

US GOVERNMENT LEASE FOR REAL PROPERTY

DATE OF LEASE

12/1/09

LEASE NO.

GS-10B-07091

Bldg #

4270 WLO

THIS LEASE, made and entered into this date by and between MK PLAZA TRUST

Whose address is 720 PARK BOULEVARD, SUITE 100
BOISE, ID 83712

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 4,533 rentable square feet (RSF) of office and related space, which yields 4,485 ANSI/BOMA Office Area square feet (USF) of space at Washington Group Plaza - 720 Park Boulevard, Boise, ID 83712 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 18 surface parking spaces for the use of Government employees and patrons.

2. **TO HAVE AND TO HOLD** the said premises with their appurtenances for the term beginning upon completion and acceptance of the work required by this lease and continuing for a period of ten (10) years, with a firm term of five (5) years, subject to termination and renewal rights as may be hereinafter set forth. The actual lease term dates will be forth established by Supplemental Lease Agreement.

3. The Government shall pay the Lessor annual rent of \$121,575.06 at the rate of \$10,131.26 per month in arrears for years 1 - 5 and \$86,127.00 at the rate of \$7,177.25 per month arrears for years 6 - 10.

For months 1 through 2, monthly rent shall be reduced by the amount of commission credit agreed to in this lease, and shall be paid based upon the adjusted schedule stated in Paragraph 17 herein.

For months 3 through 60, rent shall be structured as follows

Rent Breakdown (Years 1- 5)	Annual Rent
Shell Rent	\$ 52,356.15
Operating Cost	\$ 26,971.35
Amortization of TI	\$ 42,247.56
Full Service Rent	\$121,575.06

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

LESSOR
MK PLAZA TRUST

BY

E. P. Narayan

(Signature)

IN PRESENCE OF

John James

(Signature)

President

(Title)

UNITED STATES OF AMERICA

BY

Contracting Officer, General Services Administration

(Signature)

Contracting Officer, General Services Administration

(Official Title)

For months 61 through 120, rent shall be structured as follows

Rent Breakdown (Years 6- 10)	Annual Rent
Shell Rent	\$59,155.65
Operating Cost	\$ 26,971.35
Amortization of TI	N/A
Full Service Rent	\$86,127.00

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

MK PLAZA TRUST
C/O AMERICAN RESURGENS MGMT CORP.
720 PARK BOULEVARD, SUITE 100
BOISE, ID 83712

4. The Government may terminate this lease in whole or in part at any time after the end of the fifth year by giving at least 120 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. PARAGRAPH 5 IS INTENTIONALLY OMITTED.

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 8ID2059 dated April 27, 2009, as amended in Amendments 1, dated June 17, 2009.

B. Build out in accordance with standards set forth in SFO 8ID2059 dated April 27, 2009, as amended in Amendments 1, dated June 17, 2009, 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 8ID2059 dated April 27, 2009, as amended in Amendments 1, dated June 17, 2009.

B. GSA Form 3517 entitled GENERAL CLAUSES (Rev. [11/05])

C. GSA Form 3518 entitled REPRESENTATIONS AND CERTIFICATIONS (Rev. [1/07])

D. Sheet No.1 containing Paragraphs 13-42

E. Site Plan (Exhibit "A", Page 1)

F. Floor Plan (Exhibit "B", Page 1)

8. In accordance with the SFO paragraph entitled *Tenant Improvement Rental Adjustment*, Tenant Improvements in the total amount of \$173,659.20 shall be amortized through the rent for 5 years at the rate of 8.00%. The total annual cost of Tenant Improvements for the amortization period shall be \$42,247.56.

9. Tax Adjustment: Pursuant to Paragraph 4.2, "Tax Adjustment (SEP 2000)," for purposes of tax escalation, the Government occupies 4,533 / 556,146 (0.815% of Office Park) rentable square feet. Base year taxes are established at \$4,882.44 (\$1.0771/RSF). Taxes shall be increased or decreased from the base pursuant to annual adjustment per Section 4.3 of the SFO. Tax parcel number is identified as R1088500195.

10. In accordance with the SFO paragraph entitled *Operating Costs Base*, the escalation base is established as \$5.95/RSF (\$26,971.35/annum).

11. In accordance with the SFO paragraph entitled *Common Area Factor*, the common area factor is established as 1.0107 (4,533 RSF/4,485 USF).

12. In accordance with the SFO paragraph entitled *Adjustment for Vacant Premises*, the adjustment is established as \$0.00/USF for vacant space (rental reduction).

LESSOR

UNITED STATES OF AMERICA

BY

EAM

(Initial)

BY

MFO

(Initial)

SHEET NO. 1 ATTACHED TO AND FORMING A PART OF LEASE NO. GS-10B-07101

13. In accordance with the SFO Paragraph entitled *Overtime Usage*, the rate for overtime usage is established as \$0.00 per hour for the entire building or any portion thereof.
14. PARAGRAPH 14 IS INTENTIONALLY OMITTED.
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 \$00.00 per hour after "Normal Hours."
16. The Lessor hereby waives restoration.
17. The Lessor and the Broker have agreed to a cooperating lease commission of [REDACTED] of the firm term value of this lease, excluding the Tenant Improvement Allowance. 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.

First Month's Rental Payment of \$10,131.26 minus one half of the Commission Credit [REDACTED] equals [REDACTED] adjusted First Month's Rent.

Second Month's Rental Payment of \$10,131.26 minus one half of the Commission Credit [REDACTED] equals [REDACTED] adjusted Second Month's Rent.

18. As the Government is not the sole or predominant tenant, Solicitation for Offers Paragraph 1.13 Labor Standards does not apply.
19. Notwithstanding Solicitation for Offers Paragraph 6.5 Window Coverings, the building standard blind, a Hunter Douglas - Bronze mini blind, is an acceptable covering.
20. The brick and carpet common area floors adjacent to the leased space are acceptable to the Government and are deemed acceptable in accordance with Solicitation for Offers Paragraph 6.6.Floors and Floor Load A.3.
21. Notwithstanding Solicitation for Offers Paragraph 6.11 Building Directory, the building directory is [REDACTED], but is acceptable in its current condition, situated adjacent to the [REDACTED].
22. In accordance with the approval required in Solicitation for Offers Paragraph 7.9 Doors: Identification, the building standard signage is acceptable to the Government.

23. In accordance with the approval required in Solicitation for Offers Paragraph 7.11 Wall Finishes A.1.a., ceramic tile on the remaining wall areas of all restrooms within the building common areas of Government-occupied floors is an acceptable finish to the Government.
24. In accordance with the approval required in Solicitation for Offers Paragraph 7.13 Building Shell A.3., brick as the exposed interior floor finish in the building common areas is acceptable to the Government.
25. Solicitation for Offers Paragraph 8.3 Energy Cost Savings will be adhered to in the leased space. The fact that 95% of the complex is in compliance with this provision is acceptable to the Government.
26. Notwithstanding Solicitation for Offers Paragraph 8.2 Building Systems, whenever requested, at the Government's expense, the Lessor will furnish a report by a registered professional engineer(s) showing that the building and its systems as designed and constructed will satisfy the requirements of this lease.
27. Notwithstanding Solicitation for Offers Paragraph 8.6 Toilet Rooms A.2.h, the counters in the building common area restrooms are acceptable to the Government.
28. Notwithstanding Solicitation for Offers Paragraph 8.9 Heating and Air Conditioning A, the building central heating and cooling system is acceptable to the Government.
29. In accordance with the approval required in Solicitation for Offers Paragraph 8.18 Elevators E., the existing elevator interior finishes are acceptable to the Government.
30. The entry security items specified in Solicitation for Offers Paragraph 10.15 and 10.16 are Tenant Improvement items and will be paid for out of the Government requested allowance.
31. Notwithstanding Solicitation for Offers Paragraph 10.18 [REDACTED] [REDACTED] have been provided as a part of this lease.
32. Solicitation for Offers Paragraph 10.21 Shatter Resistant Window Protection Requirements does not apply since the leased space does not have any building exterior windows.
33. Solicitation for Offers Paragraph 10.23 Security Design Criteria through 10.28 Security Design Criteria: Design and Engineering Documents do not apply since the leased space is not new construction.
34. Notwithstanding Paragraph 3 of Page 4 of the agency special requirements, the lessor will not be required to provide signage from the primary or secondary street as an alternative to direct visibility.
35. Notwithstanding Paragraph 1 of Section F. Parking of the agency special requirements, no reserved parking, including "in and out" parking, will be provided under this lease.
36. Notwithstanding Paragraph (1) Employee Restrooms of Page 17 of the agency special requirements, the lessor will not be required to provide pushbutton combination type locks for employee restrooms if not part of the actual office space.
37. Notwithstanding Paragraph (1) Employee Restrooms of Page 17 of the agency special requirements, painted surfaces in all restrooms shall be repainted every five years at the Lessor's expense. Other required replacement or repair of wall coverings shall be at the expense of the Government.

38. Paragraph (2) Visitors Restrooms of Page 17 is a Tenant Improvement and will be built as specified.
39. Notwithstanding Paragraph 2 Office Identification Signs of Page 21, no outside signs will be mounted on building exterior walls nor shall directional signs be included.
40. Notwithstanding Paragraph 1 of Section 4. General Office Requirements 4. Floor Coverings of Page 22 of the agency special requirements, carpet shall be replaced every five years at the Lessor's expense. Other required replacement or repair of carpeting shall be at the expense of the Government.
41. Notwithstanding Paragraph 2 of Section 4. General Office Requirements 5. Wall Finishes and Coverings of Page 22 of the agency special requirements, painted surfaces in the reception room and restroom shall be repainted every five years at the Lessor's expense. Other required replacement or repair of wall coverings shall be at the expense of the Government.
42. Notwithstanding Item (c) Submittals b) 3) of Page 49 of the agency special requirements, security clearances will not be required for personnel before work begins.