

LEASE NO. GS-07P-LNM17295

Succeeding/Superseding Lease
GSA FORM L202 (September 2013)

This Lease is made and entered into between

Lessor's Name: Gila Property LLP

(Lessor), whose principal place of business is 4808 Jefferson NE, Albuquerque, NM 87109-2103, and whose interest in the Property described herein is that of Fee Owner, and

The United States of America

(Government), acting by and through the designated representative of the General Services Administration (GSA), upon the terms and conditions set forth herein.

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

Lessor hereby leases to the Government the Premises described herein, being all or a portion of the Property located at

**Gila Forest Service
3005 E. Camino Del Bosque
Silver City, NM 88061-7863**

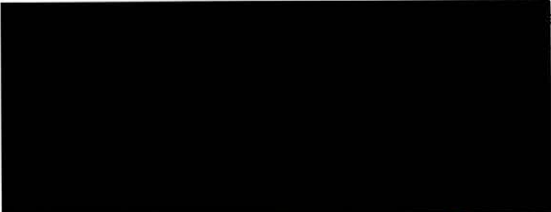
and more fully described in Section 1 and Exhibit A, together with rights to the use of parking and other areas as set forth herein, to be used for such purposes as determined by GSA.

LEASE TERM

To Have and To Hold the said Premises with its appurtenances for the term beginning either upon **March 10, 2014**, and continuing for a period of **15 Years, 10 Years Firm**,

subject to termination and renewal rights as may be hereinafter set forth. The commencement date of this Lease shall be March 10, 2014.

By their agreement to all terms and conditions set forth herein by their signatures below, to be lease to the Lessor.



Name: William A. Segó

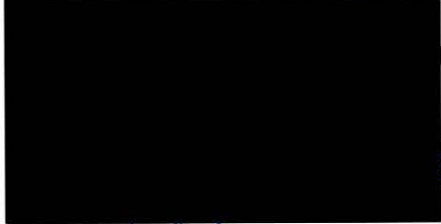
Lease Contracting Officer

Title: Manager

General Services Administration, Public Buildings Service

Date: MARCH 6, 2014

Date: 3/18/14



BY:

Title: SPM

Date: 3-6-14

The information collection requirements contained in this Solicitation/Contract, that are not required by the regulation, have been approved by the Office of Management and Budget pursuant to the Paperwork Reduction Act and assigned the OMB Control No. 3090-0163.

SECTION 1 THE PREMISES, RENT, AND OTHER TERMS

1.01 THE PREMISES (SUCCEEDING) (SEP 2013)

Unless otherwise noted, the Government accepts the Premises and tenant improvements in their existing condition, except where specifications or standards are contained elsewhere in this Lease. These standards include security improvements, Fire Protection and Life Safety requirements, ABAAS compliance, as well as compliance with all local codes and ordinances. Such acceptance by the Government of existing Premises shall not relieve Lessor of continuing obligations for cleaning, janitorial, maintenance, repair, etc. as set forth in the Lease paragraphs and attached General Clauses.

The Premises are described as follows:

A. **Office and Related Space:** 29,554 rentable square feet (RSF), yielding 26,592 ANS/BOMA Office Area (ABOA) square feet (SF) of office and related Space located on the 1st floor and occupies the entire Building, as depicted on the floor plan(s) attached hereto as Exhibit A.

	RSF	ANS/BOMA
OFFICE	27,067	24,354
WAREHOUSE	2,487	2,238
TOTAL	29,554	26,592

B. **Common Area Factor:** The Common Area Factor (CAF) is established as 1.111386883 percent. This factor, which represents the conversion from ABOA to rentable square feet, rounded to the nearest whole percentage, shall be used for purposes of rental adjustments in accordance with the Payment Clause of the General Clauses.

1.02 EXPRESS APPURTENANT RIGHTS (SEP 2013)

The Government shall have the non-exclusive right to the use of Appurtenant Areas, and shall have the right to post Rules and Regulations Governing Conduct on Federal Property, Title 41 CFR, Part 102-74, Subpart C within such areas. The Government will coordinate with Lessor to ensure signage is consistent with Lessor's standards. Appurtenant to the Premises and included in the Lease are rights to use the following:

A. **Parking:** 60 parking spaces as depicted on the plan attached hereto as Exhibit B, reserved for the exclusive use of the Government, of which 0 shall be structured/inside parking spaces, and 60 shall be surface/outside parking spaces. In addition, the Lessor shall provide such additional parking spaces as required by the applicable code of the local government entity having jurisdiction over the Property at no additional cost to the Government.

B. Intentionally deleted.

1.03 RENT AND OTHER CONSIDERATIONS (SEP 2013)

A. The Government shall pay the Lessor annual rent, payable in monthly installments in arrears, at the following rates:

	FIRM TERM YR. 1 – YR. 5 MARCH 10, 2014 – MARCH 9, 2019	FIRM TERM YR. 6 – YR. 10 MARCH 10, 2019 – MARCH 9, 2024	NON FIRM TERM YR. 11 – YR. 15 MARCH 10, 2024 – MARCH 9, 2029
	ANNUAL RENT	ANNUAL RENT	ANNUAL RENT
SHELL RENT ¹	\$ 312,770.82	\$ 328,409.36	\$ 344,829.83
TENANT IMPROVEMENTS RENT ²	\$ 0.00	\$ 0.00	\$ 0.00
OPERATING COSTS ³	\$ 151,550.00	\$ 151,550.00	\$ 151,550.00
PARKING ⁴	\$ 0.00	\$ 0.00	\$ 0.00
TOTAL ANNUAL RENT	\$ 464,320.82	\$ 479,959.36	\$ 496,379.83

¹Shell rent calculation:

(Firm Term) \$10.69302836 per RSF multiplied by 29,554 RSF for years 1-5;
 (Firm Term) \$11.11217973 per RSF multiplied by 29,554 RSF for years 6-10
 (Non Firm Term) \$11.6677888 per RSF multiplied by 29,554 RSF for years 11-15

²The Tenant Improvement Allowance of \$0.00 is amortized at a rate of 0.0 percent per annum over 0 years.

³Operating Costs rent calculation: \$5.1279016 per RSF multiplied by 29,554 RSF

⁴Parking costs described under sub-paragraph H below

B. Rent is subject to adjustment based upon a mutual on-site measurement of the Space upon acceptance, not to exceed 26,592 ABOA SF based upon the methodology outlined under the "Payment" clause of GSA Form 3517.

C. Rent is subject to adjustment based upon the final Tenant Improvement (TI) cost to be amortized in the rental rate, as agreed upon by the parties subsequent to the Lease Award Date.

D. Intentionally deleted.

E. If the Government occupies the Premises for less than a full calendar month, then rent shall be prorated based on the actual number of days of occupancy for that month.

F. Rent shall be paid to Lessor by electronic funds transfer in accordance with the provisions of the General Clauses. Rent shall be payable to the Payee designated in the Lessor's Central Contractor Registration (CCR), now the System for Award Management (SAM). If the payee is different from the Lessor, both payee and Lessor must be registered in SAM.

G. Lessor shall provide to the Government, in exchange for the payment of rental and other specified consideration, the following:

1. The leasehold interest in the Property described in the paragraph entitled "The Premises."

2. All costs, expenses and fees to perform the work required for acceptance of the Premises in accordance with this Lease, including all costs for labor, materials, and equipment, professional fees, contractor fees, attorney fees, permit fees, inspection fees, and similar such fees, and all related expenses.

3. Performance or satisfaction of all other obligations set forth in this Lease; and all services, utilities, and maintenance required for the proper operation of the Property, the Building, and the Premises in accordance with the terms of the Lease, including, but not limited to, all inspections, modifications, repairs, replacements, and improvements required to be made thereto to meet the requirements of this Lease.

H. Parking shall be provided at a rate of \$0.00 per parking space per month (structured/inside), and \$0.00 per parking space per month (surface/outside).

1.04 INTENTIONALLY DELETED

1.05 TERMINATION RIGHTS (AUG 2011)

The Government may terminate this Lease, in whole or in part, at any time effective after the Firm Term of this Lease, by providing not less than 90 days' prior written notice to the Lessor. The effective date of the termination shall be the day following the expiration of the required notice period or the termination date set forth in the notice, whichever is later. No rental shall accrue after the effective date of termination.

1.06 INTENTIONALLY DELETED

1.07 DOCUMENTS INCORPORATED IN THE LEASE (SEP 2013)

The following documents are attached to and made part of the Lease:

DOCUMENT NAME	NO. OF PAGES	EXHIBIT
FLOOR PLAN(S)	1	A
PARKING PLAN(S)	1	B
SECURITY REQUIREMENTS	7	C
SECURITY UNIT PRICE LIST	2	D
GSA FORM 3517B GENERAL CLAUSES	47	E
GSA FORM 3518, REPRESENTATIONS AND CERTIFICATIONS	10	F
LEGAL DESCRIPTION	1	G

1.08 TENANT IMPROVEMENT RENTAL ADJUSTMENT (SUCCEEDING) (SEP 2013)

The Government may elect to make lump sum payments for any or all work covered by the Tenant Improvement (TI) scope. That portion of the rental payments attributable to amortization of the TIs shall be reduced accordingly. At any time after occupancy and during the firm term of the Lease, the Government, at its sole discretion, may elect to pay lump sum for any part or all of the remaining unpaid amortized balance of the TIs. If the Government elects to make a lump sum payment for the TIs after occupancy, the payment by the Government will result in a decrease in the rent according to the amortization rate over the remaining Firm Term of the Lease.

1.09 INTENTIONALLY DELETED

1.10 INTENTIONALLY DELETED

1.11 PERCENTAGE OF OCCUPANCY FOR TAX ADJUSTMENT (JUN 2012)

As of the Lease Award Date, the Government's Percentage of Occupancy, as defined below is 100 percent. The Percentage of Occupancy is derived by dividing the total Government Space of 29,554 RSF by the total Building space of 29,554 RSF.

Percentage of Occupancy refers to that portion of the Property exclusively occupied or used by the Government pursuant to the Lease. For Buildings, the Percentage of Occupancy is determined by calculating the ratio of the RSF occupied by the Government pursuant to the Lease to the total RSF in the Building or Buildings so occupied, and shall not take into account the Government's ancillary rights including, but not limited to, parking or roof

space for antennas (unless facilities for such ancillary rights are separately assessed). This percentage shall be subject to adjustment to take into account increases or decreases for Space leased by the Government or for rentable space on the Property.

1.12 INTENTIONALLY DELETED

1.13 OPERATING COST BASE (SEP 2013)

The parties agree, for the purpose of applying the paragraph titled "Operating Costs Adjustment," that the Lessor's base rate for operating costs shall be \$151,550.00/annum.

1.14 RATE FOR ADJUSTMENT FOR VACANT LEASED PREMISES (SEP 2013)

In accordance with the paragraph entitled "Adjustment for Vacant Premises" if the Government fails to occupy or vacates the entire or any portion of the Premises prior to expiration of the term of the Lease, the operating costs paid by the Government as part of the rent shall be reduced by \$1.60 per ABOA SF of Space vacated by the Government.

1.15 HOURLY OVERTIME HVAC RATES (AUG 2011)

The following rates shall apply in the application of the paragraph titled "Overtime HVAC Usage:"

- \$6.00 per hour per 2,000 RSF zone

1.16 24-HOUR HVAC REQUIREMENT (APR 2011)

The hourly overtime HVAC rate specified above shall not apply to any portion of the Premises that is required to have heating and cooling 24 hours per day. If 24-hour HVAC is required by the Government for any designated rooms or areas of the Premises, such services shall be provided by the Lessor at an annual rate of \$5,649.95 per annum [(\$3.91 per ABOA SF x 1,445 ABOA SF) the Computer Room at 254 ABOA SF, plus the Communication Room at 395 ABOA SF, plus the Battery Room at 70 ABOA SF, plus the Dispatch/Console Room at 726 ABOA SF totals 1,445 ABOA SF receiving 24-Hour HVAC].

1.17 BUILDING IMPROVEMENTS (SEP 2012)

The Lessor shall complete the following additional Building improvements at no cost to the Government within 90 Working Days following Lease award:

- A. Painting of all interior wall surfaces including usable (ABOA SF) and rentable square foot (RSF) areas; shall be in accordance with the terms and conditions of this lease, more specifically, paragraph 3.26 "Painting – Shell" (see point "C" below for exterior shell painting), and paragraph 5.07 "Painting – TI".
- B. Carpet: shall be in accordance with the terms and conditions of this lease, more specifically, paragraph 5.08 "Floor Coverings and Perimeters" for the ABOA SF areas.
- C. Painting the exterior of building shall be in accordance with paragraph 3.26 of this lease and shall be of a professional appearance in accordance with paragraph 3.08 of this lease. Specifically, the entryway to the building (located on the south side) shall be remodeled by using new paint/colorcoat stucco and tile or stone accent(s) TBD by lessor at the entryway.
- D. Replacement of public restroom floors (Rooms number 104-105). Said public restrooms are considered, because they are located in the common area of the building. Thus, they shall be replaced in accordance with Section 3 of this lease (if needed, construction of new finishes to the remaining "Employee" restrooms is considered ABOA SF and shall be a Tenant Improvement expense).
- E. Replacement all exterior wall lights with new brighter energy efficient fixtures to meet all of the requirements found in paragraph 3.39 of this lease.
- F. Repair or replace sidewalks that have initial signs of possible future structural failure.
- G. Refreshment of gravel in landscape of premise and replacement of the dead pine tree located at the entryway on the south side of the building.
- H. Remove and/or replace all dead or dying vegetation or trees upon the premise to promote an aesthetically pleasing landscape in accordance with the terms and conditions found in this lease.