
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	INITIALS: & LESSOR GOV'T