LEASE

BETWEEN

THE DEPARTMENT OF THE ARMY

AND

LESSEE NAME

FOR THE PREMISES LOCATED ON

INSTALLATION NAME, STATE NAME
(Called the "Installation" in this Lease.)

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RECITALS

A. The Secretary of the Army, under the authority contained in 10 U.S.C. § 2667, has determined:

(i) that the Premises, as defined in this Lease, is not excess property as defined by the Federal Property and Administration Services Act of 1949, as amended (40 U.S.C. § 472(e)), and is not at this time needed for other public use;

(ii) that a lease of such Premises is advantageous to the United States; and

(iii) that a lease of such Premises on the terms set forth in this Lease is in the public interest.

B. NOW, THEREFORE, the Secretary of the Army, by virtue of the authority conferred by law, for the consideration set forth below, hereby leases to the Lessee the Premises (as defined in this Lease) subject to the terms, conditions, covenants and agreements set forth in this Lease as follows:

SECTION 1—BASIC LEASE PROVISIONS

1.01. Date and Parties. This lease ("Lease") is made as of this _____, 20___, between the Secretary of the Army ("Government") and LESSEE NAME, organized under the laws of STATE, with principal offices at LESSEE ADDRESS ("Lessee"). The Government and the Lessee may be referred to jointly as the "Parties" and each separately as a "Party."

1.02. Premises. The Government leases to the Lessee the land described in Exhibit A and shown on Exhibit B, together with the right to gain access to the Premises through a route or routes designated from time to time by the Government, and to use the streets, driveways, sidewalks, and walkways on the Installation for the purposes of pedestrian and vehicular ingress and egress to and from the Premises. The Government reserves the right to change, modify, or eliminate, or temporarily to close, any portion or portions of streets, driveways, sidewalks, and walkways in a manner that will not unreasonably interfere with the Lessee's use of the Premises under this Lease. Notwithstanding the foregoing, the Government reserves its right of general access to the Premises for such purposes as maintaining, repairing, or replacing utility systems located within the Premises, and to the extent they are needed by the Government for the operation, security, or safety of the Installation, or its assigned personnel, or for any other lawful purpose.

1.02(a). Fee Title. Fee title to the land shall continue to vest at all times with the Government.

1.02(b). Easements and Rights-of-Way. The Premises may be subject to certain reservations, easements, restrictions and rights. A list of such known reservations, easements, restrictions and rights, upon current information and belief is included in the list of Existing Encumbrances at Exhibit C. The Government shall have the further right to create and grant additional easements and rights-of-way over, across and through the Premises, including, without limitation, the right to modify and relocate any of the Existing Encumbrances (hereafter "Additional Encumbrances"). The Lessee shall accept and occupy the Premises

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subject to and in compliance with the Existing Encumbrances and Additional Encumbrances (collectively, the "Encumbrances"); provided, however, the Government agrees that it will not create any Additional Encumbrances or relocate Existing Encumbrances in a manner that is inconsistent with or materially impairs the rights and benefits of the Lessee under this Lease with respect to the development, construction, ownership, leasing, use and operation of the Premises by the Lessee.

1.02(c). Additional Easements and Rights-of-Way. Subject to 10 U.S.C. § 2668 and 10 U.S.C. § 2662, the Government agrees, at the request of the Lessee, to grant and create such additional easements and rights-of-way as shall be reasonably required to enable the Lessee to develop, construct, own, lease, use and operate the Premises, which easements and rights-of-way over Government owned or controlled land shall be set forth in documentation prepared by the Government, provided that such easements shall not be located or relocated in a manner that would unreasonably interfere with the overall operation or impair the security of the Installation, of which the Premises are a part. Obtaining any easements and rights-of-way over property not owned or controlled by the Government shall be the responsibility of the Lessee to obtain or procure, at the Lessee's sole cost and expense.

1.03. Use and Access.

1.03(a). Primary Uses. The Lessee shall use the Premises for DESCRIBE PERMITTED USES only, unless the Government gives its advance written consent to another use, which consent the Government may unreasonably withhold or delay. The Lessee shall comply, at its own expense, with all present and future laws, ordinances, rules, requirements, regulations and orders of the United States of America, the state where the Premises are located and any other public or quasi-public federal, state or local authority and/or any department or agency thereof, having jurisdiction over the Premises and relating to the Premises or imposing any duty upon the Lessee with respect to the use, occupation or alteration of the Premises. The Lessee shall not create a nuisance or use the Premises for any immoral or illegal purposes. Unless a waiver is granted by the Government, in no event shall the Premises be used by the Lessee for any of the following:

(i) Activities involving the storage, treatment, transportation, disposal, or manufacture of hazardous materials, hazardous substances, or hazardous wastes, except as specifically authorized by Paragraph 4.02.

(ii) Activities that adversely affect the health, safety, morals, welfare, morale, and discipline of the Armed Forces, such as the sale or use of drug abuse paraphernalia, illicit gambling, and prostitution.

(iii) Partisan political activities.

(iv) Activities by entities advocating the overthrow of the United States.

1.03(b). Additional Permitted Use. In addition to the Primary Uses, and subject to subparagraph 1.03(c) below, the Premises may be used for Permitted Retail Uses which are incidental to the Primary Uses. The term "Permitted Retail Uses" shall mean restaurants and drive-through restaurants; newspaper and gift shops; retail uses that are either located on the first floor of an office building in the Project Site or are in or

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related to any hotel within the Project Site; in-line retail centers; banks; convenience stores; and freestanding retail stores located on "pad sites".

1.03(c). Conditions on Permitted Retail Uses. Government and Lessee agree that, except for the Permitted Retail Uses described in subparagraph 1.03(b) above, other retail uses and housing and residential uses shall be deemed not compatible with the Installation Master Plan. The term "sublessee" as used herein shall also include a "subtenant" or other such party to a sublease of all or any portion of the Premises. The Installation Master Plan shall mean that current master plan for the area comprising the Installation as may be amended from time to time by Government. Prior to Lessee subleasing any portion of the Premises for any Permitted Retail Use, Lessee shall notify Government of such proposed use and Government shall determine whether such proposed use would provide merchandise or services in direct competition with the Army Air Force Exchange Service ("AAFES") or the program for Morale, Welfare and Recreation (which is overseen by the Department of Defense, Military Community and Family Policy ("MWR")). If such retail use is determined by Government to provide merchandise or services in direct competition with AAFES or MWR, then prior to entering into a sublease for such retail use, Government shall provide notice thereof to AAFES and MWR who shall have ninety (90) days to exercise the right to establish and operate a community support facility or provide community support services in lieu of the proposed retail use, or seek equitable compensation in lieu of the operation of such a facility or the provision of such services (the "AAFES and MWR Rights"); provided, however, if the Government waives this provision as to such retail use pursuant to its authority under 10 U.S.C. § 2667(d), AAFES and MWR shall not have such AAFES and MWR Rights in connection with such retail use.

1.03(d). Installation Rules. The Lessee's use and occupation of the Premises shall be subject to the general supervision and approval of the Installation Commander and to such rules and regulations regarding access to the Installation, and the preservation of health, safety, security and the maintenance of good order and discipline on the Installation as the Installation Commander may prescribe from time to time.

1.03(e). Conflict with Lease. If a rule or regulation issued under subparagraph 1.03(d) conflicts with or is inconsistent with any Lease provision, the Lease provision controls.

1.03(f). Operating Agreement. The Operating Agreement at Exhibit D is hereby incorporated into and made a part of this Lease. The Operating Agreement sets forth certain procedures and requirements to be followed by the Lessee in operating and maintaining the Premises. In the event of any amendment of the Operating Agreement, the amended Operating Agreement will be deemed to be substituted in lieu of the existing one. In the event of any inconsistency between any provisions of the Operating Agreement, as it presently exists or may be amended in the future, and any provisions of this Lease, the provisions of this Lease will control.

1.03(g). Installation Access. The Lessee acknowledges that it understands that the Installation is an operating military installation, that can be closed to the general public, and, as a result, agrees that the Lessee's operations may be restricted to accommodate the needs of national defense. Access on the

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Installation may also be restricted due to inclement weather and natural disasters. The Lessee further acknowledges that the Government strictly enforces Federal laws and Army regulations concerning controlled substances (drugs) and personnel, vehicles, supplies and equipment entering the Installation are subject to search and seizure, under 18 U.S.C. § 1382. The Government will reasonably permit the Lessee access to the Premises at all times, subject to the provisions of this paragraph. Notwithstanding the foregoing, the Lessee agrees the Government will not be responsible for lost time or costs incurred due to delays in entry, temporary loss of access, barring of individual employees from the installation under Federal laws authorizing such actions, limitation or withdrawal of an employee's installation driving privileges, or any other security action that may cause employees to be late to or unavailable at their work stations, or delay arrival of parts and supplies. The Lessee, its sublessees, employees, and invitees shall abide with all Installation access restrictions imposed by the Government.

1.04. Term and Renewal Option.

1.04(a). Term. This Lease shall be for a term beginning at 12:01 a.m., _____, 20__, ("Beginning Date") and will be for a duration of _____ (__) years ending at 12:00 p.m., _____, 20__ ("Ending Date"), unless sooner terminated in accordance with the terms contained in this Lease. The period from the Beginning Date through the Ending Date shall be referred to as the "Term." In the event, subject however to an Excusable Delay as defined in subparagraph 7.01(b), the Lessee shall fail to commence its development activities within ___ days/months/years [SELECT APPROPRIATE PERIOD BASED ON PROJECT CONSIDERATIONS] from the Beginning Date, or having commenced such development activities shall fail to proceed, with reasonable diligence to complete all of its development activities within ___ days/months/years [SELECT APPROPRIATE PERIOD BASED ON PROJECT CONSIDERATIONS] from the Beginning Date, and such failure shall continue after the expiration of the cure period set forth in subparagraph 7.01(a), the Government, in its sole discretion, may terminate the Lease. If pursuant to the foregoing, the Government terminates this Lease, Lessee shall vacate and surrender the Premises as provided in subparagraph 6.03(c).

1.04(b). Renewal Option. The Lessee shall have one (1) option ("Renewal Option") to extend the Term for an additional period of _____ (__) consecutive years ("Extension Period") provided that:

(i) Lessee gives written notice ("Exercise Notice") to Government of its election request to exercise the Renewal Option no later than two (2) years prior the expiration of the Term;

(ii) Lessee is considered by Government to have performed satisfactorily under this lease;

(iii) Lessee is willing to pay the then fair market rental value of the Premises; and

(iv) as of the date that the Exercise Notice is delivered to the Government, no default (beyond the notice and cure period set forth in this Lease) has occurred and then remains uncured.

All terms and conditions of this Lease shall remain in full force and effect during the Extension Period, except that Base Rent payable during the Extension Period shall be determined as set forth in Paragraph 2.03 below.

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1.05. Lessee's Compliance with Applicable Laws.

1.05(a). Lessee's Compliance. The Lessee shall at all times during the existence of this Lease promptly observe and comply, at its sole cost and expense, with the provisions of all applicable federal, state, and local laws, regulations, and standards, and in particular those provisions concerning the protection of the environment and pollution control and abatement and occupational safety and health. Further, with respect to any facilities on the Premises which are jointly used by the Lessee and the Government, the Lessee shall comply with all Army safety, health, and fire regulations, standards, technical orders, and procedures in common use work and operating areas.

1.05(b). Special Compliance. The Lessee shall comply with all applicable state and local laws, ordinances, and regulations with regard to construction, sanitation, licenses, or permits to do business, and all other matters. The Lessee shall be responsible for determining whether it is subject to local building codes or building permit requirements, and for compliance with them to the extent they are applicable.

1.05(c). Permitted Signs. The Lessee shall comply with Government regulations with respect to the placement of signage in, on or about the Premises. Other than the signs and listings permitted under the aforementioned regulations, the Lessee shall not place or have placed any other signs, listings, advertisements, or any other notices anywhere else in, on or about the Premises.

1.05(d). Federal Supremacy and Sovereign Immunity. Nothing in this Lease shall be construed to constitute a waiver of federal supremacy or federal sovereign immunity.

1.05(e). Lessee's Responsibility. Responsibility for compliance as specified in this Paragraph 1.05 rests exclusively with the Lessee. The Government assumes no enforcement or supervisory responsibility except with respect to matters committed to its jurisdiction and authority. The Lessee shall be liable for all costs associated with compliance, defense of enforcement actions or suits, payment of fines, penalties, or other sanctions and remedial costs related to the Lessee's use of the Premises.

1.05(f). Lessee's Right to Contest. The Lessee shall have the right to contest by appropriate proceedings diligently conducted in good faith, without cost or expense to the Government, the validity or application of any law, ordinance, order, rule, regulation, or requirement of the nature referred to in this Paragraph 1.05. The Government shall not be required to join in or assist the Lessee in any such proceedings.

1.06. Condition of the Premises. The Lessee agrees that it has inspected, knows, and accepts the condition and state of repair of the Premises. It is understood and agreed that the Premises are leased in an "as is, where is" condition without any representation or warranty by the Government concerning their condition, and without obligation on the part of the Government to make any alterations, repairs, or additions. The Government shall not be liable for any latent or patent defects in the Premises. The Lessee acknowledges that the Government has made no representation or warranty concerning the condition and state of repair of the Premises nor any agreement or promise to alter, improve, adapt, or repair them that has not been fully set forth in this Lease. The Lessee represents, warrants, and acknowledges that it has entered into this Lease on the basis of its own full investigation of all facts and conditions underlying or relating to the

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Premises and the development and use of the Premises, including without limitation, environmental conditions, and that it has solely relied upon its own investigation. Given the Lessee's deemed knowledge of the facts and conditions affecting the Premises, the Lessee shall exercise the appropriate level of care when conducting any ground disturbing activities to ensure that such activities do not result in the release of any hazardous substances, materials or waste of any kind. The Lessee shall also be responsible for exercising the appropriate level of care as described in this Paragraph 1.06 with respect to any underground pipes and related infrastructure that may exist within the Premises. The Lessee waives any claim or cause of action the Lessee may have against the Government under any federal, state, or local law, ordinance, rule or regulation now existing or hereafter enacted or promulgated, relating to environmental matters or conditions, in, on, under, about or migrating from or onto the Premises, or by virtue of any common law right related to environmental conditions or matters in, on, under, about or migrating from or onto the Premises except for:

(i) Pre-existing environmental conditions requiring response under applicable law that are attributable to the Government and which are not exacerbated by the Lessee; and

(ii) Hazardous Substance releases caused by the Government that migrate onto the Premises and which are not exacerbated by the Lessee.

The provisions of this Paragraph 1.06 shall survive the expiration of this Lease.

1.06(a). Physical Condition Report. A physical condition report ("PCR") signed by representatives of the Government and the Lessee is attached to this Lease as Exhibit E. The PCR sets forth the agreed physical appearance and condition of the Premises on the Beginning Date as determined from a joint inspection by the Parties. A separate PCR ("Final PCR") for the Premises will be prepared and signed by the Parties, after the expiration or earlier termination of this Lease. The Final PCR will be prepared at the Lessee's expense and will set forth the actual physical appearance and condition of the Premises on the ending date of this Lease as determined from a joint inspection by the Parties. The final PCR will be used, in conjunction with the Final ECP (see subparagraph 1.06(b) below), by the Government in determining whether the Lessee has fulfilled its obligations to maintain and restore the Premises under this Lease including without limitation, Section 4 and Section 6.

1.06(b). Environmental Condition Report. An Environmental Condition of Property Report ("ECP") of the Premises, signed by the Parties, is attached hereto as Exhibit F. The ECP sets forth those environmental conditions and matters on and affecting the Premises on the Beginning Date, as determined from the records and analyses reflected in the ECP. The ECP is not, and shall not constitute, a representation or warranty on the part of the Government regarding the environmental or physical condition of the Premises and the Government shall have no liability in connection with the accuracy or completeness thereof. In this regard the Lessee acknowledges and agrees that the Lessee has relied, and shall rely, entirely on its own investigation of the Premises in determining to enter into this Lease. A separate ECP ("Final ECP") for the Premises will be prepared and signed by the Parties, after the expiration or earlier termination of this Lease. The Lessee, at the Lessee's sole cost, using an environmental professional acceptable to the Government,

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shall prepare the Final ECP in the format specified in Army Regulation 200-1, as amended, revised or replaced. The Final ECP will document the environmental conditions and matters on and affecting the Premises on the Ending Date of the Lease as determined from the records and analyses reflected therein. The final ECP will be used by the Government in determining whether the Lessee has fulfilled its obligations to maintain and restore the Premises under this Lease including without limitation, Section 4 and Section 6.

SECTION 2—RENT, ADDITIONAL RENT, REIMBURSEMENTS, AND TAXES

2.01. Rent.

[INSERT APPROPRIATE BASE RENT AND PAYMENT REQUIREMENT. AS A GENERAL RULE, CASH WILL BE THE PREFERRED METHOD OF CONSIDERATION.]

2.01(a). Base Rent. The Lessee shall pay to the Government Base Rent of _____ ($_____,_____.___) for each month/quarter/year of the Term.

2.01(b). Proration of Base Rent. If the Term does not begin on the first day or end on the last day of a month, the Rent for that partial month shall be prorated by multiplying the monthly Rent by a fraction, the numerator of which is the number of days of the partial month included in the Term and the denominator of which is the total number of days in the full calendar month.

2.02. Additional Rent. [THIS PROVISION IS OPTIONAL DEPENDING ON THE CIRCUMSTANCES]

2.02(a). Calculation of Additional Rent. In addition to Base Rent, the Lessee shall pay to the Government, Additional Rent for each Lease Year during the Term or any Extension Period, or fractional part thereof, equal to [INSERT AMOUNT OF PERCENTAGE]% of all Gross Receipts derived with respect to the Premises during each Lease Year. As used in this Lease, the term "Lease Year" shall mean the twelve (12) full calendar months between the period January 1 through and including December 31; provided, however, that if the Beginning Date or the commencement of the Extension Period of this Lease is other than January 1, the first Lease Year shall be the period immediately following the Beginning Date or the commencement of the Extension Period of this Lease up to and including the December 31st next succeeding. The Government reserves the right, at its sole election, to change the Lease Year to any other fiscal or twelve (12) month period selected by the Government. Each Lease Year shall be considered as an independent accounting period for the purpose of computing the amount of Percentage Rent due, if any. The amount of Gross Receipts for any Lease Year shall not be carried over into any other Lease Year.

2.02(b). Payment of Additional Rent. Additional Rent shall be paid on a monthly/quarterly/yearly basis fifteen (15) days after the last day of the month in which the percentage of Gross Receipts are first due for the applicable Lease Year and thereafter shall be paid monthly/quarterly/yearly on the fifteenth (15th) day after the end of each succeeding period until all Additional Rent due for such Lease Year has been paid. Each such payment of Additional Rent shall be in an amount equal to the amount of Additional Rent

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accruing during the immediately preceding period. If the commencement date is other than the first (1st) day of the calendar month, the Gross Receipts during the period of the first fractional month shall be added to the Gross Receipts during the next succeeding calendar month.

2.02(c). Definition of "Gross Receipts". As used in this Lease, the term "Gross Receipts" shall mean all revenues received by the Lessee relating to the Premises. Each charge or sale upon installment or credit shall be treated as a sale for the full price in the month during which such charge or sale is made. No deduction shall be allowed for uncollectible credit accounts. Each lease or rental of merchandise shall be treated as a sale for a price equal to the total rent payable in the month during which such lease or rental is made.

2.02(d). Lessee's Statements and Records. The Lessee shall submit to the Government on or before the fifteenth (15th) day following the end of each Additional Rent payment period during the Lease Term:

(i) a written statement signed and certified by the Lessee, showing the amount of Gross Receipts derived from the business conducted in or from the Premises during the preceding Additional Rent payment period; and

(ii) the remittance of the Percentage Rent due, if any. The Lessee shall further submit to the Government on or before the thirtieth (30th) day following the end of each Lease Year a written statement, signed and certified by the Lessee and an independent certified public accountant to be true and correct, showing the amount of such Gross Receipts during the preceding Lease Year.

The statements referred to herein shall be in such form and style and contain such details and breakdown as the Government may reasonably require.

2.02(e). Lessee's Retention of Records. The Lessee shall prepare and maintain for a period of three (3) years following the end of each Lease Year, accurate books of account and records of all relevant information from which the Gross Receipts upon the Premises can be determined.

2.02(f). Default and Audit Provisions. Upon five (5) days' prior written notice to the Lessee, the Government shall have the right to cause a complete audit to be made of all business affairs conducted on the Premises by the Lessee and of all books and records pertaining thereto, and the Lessee shall be required to make all such books and records available for such examination at the office where such records are regularly maintained. If the results of such audit shall show that the Lessee's statement of Gross Receipts for any period has been misstated by three percent (3%) or more, then the Lessee shall pay to the Government the cost of such audit and, in addition, any deficiency payment required as shown by such audit. If the Lessee omits to prepare and deliver promptly any quarterly, annual or other statement required by the foregoing Additional Rent provisions, the Government may elect to treat the Lessee's omission as a substantive breach of this Lease entitling the Government to terminate this Lease and the Lessee's right to possession of the premises, or to make an audit of all books and records of the Lessee, including its bank accounts, which in any way pertain to or show Gross Receipts, and to prepare the statement or statements which the Lessee failed to prepare and deliver. Such audit shall be made and such statement or statements

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shall be prepared by an auditor to be selected by the Government. The statement or statements, so prepared, shall be conclusive on the Lessee, and the Lessee shall pay all expenses of the audit and other services.

203. Renewal Rent. Base Rent during the Extension Period ("Renewal Rent") shall be calculated at the then current market rental rate for the Premises, as improved, at the time of the commencement of the Extension Period ("Market Rate"). Notwithstanding the foregoing, in no event shall the Renewal Rent be less than the Base Rent payable during the last year of the Term of this Lease. Government and Lessee shall reasonably negotiate the amount of Renewal Rent for the Extension Period within thirty (30) days after Government's receipt of Lessee's Renewal Notice based on the requirements of this Paragraph 2.03. The Parties agree to execute an amendment modifying this Lease to set forth the Renewal Rent for the Premises during the Extension Term.

2.04. Rent Escalation. On each five-year anniversary of the Beginning Date, Base Rent, Renewal Rent, and Additional Rent (collectively "Rent") shall increase from the Rent from the previous period by the greater of either 110% or a percentage equal to the percentage increase in the CPI from the first month of the previous period to such anniversary date. The term "CPI" as used herein shall mean Consumer Price Index for All Urban Consumers (CPI-U), All Items, INSERT APPLICABLE CPI-U, issued by the Bureau of Labor Statistics of the United States Department of Labor. If the CPI-U is discontinued, the Government may substitute the CPI-U with another comparable index published by an agency or department of the United States. Similarly, the Government may make reasonable adjustments in calculating the CPI increase based on changes to the CPI-U, such as the base year or month in which the CPI-U is published.

2.05. Reimbursements. All sums other than Base Rent and Additional Rent payable by the Lessee to the Government under this Lease, including but not limited to all items of reimbursement, such as reimbursement for police and fire protection services and water provided by the Government, shall be collectively deemed reimbursements ("Reimbursements"). Any request by the Government to the Lessee for Reimbursements under this Lease shall identify the expenses included in such reimbursement request and the account into which such Reimbursements must be paid. The Lessee shall pay all Reimbursements when due without deduction or offset, unless specifically provided under this Lease.

2.06. Rent Payments. For the purposes of this Lease, Base Rent and Additional Rent shall sometimes be collectively referred to as "Rent." All Rent and Reimbursements shall be paid:

(i) without advance notice, demand, offset, or deduction;

(ii) by the first day of each month/quarter/year during the Term; and

(iii) to the Government at [FOR BASE AND ADDITIONAL RENT, SPECIFY TYPE OF RENT AND WHERE IT IS TO BE RECEIVED], or as otherwise provided in this Lease or as the Government may specify in writing to the Lessee.

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[NORMALLY CASH WILL BE THE PREFERRED CONSIDERATION FOR AN EUL. HOWEVER, THE FOLLOWING LANGUAGE SHALL BE INCLUDED TO ALLOW FLEXIBILITY IF, IN THE FUTURE, IN-KIND DELIVERABLES ARE SPECIFICALLY IDENTIFIED AND AGREED TO BE PROVIDED AS CONSIDERATION UNDER THE LEASE. IF IN-KIND SERVICES ARE IDENTIFIED AND PROVIDED AT THE BEGINNING DATE, USE 2.07(a). IF NOT, RESERVE 2.07(a).]

2.07. Receipt of "In-Kind" Consideration.

2.07(a). Identified "In-Kind" Consideration. The Government and the Lessee have identified specific in-kind consideration to be provided under this Lease as set forth in the Site Work Agreement attached hereto as Exhibit G, and made a part hereof. The work order specifies the value of the in-kind services to be received under this Lease. If the value of such services is below the cash consideration identified in Paragraph 2.01, the Lessee shall pay the difference between the Rent and the value of the in-kind services in cash, as more specifically set forth in Paragraph 2.06, above. The Lessee acknowledges that the Government reserves, in its sole discretion, the right to terminate any such Site Work Agreement (as provided therein) and to receive cash consideration for this Lease.

2.07(b). Future "In-Kind" Consideration. In lieu of the receipt of cash payments as described in subparagraphs 2.01 and 2.02, above, the Government, via the Army Garrison at [INSERT INSTALLATION NAME] ("Garrison") at any time may elect to receive "in-kind" consideration as authorized under 10 U.S.C. § 2667(c). In the event the Garrison elects to receive in-kind consideration, it will notify Lessee of such election. The Garrison's notice will contain a list of projects to be agreed upon by the Garrison and Lessee. Within a reasonable time the Garrison and Lessee will agree upon a specific project (or a specific list of projects), the project costs, and timelines for completion. Lessee shall continue to make cash payments as set forth in subparagraphs 2.01 and 2.02, above, until a final agreement to provide in-kind consideration is executed. The final agreement with respect to any in-kind consideration to be provided by Lessee will be more specifically set forth in one or more Site Work Agreements. Upon execution of a Site Work Agreement, Lessee's obligations to make cash payments under subparagraphs 2.01 and 2.02, above, shall be adjusted to the extent of the in-kind consideration being received under the Site Work Agreement. The provision by Lessee of in-kind consideration under a Site Work Agreement shall fulfill Lessee's obligation to pay Rent to the extent of the value of the provided in-kind consideration, as set out in a Site Work Agreement. Failure of the parties to agree upon the terms of a Site Work Agreement shall not constitute a default by the Lessee under this Lease. Notwithstanding the foregoing, Lessee's failure to provide in-kind consideration as set forth in an executed Site Work Agreement shall constitute a default under this Lease.

2.07(c). Lease Conformance to Facilitate Receipt of "In-Kind" Consideration. In order to facilitate the Government's receipt of "in kind" services as authorized under 10 U.S.C. § 2667(c), the Parties hereby agree to cooperate in amending this Lease, as appropriate, to identify the in-kind consideration to be provided.

SAMPLE

[NORMALLY, THE WORK AGREEMENT WILL SPECIFY THE MANNER IN WHICH IN-KIND SERVICES ARE DELIVERED TO THE ARMY.]

2.08. Penalty Charges.

2.08(a). Assessment of Penalty Charges. If the Lessee fails to fully pay any Rent or Reimbursement within ten (10) business days after it is due, the Lessee shall also pay:

(i) interest, consistent with the Debt Collection Act of 1982 (31 U.S.C. § 3717), as amended, from the due date at the rate prescribed by the Secretary of the Treasury for amounts past due to the Federal government until paid in full;

(ii) an administrative charge to be determined by the Government to cover the costs of processing and handling delinquent debts; and

(iii) an assessment of an additional penalty charge equal to 18 percent per annum or the maximum then allowed by applicable law, whichever is less, on any portion of a debt that is more than 90 days past due on the remaining unpaid balance, retroactive to the date originally due until paid.

2.08(b). Payment of penalty Charges. All payments received will be applied first to any accumulated interest, administrative and penalty charges and then to any unpaid Rent or other payment balance. Interest will not accrue on any administrative or late payment penalty charges. No interest or administrative charges shall be imposed by the Government on any late payment if the Lessee pays the amount due within 30 days after receiving written notice from the Government that such amount is past due and the amount thereof. This 30-day period may be extended at Government's sole discretion. No penalty shall be imposed by the Government on any late payment if the Lessee pays the amount due within 90 days after receiving written notice from the Government that such amount is past due and the amount thereof. Notwithstanding the foregoing, the Government shall not impose any interest, administrative charge or penalty upon the Lessee while the Lessee, in good faith, is disputing the amount of the payment, so long as the Lessee pays to the Government any undisputed amount thereof.

2.09. Taxes.

(i) Before delinquency the Lessee shall be responsible for paying all taxes, assessments and similar charges on the Premises applicable to the Term of this Lease. The term "taxes" as used in this Lease shall include all real property taxes on the improvements, the Premises on which the improvements are situated, and the various estates in the building and the land. The term "taxes" shall also include all personal property taxes levied on the property used in the operation of the improvements; taxes of every kind and nature levied and assessed in lieu of, in substitution for, or in addition to, existing or additional real or personal property taxes on the improvements, Premises, or personal property, whether or not now customary or within the contemplation of the parties to this Lease.

(ii) If and to the extent the leased property comprising the Premises is later made taxable by State or local governments under an Act of Congress, this Lease shall be renegotiated.

SAMPLE

SECTION 3—REPRESENTATIONS, WARRANTIES, AND COVENANTS

3.01. Lessee's Representations, Warranties, and Covenants.

3.01(a). Lessees Representations, Warranties, and Covenants. The Lessee hereby makes the following representations, warranties and covenants, solely for the benefit of the Government and its respective successors and assigns, as of the Beginning Date:

(i) During the Term of this Lease, the Lessee shall use the Premises solely for the uses of the Premises set forth in this Lease.

(ii) The Lessee is a duly organized, validly existing INSERT TYPE OF ENTITY and in good standing under the laws of the State of STATE NAME.

(iii) The persons executing this Lease on behalf of the Lessee have the full right, power and authority to execute and deliver this Lease as the Lessee's act and deed and to bind the Lessee hereto. The Lessee has the full right, power and authority to obtain, and has obtained all necessary authorizations and consents, to enter into and perform its obligations under this Lease.

(iv) This Lease is a legal, valid and binding obligation of the Lessee, enforceable against the Lessee in accordance with its terms.

(v) The execution and delivery of this Lease by the Lessee will not result in a breach of the terms or provisions of, or constitute a default (or a condition that, upon notice or lapse of time, or both, would constitute a default) under its organizational documents or any indenture, agreement or obligation by which the Lessee is bound, and will not constitute a violation of any applicable laws.

(vi) The Lessee has not incurred, directly or indirectly, any obligation to pay any real estate commission, brokerage commission or finder's fee to any agent, broker, salesperson or finder in connection with this transaction.

3.01(b). Opinion of Counsel. At closing the Lessee shall provide a written opinion of counsel as to the enforceability of this Lease agreement.

3.02. Government's Representations, Warranties, and Covenants. The Government hereby makes the following representations, warranties and covenants, solely for the benefit of the Lessee, the Approved Mortgagee and their respective successors and assigns hereunder, as of the Beginning Date:

(i) The Government has full right, power and lawful authority to enter into this Lease on behalf of the United States of America in accordance with the terms hereof and to grant the estate demised hereby, and the person executing this Lease on behalf of the Government has the full right, power and authority to execute and deliver this Lease and to bind the Government hereto.

(ii) This Lease is a legal, valid and binding obligation of the Government, enforceable against the Government in accordance with its terms.

SAMPLE

SECTION 4—ENVIRONMENTAL MATTERS

4.01. Lessee's Compliance with Environmental Laws. The Lessee shall comply, at its sole cost and expense, with all Environmental Laws that are or may become applicable to the Premises or the Lessee's activities on the Premises, including but not limited to all applicable federal, state, and local laws, regulations, and other requirements relating to occupational safety and health, the handling and storage of hazardous materials, and the proper generation, handling, accumulation, treatment, storage, disposal, and transportation of hazardous wastes. The Lessee shall at its own expense maintain in effect any permits, license or other governmental approvals relating to Hazardous Substances, if any, required for the Lessee's use, and cause each sublessee to maintain in effect any such permits, license or other governmental approvals, if any, required for such sublessee's use, of the Premises. The Lessee shall make all disclosures required of the Lessee by any such Environmental Laws, and shall comply with all orders, with respect to the Lessee's and its sublessees', employees', agents', contractors' and invitees' use of the Premises, issued by any governmental authority having jurisdiction over the Premises and take all action required by such governmental authorities to bring the Lessee's and its sublessees', employees', agents', contractors' and invitees' activities on the Premises into compliance with all Environmental Laws affecting the Premises.

4.02. Required Government Approval. The Lessee must obtain written Government approval as required by 10 U.S.C. § 2692, prior to storing, treating, or disposing of any toxic or hazardous material on the Premises. Toxic or hazardous material includes any material that is a "hazardous substance" under section 101(14) of the Comprehensive Environmental Response, Compensation and Liability Act ("CERCLA"), 42 U.S.C. § 9601(14), or designated a "hazardous substance" by the U.S. Environmental Protection Agency under section 102 of CERCLA, 42 U.S.C. § 9602. Toxic or hazardous material also includes any material that is explosive, flammable, or pyrotechnic. The Lessee shall ensure any subleasees, licenses, rights of entry, or other use agreements the Lessee issues for the Premises contain a similar requirement for obtaining prior Government written approval for the storage, treatment, or disposal of toxic or hazardous material on the Premises. The Lessee shall be responsible for any violations of these requirements by its agents, sublessees, licensees, contractors or invitees, and any successor or successors in interest in or to any of the Premises. The Lessee shall be responsible for the cost of proper disposal of any hazardous waste generated by its agents, sublessees, licensees, contractors or invitees, and any successor or successors in interest in or to any of the Premises in the event of failure by them to dispose such wastes properly.

4.03. Definitions.

4.03(a). Hazardous Substance. Notwithstanding Paragraph 4.02, the term "Hazardous Substance'' means any substance that is at any pertinent time defined or listed in, or otherwise classified, designated, or regulated pursuant to, any Environmental Law as a hazardous substance, hazardous material, extremely hazardous substance, hazardous waste, hazardous chemical, infectious waste, toxic substance, toxic pollutant or solid waste, or any other legislative or regulatory formulation intended to define, list, or classify substances by reason of deleterious properties such as ignitability, corrosivity, reactivity,

SAMPLE

carcinogenicity, toxicity, including, without limitation, friable asbestos and polychlorinated biphenyls and also including oil and petroleum, petroleum products, by-products and wastes, and by-products associated with the extraction, refining, or use of petroleum or petroleum products, whether or not so defined, listed, classified, designated or regulated in "Environmental Laws.''

4.03(b). Environmental Law. The term "Environmental Law'' means any statute, law, act, ordinance, rule, regulation, order, decree, or ruling of any Federal, State and/or local governmental, quasi-governmental, administrative or judicial body, agency, board, commission or other authority relating to the protection of health and/or the environment or otherwise regulating and/or restricting the use, storage, disposal, treatment, handling, release, and/or transportation of Hazardous Substances, including, without limitation, CERCLA, the Resource Conservation and Recovery Act, the Federal Water Pollution Control Act, the Clean Air Act, the Hazardous Materials Transportation Act, the Toxic Substances Control Act, the Emergency Planning and Community Right To Know Act, and the environmental control laws of the State of STATE NAME, each as now or hereafter amended, and all regulations and interpretive guidelines respectively promulgated thereunder.

4.04. Lessee's Indemnification. The Lessee shall indemnify and hold harmless the Government, from any and all claims for damages, costs, expenses, liabilities, fines, or penalties, including the Government's cost of defending against such claims, arising from or caused in whole or in part, directly or indirectly, by:

(i) the presence in, on, under, or about the Premises or any discharge or release in or from the Premises of any Hazardous Substance, to the extent that any such presence, discharge, or release is caused by the Lessee's activities, or the activities of any of the Lessee's sublessees, employees, agents, contractors or invitees, or

(ii) The Lessee's failure to comply with its covenants under this Section 4.

The indemnity obligations created by this Paragraph 4.04 shall include, without limitation, whether foreseeable or unforeseeable, any and all costs incurred in connection with any site investigation, and any and all costs for repair, cleanup, detoxification or decontamination, or other remedial action of the Premises. This obligation shall survive the expiration or termination of this Lease, and the Lessee's obligations hereunder shall apply whenever the Government incurs costs or liabilities for the Lessee's actions of the types described in this Section 4.

SAMPLE

4.05. Required Notices and Government Right of Inspection.

4.05(a). Required Notices. If at any time either Party shall become aware, or have reasonable cause to believe, that any Hazardous Substances have been released or have otherwise come to be located on or beneath the Premises, in amounts greater than either the Hazardous Substances' reportable quantities or a level requiring response action(s) under an Environmental Law, such Party shall immediately upon discovering the release or the presence or suspected presence of the Hazardous Substance, give written notice of that condition to the other Party. In addition, the Party first learning of the release or presence of a Hazardous Substance on or beneath the Premises, shall immediately notify the other Party in writing of:

(i) any enforcement, cleanup, removal, or other governmental or regulatory action instituted, completed, or threatened pursuant to any Environmental Laws;

(ii) any claim made or threatened by any person against the Government, the Lessee or the Premises arising out of or resulting from the release or presence of Hazardous Substances; and

(iii) any reports made to any local, state, or federal environmental agency arising out of or in connection with any Hazardous Substance.

4.05(b). Government's Right of Inspection. The Government's rights under this Lease specifically include the right for Government officials, including authorized agents or contractors, to inspect upon reasonable notice the Premises for compliance with Environmental Laws, and safety, and occupational health laws and regulations, whether or not the Government is responsible for enforcing them. Such inspections may be made without prejudice to the right of duly constituted enforcement officials to make such inspections. The Government shall give the Lessee twenty-four (24) hours prior notice of its intention to enter the Premises unless it determines the entry is required for safety, environmental, operations, or security purposes. The Lessee shall have no claim on account of any entries made pursuant to this Lease against the United States or any officer, agent, employee, or contractor thereof.

4.06. No Liability for Government's Environmental Impacts. Notwithstanding any other provision of this Lease, the Lessee does not assume any liability or responsibility for environmental impacts and damage caused by the Government's use of Hazardous Substances on any portion of the Installation, including the Premises. The Lessee has no obligation under this Lease to undertake the defense of any claim or action, whether in existence now or brought in the future, solely arising out of the use or release of any Hazardous Substances on or from any part of the Installation, including the Premises, which occurred prior to the first day of the Lessee's occupation or use of each such portion of, or such building, facility, or other improvement on, the Premises under any instrument entered into between the Parties, or the Beginning Date, whichever is earlier. Further, the Lessee has no obligation under this Lease to undertake environmental response, remediation, or cleanup relating to such use or release.

(i) For the purposes of this Paragraph 4.06, "defense" or "environmental response, remediation, or cleanup" include liability and responsibility for the costs of damage, penalties, legal, and investigative services relating to such use or release. "Occupation" or "use" shall mean any activity

SAMPLE

or presence (including preparation and construction) in or upon such portion of, or such building, facility, or other improvement on, the Premises.

(ii) This Paragraph 4.06 does not relieve the Lessee of any obligation or liability it might have or acquire with regard to third parties or regulatory authorities by operation of law.

(iii) This Paragraph 4.06 shall survive the expiration or termination of this Lease.

4.07. Hazardous Waste Storage Facilities. The Lessee must provide, consistent with Section 4.02 of this Lease and at the Lessee's own expense, hazardous waste or petroleum storage facilities, which comply with all laws and regulations, as it may need for such storage. Government hazardous waste or petroleum storage facilities will not be available to the Lessee or any sublessee. The Lessee shall not use Government accumulation points for hazardous and other wastes and the Lessee shall not permit its hazardous waste or petroleum to be commingled with hazardous waste or petroleum of the Government. Any violation of the requirements of this Condition shall be deemed a material breach of this Lease.

4.08. Availability of Lessee Records. The Lessee must maintain and make available to the Government all records, inspection logs, and manifests that track the generation, handling, storage, treatment, and disposal of hazardous waste, as well as all other records required by applicable laws and requirements. The Government reserves the right to inspect the Premises and the Lessee records for compliance with federal, state, local laws, regulations, and other requirements relating to the generation, handling, storage, treatment, and disposal of hazardous waste, as well as to the discharge or release of Hazardous Substances. The Lessee shall be liable for the payment of any fines and penalties which may accrue as a result of the actions of the Lessee or its sublessees.

4.09. Government's Access for Environmental Testing and Remediation. The Government, its officers, agents, employees, contractors, and subcontractors have the right, upon reasonable notice to the Lessee, to enter upon the Premises for the following purposes:

(i) To conduct investigations and surveys, including, where necessary, drilling, soil and water samplings, testpitting, testing soil borings and other activities related to any Hazardous Substance clean up program at the Installation;

(ii) To inspect field activities of the Government and its contractors and subcontractors in implementing any Hazardous Substance clean up program at the Installation;

(iii) To conduct any test or survey related to the implementation of any Hazardous Substance cleanup program at the installation or environmental conditions at the Premises or to verify any data submitted to the United States Environmental Protection Agency ("EPA") or the appropriate State environmental regulatory body by the Government relating to such conditions; and

(iv) To construct, operate, maintain or undertake any other response or remedial action as required or necessary under any Hazardous Substance cleanup program at the Installation, including, but not limited to, monitoring wells, pumping wells and treatment facilities.

4.10. Specific Lease Restrictions. [TO BE DETERMINED AND INSERTED IN THIS PARAGRAPH].

SAMPLE

4.11. Hazardous Substance Notice. [IF HAZARDOUS SUBSTANCES HAVE BEEN STORED, RELEASED, OR DISPOSED OF ON THE PREMISES, USE THE FOLLOWING LANGUAGE AND INCLUDE THE APPROPRIATE EXHIBIT.] Exhibit H hereto provides information concerning hazardous substances that have been stored for one (1) year or more, or are known to have been released or disposed of, on certain portions of the Premises, and the date(s) that such storage, release, or disposal took place.

SECTION 5—LIABILITY AND INSURANCE

5.01. Government's Limitation of Liability and General Indemnification of Lessee. The Lessee agrees to assume all risks of loss or damage to property and injury or death to persons by reason of or incident attributable or incident to the condition or state of repair of the Premises or to its possession and/or use of the Premises or the activities conducted under this Lease. The Lessee expressly waives all claims against the Government for any such loss, damage, personal injury, or death caused by or occurring as a consequence of such condition, possession and/or use of the Premises by the Lessee, or the conduct of activities or the performance of responsibilities under this lease by the Lessee. The Lessee further agrees to indemnify and hold harmless the Government, its officers, agents, and employees from and against all suits, claims, demands or actions, liabilities, judgments, costs, and attorneys' fees arising out of, or in any manner predicated upon, personal injury, death, or property damage resulting from, related to, caused by, or arising out of the possession and/or use of the Premises by the Lessee. The Government will give the Lessee notice of any claim against it covered by this indemnity as soon after learning of such claim as practicable. The Lesse's obligation under this subparagraph 5.01 shall survive the expiration or termination of this Lease. The Lessee's obligation hereunder shall apply whenever the Government incurs costs or liabilities for the Lessee's actions giving rise to liability under this Section 5.

5.02. Liability for Actions of Lessee Parties. Except as otherwise provided in this Lease, the Lessee's obligations under subparagraph 5.01 shall apply to all risks of loss or damage to property and injury or death to persons by reason of, or incident to, the possession and/or use of the Premises by the Lessee, the Lessee's officers, agents, servants, employees, or others (excluding those employees or agents of the Government who are on the Leased Premises for the purpose of performing official duties) who may be on the Leased Premises at their invitation or the invitation of any one of them (the "Lessee Parties"), or the activities conducted by or on behalf of the Lessee Parties under this Lease.

5.03. Insurance. The Lessee shall in any event and without prejudice to any other rights of the Government bear all risk of loss or damage or destruction to the Premises, and any building(s), improvements, fixtures, or other property thereon, arising from any causes whatsoever, with or without fault by the Government, provided, however, the Government shall not be relieved of responsibility for loss or damage that is solely the result of the gross negligence or willful misconduct of the Government to the extent such loss or damage is not covered by coverage of insurance required under this Lease.

SAMPLE

5.03(a). Property Insurance. During the entire Term, the Lessee, at no expense to the Government, shall procure and maintain all-risk property insurance, including loss of rents for actual loss sustained with an extended period of indemnity of one hundred eighty (180) days, on a replacement cost basis, with no coinsurance, for full replacement value of such Improvements. Such replacement value shall be determined by the Government and shall be subject to adjustment at the request of the Lessee not more frequently than once in any twenty-four-month period, unless there have been substantial changes to the Project within such period. Such insurance shall have:

(i) a deductible no greater than $10,000, unless otherwise approved in writing by the Government;

(ii) earthquake, flood, sewer backup, boiler, and machinery coverage with commercially available limits and deductibles approved by the Government; and

(iii) terrorism insurance if commercially available at reasonable rates.

[THE AMOUNT OF INSURANCE WILL DEPEND ON THE PROJECT.]

5.03(b). Commercial General Liability Insurance. The Lessee, at its sole cost and expense, shall throughout the entire Term procure and maintain Commercial General Liability insurance, on an occurrence basis, insuring against claims for bodily injury, death and property damage, occurring upon, in or about the Premises, including any building thereon and adjoining sidewalks, streets, and passageways. Such insurance must be effective at all times throughout the Term, with limits of not less than $_____.__ per occurrence, general aggregate and products and completed operations aggregate, and include coverage for fire, legal liability, and medical payments. Any general aggregate shall apply on a per location or per project basis. The Government and any Approved Mortgagee shall be named as additional insureds. The additional insureds shall have equal standing with the named insureds for the purpose of submitting claims directly with the insurer. This coverage may be provided under primary liability and umbrella excess liability policies, and shall include:

(i) business auto liability insurance that insures against claims for bodily injury and property damage arising from the use of "any auto" with a combined single limit of $1,000,000 per accident;

(ii) environmental liability or pollution legal liability insurance to the extent available, which includes coverage for mold; and

(iii) underground storage tank environmental insurance for any underground storage tanks located on the Leased Premises. Limits of environmental policies, if available, shall be determined and approved by the Government.

All liability policies shall be primary and non-contributory to any insurance maintained by the Government or any Approved Mortgagee. The insurance carried and maintained by the Lessee pursuant to this subparagraph 5.03(b)(i) shall provide coverage to protect the Government from any damage and liability for which the Lessee is liable or responsible or agrees to hold harmless and indemnify the Government under this Lease. Proceeds under all policies of insurance carried and maintained to provide the coverage required by this subparagraph 5.03(b)(i) shall be available only for that purpose.

SAMPLE

5.03(c). Additional Insurance. During the Term, the Lessee shall either procure or maintain the following required insurance at its expense, or require any contractor performing work on the Premises to procure and maintain such insurance at no expense to the Government:

(i) Commercial general liability and business auto liability insurance provided for in subparagraph 5.03(b) shall be maintained for the limits specified thereunder, and shall provide coverage for the mutual benefit of the Lessee, the Government, and any Approved Mortgagee as additional insureds.

(ii) Fire and any other applicable insurance provided for in Paragraph 5.03, which, if not then covered under the provisions of existing policies, shall be covered by special endorsement thereto in respect to any improvements, structures, alterations, or additions, or installations, including all materials and equipment therefor, incorporated in, on, or about the Premises (including excavations, foundations, and footings) under a broad form all-risks builder's risk completed-value form or equivalent thereof; and

(iii) Workers' compensation or similar insurance covering all persons employed in connection with the work and with respect to whom death or bodily injury claims could be asserted against the Government or the Lessee, in form and amounts required by law (statutory limits), and employers' liability, with limits of $1,000,000 each coverage and policy limit.

5.03(d). Increase in Insurance.

(i) The amounts of Commercial General Liability insurance coverage required by subparagraph 5.03(b) are subject to review at the end of each three-year period following the Beginning Date. At each review, the amounts of coverage shall be increased to the amounts of coverage that institutional lenders generally require to be carried by prudent lessors and lessees of comparable buildings/facilities in the area in the vicinity of the Installation.

(ii) The Government may review and request appropriate increases based upon this review within sixty (60) days after each three-year period ends.

5.03(e). Insurance Criteria. Insurance policies required by this Lease shall be issued by insurance companies licensed to do business in the state of STATE NAME with general policyholder's ratings of at least A and a financial rating of at least XI in the most current *Best's Insurance Reports* available on the date the Party obtains or renews the insurance policies. If the *Best's* ratings are changed or discontinued, the Parties shall agree to an equivalent method of rating insurance companies. All policies issued by the respective insurers for commercial general liability insurance and for the all-risk property insurance provided for above in this Paragraph 5.03 shall be for the mutual benefit of the Government, any Approved Mortgagee, and the Lessee and will name the Government and any Approved Mortgagee as additional insureds or loss payees as to their respective interests. Each such policy shall provide that any losses shall be payable notwithstanding any act or failure to act or negligence of the Lessee, the Government, any Approved Mortgagee, or any other person; provide that no cancellation, reduction in amount, or material change in coverage thereof shall be effective until at least sixty (60) days after receipt by the Government

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and any Approved Mortgagee of written notice thereof; provide that the insurer shall have no right of subrogation against the Government or any Approved Mortgagee; and be reasonably satisfactory to the Government in all other respects. All property insurance coverage required by subparagraph 5.03(a) shall be payable solely to the Government and any Approved Mortgagee in accordance with this Lease. In no circumstances will the Lessee be entitled to assign to any third-party rights of action that the Lessee may have against the Government. Notwithstanding the foregoing, any cancellation of insurance coverage based on nonpayment of the premium shall be effective upon ten (10) days' written notice to the Government and any Approved Mortgagee. The Lessee understands and agrees that cancellation of any insurance coverage required to be procured and maintained by the Lessee under this Paragraph 5 will constitute a failure to comply with the terms of this Lease, and the Government shall have the right to terminate this Lease for default and breach pursuant to Paragraph 7 upon receipt of any such cancellation notice, but only if the Lessee fails to cure such noncompliance to the extent allowed under Paragraph 7.

5.03(f). Evidence of Insurance. The Lessee shall deliver or cause to be delivered by the Beginning Date (and thereafter not less than fifteen (15) days prior to the expiration date of each policy furnished pursuant to this Paragraph 5), at the Government's option, a certified copy of each policy of insurance required by this Lease as soon as each such policy is made available by the insurer, or a certificate of insurance evidencing the insurance required by this Lease, in a form acceptable to the Government, and including such endorsements necessary to afford additional insured or loss payee status or evidence other conditions as required per provisions above, or both.

SECTION 6—ALTERATIONS, REPAIRS, MAINTENANCE, AND SURRENDER

6.01. Utilities and Services. The Lessee shall be responsible for all utilities, janitorial services, building maintenance, and grounds maintenance for the Premises without cost to the Government. The Lessee shall be responsible for providing all facilities, labor, materials, tools and equipment necessary to provide the utility services necessary for the operation and development within the boundaries of the Premises. The Lessee shall manage, control and perform its operations, maintenance, repairs, replacements and incidentals of its utility systems to provide firm, reliable and dependable utility service to each of the tenant connections within the service area.

[THE PURCHASE OF UTILITIES, POLICE AND FIRE PROTECTION WILL ALL BE DETERMINED ON A CASE BY CASE BASIS. THE FOLLOWING LANGUAGE MAY BE TAILORED SUBJECT TO HQ USACE APPROVAL TO ADDRESS SPECIFIC CIRCUMSTANCES.]

6.01(a). Purchase of Government Utility Services. Any purchase from the Government of utility services must be made in accordance with 10 U.S.C. § 2686, and appropriate Army Regulations, as they may be amended from time to time, or any successor regulations or instructions, requiring any non-federal user of a federally owned utility service to enter into a separate contract prior to receiving such service at rates to be specified in each contract. The Contract for Purchase of Utilities Services will define the specific

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requirements and cost of the service. The Government retains the right to procure or supply utility services that are provided from any source. The Lessee may, with the consent of the Government, enter into a separately negotiated utility service agreement. The Government shall not charge the Lessee more than the rate charged to other commercial non-governmental utility users on the Installation. It is expressly understood and agreed that the Government in no way warrants the continued maintenance or adequacy of any utilities or services furnished by it to the Lessee.

6.01(b). Fire Protection. The Installation may provide limited fire protection services, as specified in the Operating Agreement, but only within its capabilities and with first priority being given to protection of the Government's non-leased property or other Government property. The Lessee acknowledges that fire protection services to the Premises is not a function of the Government. Fire protection to the Premises is, to the extent available and/or provided, a voluntary assistance done in the spirit of cooperation. The provision of fire protection shall also be subject to the following:

(i) Upon request of the Government, the Lessee shall promptly reimburse the Government for the actual cost of any such fire protection services provided, including replacement costs for supplies expended, repair or replacement cost for damaged equipment, and labor costs for civilian employees of the Government, or its contractors; and

(ii) The Lessee agrees to release, acquit, and forever discharge the Government, its officers, agents, employees, and contractors, including any entity providing fire-fighting services under a contract with the Government, for any and all liability arising out of or connected with the use of Government fire-fighting equipment or personnel for fire control activities at or in the vicinity of the Premises. The Lessee further agrees to indemnify, defend, and hold harmless the Government, its officers, agents, employees, and contractors against any and all claims, of whatever description arising out of, or connected with, such use of, or failure to supply in individual cases, Government fire-fighting equipment, services, or personnel.

6.01(c). Police Protection. The Government will be the primary provider of law enforcement services for the Premises. Other federal organizations such as the Federal Bureau of Investigation and Alcohol, Tobacco & Firearms also may be called for assistance when deemed necessary by the Government. The Government will provide normal drive by patrols on the Installation streets. Tenants needing law enforcement assistance may call the Military Police Desk. The Lessee may, at its option, employ security guards to protect the interior of the facilities on the Premises after providing notice to the Government and identification of all security personnel. All security guards shall wear an identification tag and carry an identification card provided by the Lessee or other employer. An updated list of all security personnel shall be provided to the Government whenever changes occur. The Lessee shall ensure that no Lessee employed security guards carry weapons of any type on the Installation, including mace and pepper spray.

SAMPLE

6.01(d). Interruption of Services.

(i) The Government does not warrant that any services it supplies will not be interrupted. Services may be interrupted because of accidents, repairs, alterations, improvements, or any reason beyond the reasonable control of the Government. Any interruption shall not:

(A) be considered an eviction or disturbance of the Lessee's use and possession of the Premises;

(B) make the Government liable to the Lessee for damages;

(C) abate Rent or Additional Rent; or

(D) relieve the Lessee from performing the Lessee's Lease obligations.

6.02. Alterations and Improvements. It is specifically understood that (i) the Lessee's activities undertaken pursuant to this Lease constitute a private undertaking; (ii) title to Lessee Improvements shall be vested in the Lessee, subject to the terms of this Lease; and (iii) the Government's sole and exclusive interest in and liability under this Lease are limited to that of lessor of the Premises. The Lessee shall not be entitled to receive from the Government and the Government shall not be obligated to pay to the Lessee any monetary consideration for the Lessee's activities undertaken pursuant to this Lease.

6.02(a). Definitions. "Alterations" means any substantial improvements, structures, alterations, or additions to, or installations upon, or any other substantial modifications or alterations to the Premises and the Improvements the Lessee is to make pursuant to the plans and specifications set forth in Exhibit I ("Government Approved Alterations").

6.02(b). Consent. The Lessee shall not place, construct, or make or permit its sublessees or assigns to place, construct, or make any Alterations without the Government's advance written consent.

6.02(c). Conditions of consent. The Government may condition its consent in subparagraph 6.02(b) on all or any part of the following:

(i) The Lessee shall furnish the Government with reasonably detailed plans and specifications of the Alterations;

(ii) The Alterations shall be performed and completed—

(A) in accord with the submitted plans and specifications,

(B) in a good and workmanlike manner,

(C) in compliance with all applicable laws, regulations, rules, ordinances, and other requirements of governmental authorities.

(D) using new materials and installations at least equal in quality to the original Building materials and installations, where applicable,

(E) by not disturbing the quiet possession of the other tenants, or operations on the Installation,

(F) by not interfering with the construction, operation, or maintenance of the Premises,

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(G) By not disturbing, moving, damaging, marring, tampering with, interfering with, obstructing, or impeding any environmental remediation of the Government on or about the Premises, including any areas adjacent thereto, and

(H) with due diligence;

(iii) The Lessee shall modify plans and specifications because of reasonable conditions set by the Government after reviewing the plans and specifications;

(iv) The Lessee's contractors shall carry builder's risk insurance in an amount then customarily carried by prudent contractors and workers' compensation insurance for its employees within statutory limits;

(v) Government consent to Alterations may include a requirement to provide the Government with a performance and payment bond, or similar financial assurances, satisfactory to the Government in all respects, and other requirements deemed necessary to protect the interests of the Government; and

(vi) Upon demand the Lessee shall give the Government evidence that it complied with any conditions of consent established by the Government pursuant to this subparagraph 6.02(c).

6.02(d). Notice of Completion. Upon completion of any Alterations upon the Premises, the Lessee shall file or cause to be filed, if required by applicable law, a valid Notice of Completion in a timely fashion.

6.02(e). Payment and Ownership of the Alterations. Alterations made under this Paragraph shall be at the Lessee's expense. Title to all improvements located in, on and under the land comprising the Premises that are hereafter constructed by or at the request of the Lessee (the "Improvements") shall vest in and belong to the Lessee subject to the terms of this Lease. Upon the Ending Date, the Lessee shall restore the Premises consistent with the requirements of subparagraph 6.03(c). Notwithstanding the foregoing and subject to Government approval, the Lessee may convey the Improvements to the Government in lieu of restoration, subject to the Government's consent, in the Government's sole discretion.

6.03. Operation, Maintenance, and Surrender.

6.03(a). Lessee's Care of Premises. The Lessee shall:

(i) operate and maintain the Premises in conformance with the Operating Agreement and all other terms and conditions of this Lease and;

(ii) at all times and at no expense to the Government, protect, preserve, maintain and repair the Premises, and keep them in good order and condition and at INSERT HERE THE STANDARD FOR THE TYPE OF BUILDING (E.G., IF CLASS A OFFICE SPACE THE LESSEE SHALL MAINTAIN ACCORDING TO CLASS A STANDARD, ETC.);

(iii) at all times exercise due diligence in protecting the Premises and keep the Premises and fixtures in good order;

(iv) at all times maintain in good and serviceable condition all roads, streets, curbing, sidewalks, parking areas and access drives located on the Premises;

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(v) promptly repair or replace any real or personal property of the Government damaged or destroyed by the Lessee incident to the Lessee's use and occupation of the Premises to the reasonable satisfaction of the Government. In lieu of such repair or replacement the Lessee shall, if so required by the Government, pay the Government an amount sufficient to compensate for the actual costs incurred by the Government by reason of damage or destruction of such Government property;

(vi) obtain, to the extent required by Applicable Law (as defined below), all federal, state and local permits required in connection with the development of the Premises, and any other approvals required for the construction, operation and management of the Premises. The Lessee shall provide copies of all such permits to the Government;

(vii) develop a safety and occupational health plan for the facilities and operations conducted and to comply with all safety and occupational health standards for federal and state regulations and laws; and

(iv) not commit waste.

6.03(b). Lessee's Bills and Obligations. The Lessee shall pay or cause to be paid, the bills and obligations of the Premises, including taxes, prior to the same becoming delinquent, so as to keep the Premises free from liens other than those permitted by this Lease; however, if the Lessee in good faith desires to contest the same, the Lessee shall be privileged to do so, but in such case the Lessee hereby agrees to indemnify and save the Government harmless from all liability for damages occasioned thereby and shall, in the event of a judgment of foreclosure on said lien, cause the same to be discharged and released prior to the execution of such judgment. In the event the Government reasonably should consider its interest endangered by any such liens and should so notify the Lessee and if the Lessee should fail to provide adequate security for the payment of such liens, in the form of a surety bond, cash deposit or cash equivalent, or indemnity agreement reasonably satisfactory to the Government within thirty (30) days after such notice, then the Government, at the Government's sole discretion, may discharge such liens and recover from the Lessee under the Lease the amounts paid, with interest thereon from the date paid by the Government until repaid by the Lessee at the rate of eighteen percent (18%) per annum.

6.03(c). Surrendering the Premises. The Lessee shall vacate and surrender the Premises to the Government on or before the Ending Date or the date the last extension Term, if any, ends, whichever is later. The Lessee shall remove, on or before the Ending Date, all property not belonging to the Government or its agents or contractors from the Premises and restore them to as good order and condition, reasonable wear and tear and damage beyond the control of the Lessee excepted, as that existing on the Beginning Date, subject to Section 4 above. If the Lessee shall fail or neglect to remove its property, then, at the option of the Government, the property shall either become the property of the United States without compensation, or the Government may cause it to be removed and the Premises to be so restored at the expense of the Lessee, and no claim for damages against the United States or its officers, employees, or

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agents shall be created by or made on account of such removal and restoration work. Surrender of such property shall not be deemed to be a payment of rent in lieu of any rent due under this Lease.

SECTION 7—DEFAULT AND TERMINATION

7.01. Lessee's Default.

7.01(a). Defaults. Each of the following constitutes a default (Default):

(i) The Lessee's failure to comply with any provision of this Lease, where such failure to comply continues for thirty (30) days after delivery of written notice thereof by the Government to the Lessee and all Approved Mortgagees. If, however, such default is not reasonably susceptible to cure within such thirty (30) day period, the Lessee shall have such longer period as may be approved in writing in advance by the Government, to cure such default so long as the Lessee commences curing such default within the initial thirty (30) day period and diligently prosecutes such cure to completion in accordance with a schedule approved in writing by the Government.

(ii) The failure of the Lessee to pay Rent, when due and such failure remains uncured for a period of ten (10) days after written notice to the Lessee by the Government of the Lessee's failure to pay such amount.

(iii) The Lessee voluntarily files for bankruptcy protection under the United States Bankruptcy Code (the "Bankruptcy Code") or voluntarily becomes subject to any reorganization, receivership, insolvency proceeding, or other similar proceeding pursuant to any other federal or state law affecting debtor and creditor rights, or an involuntary case is commenced against the Lessee by any creditor of the Lessee pursuant to the Bankruptcy Code or other federal or state law affecting debtor and creditor rights and is not dismissed or discharged within sixty (60) days after filing.

(A) If any voluntary or involuntary petition is filed under the Bankruptcy Code by or against the Lessee (other than an involuntary petition filed by or joined in by the Government), the Lessee shall not assert, or request any other party to assert, that the automatic stay under the Bankruptcy Code shall operate or be interpreted to stay, interdict, condition, reduce, or inhibit the ability of the Government to enforce any rights it has by virtue of any agreement between the Parties, or any other rights that the Government has, whether now or hereafter acquired, against any party responsible for the debts or obligations of the Lessee under such agreements. Furthermore, the Lessee shall not seek a supplemental stay or any other relief, whether injunctive or otherwise, pursuant to the Bankruptcy Code, to stay, interdict, condition, reduce, or inhibit the ability of the Government to enforce any of its rights under such agreements against any party responsible for the debts or obligations of the Lessee. The waivers contained in this Condition are a material inducement to the Government's willingness to enter into this Lease and the Lessee acknowledges and agrees that no grounds exist for equitable relief that will bar,

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delay, or impede the exercise by the Government of its rights and remedies under such agreements against the Lessee or any party responsible for the debts or obligations of the Lessee.

(B) If any or all of the Premises or the Lessee's Improvements or any interest in either of them becomes the property of any bankruptcy estate or subject to any state or Federal insolvency proceeding, then the Government shall immediately become entitled, in addition to all other relief to which the Government may be entitled under any agreement between the Parties, to obtain (i) an order from the Bankruptcy Court or other appropriate court granting immediate relief from the automatic stay pursuant to the Bankruptcy Code so as to permit the Government to pursue its rights and remedies at law and in equity under applicable state law, and (ii) an order from the Bankruptcy Court prohibiting the Lessee's use of all "cash collateral," as defined under the Bankruptcy Code. In connection with such Bankruptcy Court orders, the Lessee shall not contend or allege in any pleading or petition filed in any court proceeding that the Government does not have sufficient grounds for relief from the automatic stay. The Lessee acknowledges and agrees that any bankruptcy petition or other action taken by the Lessee to stay, condition, or prevent the Government from exercising its rights or remedies under this Lease or any other agreement between the Parties shall be deemed to be in bad faith.

(iv) Subject to an Excusable Delay as defined in subparagraph 7.01(b), the Lessee shall fail to complete the development of the following amounts of rentable building space by the following deadlines, and such failure shall continue after the expiration of the cure period set forth in subparagraph 7.01(a)(i): INSERT DEVELOPMENT SCHEDULE AND OTHER DEADLINES.

7.01(b). Excusable Delays. No Default shall be deemed to have occurred for any period of time during which a "Force Majeure Event," as defined in Paragraph 13.11, exists or the Lessee and the Government are attempting to resolve a dispute about an alleged default as provided in Section 12 (hereafter collectively referred to as an "Excusable Delay"). For an Excusable Delay, the Lessee's period for cure shall be tolled for the period of time that the Excusable Delay exists. For a dispute, if, pursuant to the dispute resolution procedures set forth in Section 12, a default is determined to have occurred, the Lessee's period for cure shall not begin until the day after the final decision on the dispute is issued, and such default shall not become an Event of Default until any applicable cure period has expired.

7.02. Government's Remedies.

7.02(a). Remedies. Subject to Paragraph 8.05, this Lease may be terminated as provided below:

(i) The Government may terminate this Lease upon written notice to the Lessee, and without any cost or liability to the Government, if an Event of Default exists. Such notice shall be referred to as a "Default Termination Notice" and shall be effective as of the date specified therein, which shall be at least five (5) but not more than thirty (30) days after its receipt by the Lessee.

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(ii) Either of the Government or the Lessee may terminate this Lease, upon written notice to the other Party in the event of Extensive Damage or Destruction of Improvements, as that term is defined in Paragraph 9.03. Such notice shall be referred to as a "Termination Notice for Extensive Damage or Destruction of Improvements" and shall be effective as of the date to be specified therein, which shall be at least thirty (30) days but not more than forty five (45) days after its receipt by the Lessee.

702(b). Lessee Waiver of Claims. The Lessee hereby waives any claims or suits against the Government arising out of any termination of this Lease pursuant to this Section 7.

7.02(c). Government's Rights and Remedies. If an Event of Default exists and all notices of such Event of Default required by this Lease have been given, then subject to the rights, if any, of an Approved Mortgagee, the Government shall have the following rights and remedies in addition to all other rights and remedies available to the Government at law or in equity:

(i) The Government shall have the right to enforce specific performance by the Lessee of its obligations under this Lease in any state or federal court of competent jurisdiction.

(ii) The Government shall have the right to take possession of the Premises, and any Improvements thereon, and operate, repair, restore, maintain, manage, and use the Premises and such Improvements in accordance with the provisions of this Lease.

(iii) The Government shall have the right to obtain the appointment of a receiver to take possession of the Premises and Improvements thereon, and operate, repair, restore, maintain, manage, and use them in accordance with the provisions of this Lease.

(iv) The Government shall have the right to terminate any management agreement relating to the Premises and the Improvements without payment of any termination fee or other similar fee or premium.

(v) The Lessee shall reimburse the Government for the cost of all repairs and maintenance by the Government.

(vi) The Government shall have the right to pursue more than one right or remedy at the same time.

7.02(d). Other Expenses. The Lessee shall also be liable for that part of the following sums paid by the Government and attributable to that part of the Term ended due to the Lessee's Default:

(i) reasonable fees incurred by the Government for reletting part or all of the Premises prorated for that part of the reletting Term ending concurrently with the then current Term of this Lease;

(ii) the cost of removing and/or storing the Lessee's property, or preserving and maintaining the Premises;

(iii) the cost of minor repairs, alterations, and remodeling necessary to put the Premises in a condition reasonably acceptable to a new Lessee; and

(iv) other necessary and reasonable expenses incurred by the Government in enforcing its remedies.

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7.03. Exception to Cure Period. The cure period in Paragraphs 7.01(a)(i) does not apply to Lessee's failure to maintain the insurance required by Section 5 of this Lease.

SECTION 8—ENCUMBRANCES OF THE LESSEE'S ESTATE

8.01. Encumbrance of Lessee's Estate. Except as provided in Paragraph 8.02, the Lessee shall not:

(i) engage in any financing or other transaction creating any mortgage or security interest upon the Premises or any Improvements;

(ii) place or suffer to be placed upon the Premises or any Improvements any lien or other encumbrance;

(iii) suffer any levy or attachment to be made on the Lessee's interests in the Premises or any Improvements; or

(iv) pledge, mortgage, assign, encumber, or otherwise grant a security interest in the Premises or any Improvements or the rents, issues, profits, or other income of the Premises or any Improvements located thereon.

8.02. Permitted Mortgages. During the Term, the Lessee may encumber by mortgage, deed of trust, or security agreement its interest in the Premises or any Improvements to secure one or more loans, subject to Paragraph 8.10. The proposed holder of any such mortgage, deed of trust, or security agreement must be approved in writing by the Government prior to the execution of such loan, which approval shall not be unreasonably withheld or delayed. Any mortgagee approved by the Government or successor or assignee of such mortgagee approved by the Government shall be referred to in this Lease as an "Approved Mortgagee." The Government agrees to execute an Estoppel Certificate and any other similar documentation as may reasonably be required by an Approved Mortgagee solely for the purposes of evidencing the Government's consent to the conditional assignment or mortgage of the Lessee's interest in this Lease and to certify the status of this Lease and performance by the Lessee of its obligations under this Lease as of the date of such certification. Notwithstanding any foreclosure, the Lessee shall remain liable for the performance of all the terms, covenants, and conditions of this Lease, which by the terms hereof are to be carried out and performed by the Lessee.

8.03. Lessee Required Notices. The Lessee shall notify the Government promptly of any lien or encumbrance on the Premises, or the Lessee's interest in the Premises or any Improvements, whether created by act of the Lessee or otherwise, of which the Lessee has notice.

8.04. Acquisition of Lessee's Interest by Approved Mortgagee or Affiliate. If an Approved Mortgagee or an Approved Mortgagee Affiliate (defined below) acquires the Lessee's interest in the Premises or the Improvements by deed-in-lieu, at a foreclosure of its mortgage or deed of trust, or otherwise, this Lease shall continue in full force and effect. The acquisition of the Lessee's interest in the Premises or

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Improvements, by anyone other than an Approved Mortgagee or an Approved Mortgagee Affiliate shall require the prior written approval of the Government. No agent or nominee shall be appointed to operate and manage any portion of the Premises or the Improvements without obtaining the prior written approval of the Government. Such approval shall not be unreasonably withheld or delayed so long as the proposed agent or nominee has demonstrated experience or expertise in the development, management, and operation of facilities similar to the Premises and the Improvements. Notwithstanding anything to the contrary contained in this Paragraph 8.03, the Government may withhold approval of any purchaser of the Lessee's interest in the Premises (other than with respect to an Approved Mortgagee or Approved Mortgagee Affiliate) if in the Government's sole discretion such purchaser could pose a threat or breach of security by its ownership or use of the Premises. As used in this Paragraph 8.03, "Approved Mortgagee Affiliate" means a corporation, limited liability company, or other entity that controls, is owned or controlled by, or is under common ownership and control with, an Approved Mortgagee.

8.05. Approved Mortgagee Protections. With respect to the Approved Mortgagees, the following shall apply:

(i) If an Approved Mortgagee has given written notice to the Government of its address, any notice to the Lessee given pursuant to this Lease, including, without limitation, notice of a default or a termination of this Lease shall be delivered simultaneously to such Approved Mortgagee, and no notice of default or termination of this Lease given by the Government to the Lessee shall be deemed effective until like notice is given to such Approved Mortgagee.

(ii) An Approved Mortgagee shall have the same rights to cure any default as the Lessee has under this Lease with such additional time as may be afforded to an Approved Mortgagee pursuant to this Section 8 and the Government shall accept performance by such Approved Mortgagee as if the Lessee had performed.

(iii) The Government will not accept any cancellation of this Lease by the Lessee, or materially modify this Lease, without the prior written consent of each Approved Mortgagee. The Lessee shall provide each Approved Mortgagee with notice of any proposed material modification or cancellation.

(iv) No Approved Mortgagee, or purchaser at a foreclosure sale who has been approved by the Government as required by Paragraph 8.03, shall be required to cure any "personal default," as defined below, of the Lessee. As used in this Section 8, "personal default" means any default of the Lessee that cannot be cured by the payment of money or performance of the development activities undertaken pursuant to this Lease, including any bankruptcy of the Lessee. Examples of personal defaults include, without limitation, defaults in Paragraphs 13.01through 13.04, and 13.07 of this Lease. Defaults under Paragraph 13.07 also shall constitute personal defaults to the extent records are not available to prepare the reports required by that Paragraph.

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8.06. Termination Notice and Right to Postpone. If the Government elects to terminate this Lease pursuant to Paragraph 7.02, each Approved Mortgagee shall have the right to postpone ("Mortgagee's Right to Postpone") and extend the termination date specified in the notice of termination by the Government to the Lessee ("Termination Notice"), subject to the following conditions:

(i) Prior to the termination date specified in the Termination Notice, the Approved Mortgagee must give the Government written notice of its exercise of the Mortgagee's Right to Postpone and simultaneously cure all monetary defaults and deliver to the Government as security for the cure of all other defaults other than personal defaults an amount sufficient to effect such cure.

(ii) The Mortgagee's Right to Postpone shall extend the date specified in the Termination Notice for the termination of this Lease for a period of up to six (6) months, or such longer period as may be reasonably requested by the Approved Mortgagee and approved by the Government, which approval shall not be unreasonably withheld. The Government will grant a reasonable extension of the date for termination of this Lease pursuant to the Mortgagee's Right to Postpone ("Lease Termination Extension Date") so long as the Approved Mortgagee:

(A) promptly commences all steps necessary to cure any default other than personal defaults of the Lessee, including such steps as may be required for the Approved Mortgagee to obtain possession or control of the Premises, and diligently prosecutes the same to completion; and

(B) provides the Government with monthly updates in writing that describe in reasonable detail the steps the Approved Mortgagee has taken and will take in the future to cure any such defaults, and the anticipated time-frame for curing such defaults.

(iii) Prior to the termination date specified in the Termination Notice, such Approved Mortgagee shall assume performance and observance of the covenants and other agreements of the Lessee in this Lease.

(iv) If prior to the Lease Termination Extension Date, all defaults under this Lease other than personal defaults are cured or otherwise resolved as memorialized in a written agreement, then the Government shall withdraw the Termination Notice.

8.07. No Obligation to Deliver Premises or Improvements. Nothing in this Section 8 shall be deemed to impose any obligation on the part of the Government to deliver physical possession of the Premises or any Improvements located thereon to such Approved Mortgagee.

8.08. Rights of Multiple Approved Mortgagees. If more than one Approved Mortgagee shall seek to exercise any of the rights provided for in this Section 8, the holder of the mortgage or deed of trust having priority of lien over the other Approved Mortgagees shall be entitled, as against the others, to exercise such rights. Should a dispute arise among the Approved Mortgagees regarding the priority of their respective liens, all of the Approved Mortgagees must provide written confirmation to the Government that they have settled that dispute.

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8.09. New Lease. In the event this Lease is terminated by the Government for any reason or is rejected in bankruptcy, the Approved Mortgagee(s) in the order of the priority of their respective mortgages, may request a new lease ("New Lease") from the Government, and the Government shall execute and deliver such New Lease, provided the applicable Approved Mortgagee:

(i) pays all past due amounts due to the Government pursuant to the terms of this Lease, and

(ii) cures or otherwise resolves in a manner acceptable to the Government any non-monetary defaults, except for personal defaults, of the Lessee under this Lease. Such New Lease shall be for the remaining term of this Lease and shall be on the same terms and conditions as set forth in this Lease.

8.10. Government Protections.

8.10(a) Approval of Mortgagees. Notwithstanding any of the provisions of this Section 8 above, the Government shall not be required to approve any mortgagee, or recognize at foreclosure as an Approved Mortgagee, if such mortgagee is:

(i) on the most current "List of Parties Excluded from Federal Procurement and Nonprocurement Programs" published at http://epls.arnet.gov/, as said list may be updated from time to time, and/or

(ii) a country listed in Publication 10535, Patterns of Global Terrorism, available from the Superintendent of Documents, U.S. Government Printing Office, Washington, DC 20402 and available at www/global/ terrorism/annual_reports.html, (collectively "Non-Qualifying Parties").

8.10(b) Affect of Mortgage on the Premises. No mortgage or deed of trust shall extend to or affect the fee, the reversionary interest, or the estate of the Government in the Premises. No mortgage, deed of trust, or security agreement shall be binding upon the Premises until it is approved by the Government and a copy thereof has been delivered to the Government.

SECTION 9—LOSS OF PREMISES

9.01. Damage. In the event that any part of the Premises or Improvements are damaged (except de minimis damage) or destroyed, the risk of which is assumed by the Lessee under Paragraph 5.03 ("Damaged or Destroyed Property"), the Lessee shall promptly give notice thereof to the Government and all Approved Mortgagees.

9.02. Lessee's Obligation to Restore.

The Lessee shall, as soon as reasonably practicable after the casualty, restore the Damaged or Destroyed Property as nearly as possible to the condition that existed immediately prior to such loss or damage, subject to Paragraph 9.03.

9.03. Extensive Damage or Destruction of Improvements. In the event that the Government and any Approved Mortgagees in consultation with the Lessee determine that the magnitude of Damaged or

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Destroyed Property is so extensive that the Premises or the Improvements cannot be used by the Lessee for its operations and the repairs, rebuilding, or replacement of the Damaged or Destroyed Property cannot reasonably be expected to be substantially completed within twelve (12) months of the occurrence of the casualty ("Extensive Damage or Destruction of Improvements"), either Party may terminate this Lease as provided in subparagraph 7.02(a)(ii). In the event that the Government shall determine that an Extensive Damage or Destruction of Improvements has not occurred, then neither Party shall have the right to terminate this Lease. In the event the Government determines that such an event has occurred, and the Approved Mortgage disagrees with that determination, then the matter shall be determined pursuant to the provisions of Section 12 of this Lease. If the Parties and any Approved Mortgagees mutually agree to repair, rebuild, and replace less than all Damaged or Destroyed Property, then neither Party shall have the right to terminate this Lease as provided in subparagraph 7.02(a)(ii) with respect to the Leased Premises on which the Damaged or Destroyed Property that will be repaired, rebuilt, and replaced is situated.

9.04. Insurance Proceeds. Unless this Lease is terminated pursuant to subparagraph 7.02(a)(ii), any insurance proceeds received as a result of any casualty loss to the Project shall be applied in the following order of priority:

(i) To restoring the damaged area and removing any related debris to the reasonable satisfaction of the Government;

(ii) To repairing, rebuilding, and/or replacing the Improvements and the damaged area to the reasonable satisfaction of the Government;

(iii) If required by the Government or any Approved Mortgagee, to the payment of any outstanding liens held by the Government or any Approved Mortgagee, in accordance with the order of priority of such liens, until all such liens are fully satisfied and released, and

(iv) The excess, if any, shall be paid to the Lessee. If this Lease is terminated pursuant to subparagraph 7.02(a)(ii), then any insurance proceeds received as a result of any casualty loss to the Premises and Improvements shall be applied to the restoration of the Premises in accordance with the provisions of this Lease after repayment of any outstanding Approved Mortgages.

9.05. Waivers. The Lessee hereby waives any rights now or hereafter conferred upon it by statute or other law to surrender this Lease or to quit or surrender the Premises or any part thereof, or to receive any suspension, diminution, abatement or reduction of the rent or other sums and charges payable by the Lessee hereunder on account of any such destruction or damage other than as expressly provided in this Section 9.

9.06. Transfer of the Premises by the Government. [WHERE THE GOVERNMENT HAS AGREED TO WAIVE THE RIGHT TO TERMINATE FOR CONVENIENCE, INSERT THE FOLLOWING CLAUSE.] The Government may sell or otherwise convey the Premises as permitted by any provision of law, and in such event this Lease shall continue in full force and effect and Lessee shall attorn to the transferee of the Government's interest. The Parties acknowledge that certain provisions of this Lease establish rights and obligations that are uniquely associated with Governmental ownership of the Premises and the Installation.

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Lessee shall cooperate with Government and any transferee of the Government's interest to modify such provisions as reasonably necessary to accommodate non-Governmental ownership of the Premises. [IF THE GOVERNMENT HAS RETAINED THE RIGHT TO TERMINATE THIS LEASE FOR CONVENIENCE, THEN ADD THE FOLLOWING CLAUSE.] If this Lease is revoked to allow the United States to sell the property under any other provision of law, the Lessee shall have the first right to buy the property.

SECTION 10—ASSIGNMENT AND SUBLEASES

10.01. Assignment and Sublease. The Lessee shall not transfer, assign, or sublease all or part of the Premises without the Government's advance written consent. The Government's consent to any assignment or sublease shall not be unreasonably withheld, conditioned, or unduly delayed.

10.02. Reasonableness. The Government's consent shall not be considered unreasonably withheld or conditioned if consent is denied because:

(i) the Government determines the proposed sublessee's or assignee's financial responsibility is unacceptable;

(ii) the proposed sublessee's or assignee's business is not suitable for location on the Installation;

(iii) the proposed use is inconsistent with the use permitted by Paragraph 1.03;

(iv) the sublessee or assignee fails to acknowledge that they will comply with all applicable laws and regulations pertaining to the Lessee as referenced in this Lease;

(v) the proposed sublease or assignment fails to prohibit further assignment or letting of the Premises;

(vi) default on the part of the Lessee shall have occurred without cure or otherwise be continuing hereunder;

(vii) the proposed sublessee or assignee had been proposed for the rental or assignment of any or all of the Premises and the Government's consent had been withheld or conditioned within the previous year;

(viii) the Lessee fails to deliver to the Government a duplicate original or a conformed copy of the sublease or assignment along with evidence that any conditions imposed by the Government and any requirements of this Section have been satisfied;

(ix) the sublease fails to provide that it is subject and subordinate to this Lease and to the matters to which this Lease is or shall be subordinate; or

(x) the sublease fails to provide that, if by reason of a default on the part of the Lessee under this Lease, this Lease or the leasehold estate created hereunder is terminated, then such sublessee shall, at the sole and absolute discretion option of Government, as the lessor, atorn to the Government the

SAMPLE

terms and conditions set forth in the Lease and will recognize the Government as such sublessee's lessor under such sublease, provided that Government accepts such attornment, having no obligation to do so.

10.03. Procedure.

(i) The Lessee must provide the Government in writing:

(A) the name and address of the proposed sublessee or assignee;

(B) the nature of the proposed sublessee's or assignee's business it will operate in the Premises;

(C) the terms of the proposed sublease or assignment; and

(D) financial information sufficient for the Government to reasonably evaluate the proposed sublessee or assignee under paragraph 10.02(i).

(ii) The Government shall, within thirty (30) business days after receiving the information under subparagraph 10.03(i), give notice to the Lessee to permit or deny the proposed sublease or assignment.

10.04. Conditions of Subleases and Assignments. The Lessee shall remain liable for all Lease obligations of the sublessee. All Subleases and Assignments by the Lessee are also subject to:

(i) The terms of this Lease;

(ii) The Term shall not extend beyond the Term set forth in Paragraph 104 above; and

(iii) Notwithstanding the provisions for assignment in this Section 10, the Lessee shall be allowed no more that ___ (__) assignments of this Lease for any portion of the Premises; [LESSEES SHALL BE LIMITED TO THE NUMBER OF TAKEDOWNS NECESSARY FOR FINANCING PURPOSES. THE NUMBER OF TAKEDOWN WILL DEPEND ON THE PROJECT, SUBJECT TO APPROVAL OF THE DIRECTOR OF REAL ESTATE; HOWEVER, THE PREFERENCE IS TO ONLY ALLOW ONE LEASE.]

(iv) Consent to one sublease or assignment does not waive the consent requirement for future assignments or subleases.

SECTION 11—PERMITTED ENTRIES

11.01. Permitted Entries. The Government and its agents, servants, and employees reserve the right to enter the Premises at reasonable times, and at any time if an emergency, without charge, liability, or abatement of Rent, for any purposes not inconsistent with the Lessee's quiet use and enjoyment under this Lease, including, but not limited to, the purpose of conducting normal and periodic inspections of the Premises.

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11.02. Entry Conditions. Notwithstanding Paragraph 10.01, entry is conditioned upon the Government giving the Lessee at least twenty-four (24) hours advance notice, except in an emergency.

SECTION 12—DISPUTES

12.01. Disputes.

12.01(a) Disputes Valued at $10,000 or less (exclusive of interest). Except as otherwise provided in this Lease, any dispute between the Government and the Lessee arising under or related to this Lease involving $10,000.00 (exclusive of interest) or less shall be decided by the Director of Real Estate, HQ U.S. Army Corps of Engineers (hereafter "Director"). The Director shall reduce his or her decision to writing and mail or otherwise furnish a copy to the Lessee. With respect to any such dispute, the Lessee agrees that the decision of the Director shall be final and conclusive and shall not be appealable or otherwise subject to challenge.

12.01(b) Disputes Valued at More than $10,000 (exclusive of interest). The Lessee and the Government agree that the following procedures constitute the administrative procedures that must be exhausted with respect to any dispute arising under or related to this Lease involving more than $10,000 (exclusive of interest) before the Lessee or the Government may pursue any other remedy that is available to it pursuant to this Lease or law. Any dispute involving more than $10,000.00 (exclusive of interest) shall be decided by the Director. The Director shall reduce his or her decision to writing and mail or otherwise furnish a copy thereof to the Lessee. The decision of the Director shall be final and conclusive unless, within thirty (30) calendar days from the date of receipt of the decision, the Lessee appeals the decision, by certified mail, to the Deputy Assistant Secretary of the Army (Installations & Housing), and delivers a copy of its appeal to the Director by certified mail. The Deputy Assistant Secretary of the Army (Installations & Housing) shall render a decision by a date mutually agreed upon by the Parties. Either Party shall have the right to appeal the decision of the Deputy Assistant Secretary of the Army (Installations & Housing) or his or her authorized representative to a court of competent jurisdiction in a timely manner, consistent with Paragraph 12.02; otherwise the decision of the Deputy Assistant Secretary of the Army (Installations & Housing) shall be final.

12.02 Judicial Review. The Lessee or the Government, after exhausting the administrative remedies specified in subparagraph 12.01(b), may:

(i) Pursue any remedy available to it under the law; or

(ii) Before or in conjunction with pursuing any remedy that is available to it under law, by mutual agreement, submit the dispute to an alternative dispute resolution procedure, other than binding arbitration, authorized by the Administrative Dispute Resolution Act of 1996, (5 U.S.C. §§ 571-581).

SAMPLE

12.03. Opportunity to be heard and to Offer Evidence. In connection with any dispute between the Parties, each of the Lessee and the Government shall be afforded an opportunity to be heard and to offer evidence in support of its position.

SECTION 13—MISCELLANEOUS

13.01. Covenant Against Contingent Fees. The Lessee warrants that no person or agency has been employed or retained to solicit or secure this Lease upon any agreement or understanding for a commission, percentage, brokerage, or contingent fee, excepting bona fide employees or bona fide established commercial agencies maintained by the Lessee for the purpose of securing business. For breach or violation of this warranty, the Government shall have the right to annul this Lease without liability, or, in its discretion, to require the Lessee to pay, in addition to the lease rent or consideration, the full amount of such commission, percentage, brokerage, or contingent fee.

13.02. Officials Not to Benefit. No Member of or Delegate to Congress or Resident Commissioner shall be admitted to any share or part of this Lease or to any benefit to arise therefrom, but this provision shall not be construed to extend to this Lease if made with a corporation for its general benefit.

13.03. Non-Discrimination.

13.03(a). "Facility" Defined. As used in this Paragraph 13.03, the term "facility" means lodgings, stores, shops, restaurants, cafeterias, restrooms, and any other facility of a public nature in any building covered by, or built on land covered by, this Lease.

13.03(b). Non Discrimination. The Lessee agrees not to discriminate against any person because of race, color, religion, sex, handicap or national origin in furnishing, or refusing to furnish, to such person the use of any facility, including all services, privileges, accommodations, and activities provided on the Leased Premises. This does not require the furnishing to the general public the use of any facility customarily furnished by the Lessee solely to sublessees or to military and civilian personnel of the Government, and the guests and invitees of any of them.

13.04. Gratuities. The Government may, by written notice to the Lessee, terminate this Lease if it is found, after notice and hearing by the Secretary of the Army, or his/her duly authorized representative, that gratuities in the form of entertainment, gifts, or otherwise, were offered or given by the Lessee, or any agent or representative of the Lessee, to any officer or employee of the Government with a view toward procuring an agreement or procuring favorable treatment with respect to the awarding or amending, or the making of any determinations with respect to the performing of such agreement; provided that the existence of the facts upon which the Secretary of the Army or his/her duly authorized representative makes such finding, shall be an issue and may be reviewed in any competent court. In the event this Lease is so terminated, the Government shall be entitled to pursue the same remedies against Lessee as it could pursue in the event of a breach of this Lease by the Lessee, and as a penalty in addition to any other damages to

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which it may be entitled by law, to exemplary damages (in an amount as determined by the Secretary of the Army or his/her duly authorized representative) which shall be not less than three (3), nor more than ten (10), times the costs incurred by the Lessee in providing any such gratuities to any such officer or employee. The rights and remedies of the Government provided in this article shall not be exclusive, and are in addition to any other rights and remedies provided by law or under this Lease.

13.05. No Joint Venture. Nothing contained in this Lease will make, or will be construed to make, the Parties hereto partners or joint venturers with each other, it being understood and agreed that the only relationship between the Government and the Lessee is that of lessor and lessee. Neither will anything in this Lease render, or be construed to render, either of the Parties hereto liable to any third party for debts or obligations of the other Party hereto.

13.06. Notices.

13.06(a). Notice Defined. "Notice" means any notice, demand, request, or other communication or document to be provided under this Lease.

13.06(b). Notice in Writing to Address. The Notice shall be in writing and shall be given to the Party at its regular mail address, or such other address as the Party may later specify for that purpose by notice to the other Party.

[INCLUDE APPROPRIATE ADDRESSEES]

13.06(c). Parties Addresses. The Parties current addresses are set forth below:

(i) If to the Government, Notice shall be sent to the attention of:_____, at the following:

Regular mail address: _____

_____;

With a copy to: _____, at the following:

Regular mail address: _____

_____;

(ii) If to the Lessee, Notice shall be sent to the attention of: _____, at the following:

Regular mail address: _____

_____;

With a copy to: _____, at the following:

Regular mail address: _____

_____.

SAMPLE

13.06(d). Deemed Receipt. Notice shall only be given in the manner set forth below and shall, for all purposes be deemed given and received:

(i) if hand delivered to a Party at the regular mail address of the Party specified above, against receipted copy, or

(ii) if given by a nationally recognized and reputable overnight delivery service at the regular mail address of the Party specified above, the day on which the notice is actually received by the Party; or

If a copy is required above, then Notice shall not be deemed received until the last of the Notice and the copy of the Notice is deemed received as provided above.

13.06(e). Refusal to Accept. If Notice is tendered under the provisions of this Lease and is refused by the intended recipient of the Notice, the Notice shall nonetheless be considered to have been given and shall be effective as of the date provided in this Lease.

13.07. Records and Books of Account. The Lessee agrees that the Secretary of the Army, the Comptroller General of the United States, or the Auditor General of the United States Army, or any of their duly authorized representatives, shall, until the expiration of three (3) years after the expiration or earlier termination of this Lease, have access to, and the right to examine, any directly pertinent books, documents, papers, and records of the Lessee involving transactions related to this Lease.

13.08. Partial Invalidity. If any Lease provision is invalid or unenforceable to any extent, then that provision and the remainder of this Lease shall continue in effect and be enforceable to the fullest extent permitted by law.

13.09. Heading, Titles, and Personal Pronouns. The brief headings or titles preceding each condition are merely for purposes of identification, convenience, and ease of reference, and will be completely disregarded in the construction of this Lease. All personal pronouns used in the Lease, whether used in the masculine, feminine, or neuter gender, will include all other genders.

13.10. Waiver. The failure of either Party to exercise any of its rights is not a waiver of those rights. A Party waives only those rights specified in writing and signed by the Party waiving its rights.

13.11. Time of Essence. Time is of the essence as to each Party's performance of its obligations under this Lease. Notwithstanding the foregoing, any non-monetary obligation of the Lessee or the Government which cannot be satisfied due to an act of God, fire, earthquake, flood, explosion, war, invasion, insurrection, riot, mob violence, sabotage, act of terrorism, inability to procure or a general shortage of labor, equipment, facilities, materials or supplies in the open market, failure or unavailability of transportation, strike, lockout, action of labor unions, a taking by eminent domain, requisition, laws, orders of government or of civil, military or naval authorities (but only such orders of a general nature pertaining to the Premises and comparable properties in the State of STATE NAME), governmental restrictions (including without limitation, access restrictions imposed by the Government and arising without fault or negligence on the part of the Lessee that significantly hinder the Lessee's ability to access the Premises and perform its construction responsibilities in a timely manner), required environmental remediation or any

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other cause, whether similar or dissimilar to the foregoing not within the reasonable control and without the fault or negligence of the Government or the Lessee, as the case may be, and/or any or any of their respective officers, agents, servants, employees and/or any others who may be on the Premises at the invitation of the Lessee or the invitation of any of the aforementioned persons, specifically excluding, however, delays for adjustments of insurance and delays due to shortage or unavailability of funds. Each such event shall be a "Force Majeure Event", which shall be excused until the cessation of such Force Majeure Event.

13.12. Construction.

13.12(a). Construction Against Drafter. The Parties chose this Lease document because it is fair to both Parties. Therefore, the Parties agree that any provision of this Lease shall be construed as if both Parties were equally responsible for drafting the provision. If any Lease provision is modified or added by the Parties, then the rule of construction of construing against the drafter shall apply to the modified or added provision. If the Lease's fairness is materially affected because of the cumulative effect of the changes, additions, or deletions (subparagraphs 13.12(b), (c)), then paragraph 13.12 shall be void.

13.12(b). Deletions. If the Parties delete any provision or part of a provision, the Lease will be interpreted as if the deleted language were never part of the Lease. This paragraph is subject to the rule in subparagraph 13.12(a) concerning any changes, additions, or deletions that materially affect the Lease's fairness.

13.12(c). Additions. If the Parties add completely new clauses (such as an option to cancel, an option to expand, etc.), then as to such Additions, this Paragraph 13.12 shall not apply.

13.13. Good Faith and Fair Dealing. The Parties agree that they will exercise their rights and remedies and perform their obligations under this Lease fairly, prudently, reasonably, and in good faith. The Parties further agree that before incurring legal expenses or initiating litigation under this Lease they will contact the other Party about the problem and attempt for a reasonable time (not to exceed five (5) days) to mutually resolve the problem.

13.14. Government Representatives and Successors. The Installation Commander has been duly authorized to enter into and amend the Operating Agreement (Exhibit D) and to administer this Lease. Except as otherwise specifically provided, any reference to the Installation Commander shall include the Installation Commander's duly appointed successors and authorized representatives.

13.15. Binding on Successors. This Lease shall bind the Parties' heirs, successors, representatives, and permitted assigns.

13.16. Governing Law. This Lease shall be governed by and construed in accordance with the federal laws of the United States of America. In the event that this Lease, or any portion of it, or the operations contemplated by it are found to be inconsistent with or contrary to laws or official orders, rules or regulations of the United States, then the laws of the United States shall control. This Lease then shall be modified accordingly and, as so modified, shall continue in full force and effect.

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13.17. Counterparts. This Lease is executed in two (2) counterparts each of which is deemed an original of equal dignity with the other, and which is deemed one and the same instrument as the other.

13.18. Recording. Recording of this Lease is prohibited except as allowed in this paragraph. At the request of either Party, the Parties shall promptly execute and record, at the cost of the requesting Party, a short form memorandum describing the Premises and stating this Lease's Term, its Beginning and Ending Dates, any options to renew or purchase, and any other information the Parties agree to include.

13.19. Survival of Remedies. The Parties' remedies shall survive the ending of this Lease when the ending is caused by the Default of the other Party.

13.20. Authority of Parties. Each Party warrants that it is authorized to enter into the Lease, that the person signing on its behalf is duly authorized to execute the Lease, and that no other signatures are necessary.

13.21. Business Days. Business days means Monday through Friday, both inclusive, excluding holidays identified at Paragraph 1.04. Throughout this Lease, wherever "days" are used the term shall refer to calendar days. Wherever the term "business days" is used the term shall refer to business days.

13.22. Meaning of the term "Government". "Government" as used in this Lease means the United States of America acting by and through the Secretary of the Army.

13.23. Lease Year. "Lease Year" means the twelve (12) full calendar months between the period January 1 through and including December 31 as described in subparagraph 2.02(a); provided, however, the Government reserves the right, at its sole election, to change the Lease Year to any other fiscal or twelve (12) month period selected by the Government.

13.24. Entire Agreement. This Lease contains the entire agreement between the Parties about the Premises. Except for the Operating Agreement, which may be modified by the Installation Commander or duly appointed representative, this Lease shall be modified only by a writing signed by both Parties.

13.25. Applicable Laws. "Applicable Laws" as used in this Lease shall mean collectively, all present and future laws, ordinances, rules, requirements, regulations, and orders of the United States, the state where the Leased Premises are located and any other public or quasi-public Federal, state, or local authority, and/or any department or agency thereof, having jurisdiction over the Project and relating to the Project or imposing any duty upon the Lessee with respect to the use, occupation, or alteration of the Project during the Lease Term.

13.26. Anit-Deficiency Act. Nothing in this Lease shall be interpreted to require obligations or payments by the Government in violation of the Anti-Deficiency Act, 31 U.S.C. §1341. The Government shall use reasonable efforts to seek additional appropriations in the event of any deficiency, but nothing contained in this Lease may be considered as implying that Congress will appropriate funds at a later date sufficient to meet deficiencies.

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13.27. Definition of Lease. This Lease consists of the following:

(i) Title Page;

(ii) Table of Contents;

(iii) Recitals;

(iv) Sections 1 through 14;

(v) Signature Page; and

(vi) Exhibits A through I.

SIGNATURE PAGE FOLLOWS

SAMPLE

IN WITNESS WHEREOF, UNITED STATES OF AMERICA, acting by and through the SECRETARY OF THE ARMY has executed and delivered this Lease as of the date first above written.

WITNESS

UNITED STATES:

_____

By: _____

Scott L. Whiteford
Director of Real Estate,
U.S. Army Corps of Engineers

NOTARIAL CERTIFICATE

DISTRICT OF COLUMBIA: SS

I, _____, a Notary Public in and for the District of Columbia, do hereby certify that this _____ day of _____, 20 __, Scott L. Whiteford, Director of Real Estate, known to me or proven through satisfactory evidence of identity to be the person whose name is subscribed to the foregoing document, appeared in person and acknowledged before me that the signature on the document was voluntarily affixed by him for the purposes therein stated and that he had due authority to sign the document in the capacity therein stated.

_____

Notary Public

My Commission expires the _____ day of _____, 20 __.

SAMPLE

IN WITNESS WHEREOF, LESSEE NAME has executed this Enhanced Use Lease as of the day and year first above written.

WITNESS

_____

UNITED STATES:

By: _____

NAME OF LESSEE SIGNATORY
TITLE OF LESSEE SIGNATORY

STATE OF STATE NAME

COUNTY OF COUNTY NAME

On _____, 20___ before me, the undersigned Notary Public, personally appeared LESSEE SIGNATORY NAME, personally known to me as the person named as TITLE/POSITION of LESSEE NAME, and acknowledged the same to be the act and deed of LESSEE NAME for the purposes therein expressed.

WITNESS my hand and official seal.

Notary Public

_____

My commission expires:

SAMPLE