



State of Idaho – State Leasing Program

Department of Administration, Division of Public Works

“We serve Idaho by promoting responsible government through expert customer support.”

BRAD LITTLE
Governor

STEVE BAILEY
Director

PAT DONALDSON
Administrator

REQUEST FOR PROPOSALS

TO: Commercial Real Estate Agents, Owners & Managers
FROM: Richard Brien, Statewide Leasing Manager, State of Idaho, Division of Public Works
DATE: October 10, 2024

The State of Idaho is seeking to lease approximately 3,000 to 5,500 net rentable square feet of new or existing retail space for occupancy by the **Idaho State Liquor Division (ISLD)** in Nampa, Idaho.

DUE DATES

Proposals are due by **5 pm MST November 14, 2024** at the State Leasing Program, Division of Public Works and may be:

- Mailed to 502 N. 4th Street 83702, PO Box 83720 Boise, ID 83720-0072;
- Hand-delivered to 502 N. 4th Street, Boise (office closes @ 5:00 PM - there is no mail slot);
- Emailed to Richard.Brien@adm.idaho.gov.

For further information on the **RFP process**, contact Richard Brien, Statewide Leasing Manager, Department of Administration, Division of Public Works, State Leasing Program at (208) 332-1929. The Liquor Division is seeking an executed Lease Agreement by the end of December 2024, and occupancy by mid-January 2025. These dates are dependent on the current premise condition and occupancy availability. The responder shall note when the premise would be available for the Division.

LOCATION – NAMPA, ID

All proposed sites must be appropriately zoned and should offer convenient access to the public. By statute, liquor stores must be at least 300 feet from a school (Title 23-303). This RFP is for a potential replacement of the Nampa Liquor Store #105 located at 195 Caldwell Boulevard, Nampa, Idaho. The Liquor Division has indicated a **preference for a store within two (2) miles of the Garrity/North Idaho Center boulevard and I-84 interchange in Nampa, Idaho.**

COST OF LEASE

The estimated annual cost of the lease should reflect a competitive market rate per square foot per year. A turn-key finish will be required; however, please see the general liquor division supplied and installed items section for Division specific information. The proposal should detail the amount of the tenant improvement allowance included in the rental rate. A triple net lease would be acceptable if NNN expenses can be quantified. Then the Liquor Division will be responsible for its own electricity, gas and interior cleaning. The State may require a background check of personnel such as the maintenance staff who would have access to the interior of the store. The proposal should detail the amount of the tenant improvement allowance included in the rental rate as well as any incentives offered by building owner.

THE LEASE

The State’s standard lease form, attached as Exhibit A, will be used. **STANDARD LANGUAGE (EXCLUDING BUSINESS TERMS) WITHIN THE LEASE FORM IS NOT NEGOTIABLE.** Lease terms of greater than five years will require approval from the Permanent Building Fund Advisory Council. The lease will contain an annual funding appropriation clause.

PROPOSAL ASSISTANCE

The Division is able to answer questions related to Liquor Store operations, client and staff usage of the proposed space. More detailed information on store and facility requirements and use may be obtained by contacting Sally Ray at (208) 947-9424 or sally.ray@liquor.idaho.gov.

CONFIDENTIALITY

All proposals will remain confidential until a lease has been executed. Submitted proposals will become the property of the State of Idaho and will not be returned.

PROCESS OF SELECTION

INITIAL EVALUATION. A committee composed of the Leasing Manager of the Department of Administration, Division of Public Works, or a designee, and staff of the Division and which may also include other non-state personnel will evaluate each proposal. Each proposal will be evaluated based upon an established set of criteria and a weighted evaluation. The rating factors, with the Department of Administration's recommended range of evaluation weights, can be found on page 8.

INTERMEDIATE EVALUATION. The committee may request additional information or clarification regarding any of the ranked factors during the initial or intermediate evaluation from one or more of the respondents. Additional information or clarification requested may include a credit report, financial statements or an affidavit indicating that Offeror is not in default in payment of any taxes, excises or license fees due. If Lessor is a partnership or a corporation, Lessor may be required to submit evidence that the entity is authorized to do business in the state of Idaho. The committee may elect to visit one or more of the proposed sites to evaluate location and facility issues.

FINAL EVALUATION. Proposals will be ranked and negotiations will begin with the representatives of the top-ranked proposal. If negotiations are successful, a lease will be completed. The State's standard lease form, attached as Exhibit A, will be used. **STANDARD LANGUAGE WITHIN THE LEASE FORM IS NOT NEGOTIABLE.**

Should negotiations with the top-ranked response be unsuccessful, negotiations will be opened with the second ranking response and so forth until a suitable lease is obtained. The State reserves the right to disqualify all proposals as unacceptable and to take any necessary action to obtain suitable space.

All final plans and specifications must be prepared by an architect licensed in the State of Idaho. Plans and specifications may also be subject to review by the Permanent Building Fund Advisory Council pursuant to Idaho Code § 67-5710A. Detailed General Outline Specifications and Communication Specifications shall be provided during the negotiation process.

ON-GOING REVIEW

At the State's option, the State may require the Lessor to provide insurance certificates prior to the commencement of any construction naming the State as an additional insured and may require the Lessor to indemnify and defend the State against any claims and to warrant and guarantee material, equipment and workmanship. If the facility shall be new construction, Lessor shall furnish to the Division of Public Works a copy of the Lender's commitment on the permanent loan, together with a copy of the title policy for the facility as soon as they can be made available.

ACCEPTANCE OF THE FACILITY

A copy of the certificate of occupancy as issued by the local governing authority, together with a copy of the as-builts and warranties for the facility, shall be furnished to the Division prior to occupancy of the facility. At its discretion, the Division may have the Division of Building Safety inspect the premises prior to executing the Lease or prior to taking occupancy of the Premises.

HOW TO MAKE A PROPOSAL

All proposal information must be summarized on the Lease Proposal Form attached to this Request for Proposals. An electronic version of the form can be obtained by accessing the Division of Public Works State Leasing Program web page at <https://leasing.idaho.gov>. A copy can also be sent to you upon request by contacting Richard Brien at (208) 332-1929.

PLEASE PROVIDE AN ELECTRONIC COPY. ONE NON-BOUND HARDCOPY IS ALSO ACCEPTABLE.

Incomplete items may cause the proposal to be disqualified.

GENERAL LIQUOR DIVISION SPECIFIC STORE REQUIRED ITEMS:

PLEASE NOTE: All electrical requirements for Lessee supplied and installed items will need to be provided, installed with final connections by the Lessor. Additionally, the Lessor will need to supply, install and stub for any low voltage phone and data cabling. Liquor Division will supply and install the phone and data low voltage wiring. Liquor Division may utilize Lessor's contractors for supply and installation of flooring with reimbursement from the Liquor Division.

- Signage. Professionally manufactured sign prominently located so as to be visible from the street, with 42" minimum illuminated channel letters in red that read "Liquor Store", subject to city code requirements. Lessor further agrees to allow Lessee to place signage in storefront windows and on Lessor's monument signs if available.
- Shelving. Lessee provided free-standing shelving units for store stock. Lessor shall provide electrical drop downs for shelving units typically 20 feet apart and 9 feet off the floor.
- Product Accent Lighting. Lessor to provide and install 11 to 20 sections of new 8ft LED light strips under the top shelf liquor cabinets with all wiring and switching as needed.
- Flooring. New commercial 20mm IVC LVT vinyl planking is preferred (Shaw Uncommon Ground luxury Vinyl plank grey or similar). Lessor can supply polished concrete as an alternative to IVC LVT.
- Check-Out Counter. Professionally prefabricated check-out counter supplied, installed and location to be designated by ISLD. Lessor to supply and install two (4) quad-plex convenience outlets, as well as phone and data outlets.
- The Liquor Division Manager's Back Office. The Back office can be supplied by the Liquor Division or the Division may have the Lessor's contractor to supply and install 48" pony walls and plastic laminate desk surface, to include four (4) duplex convenience outlets, as well as phone and data outlets. This is specific to the existing conditions.
- Phone and Data. Lessor supplies conduit from check-out counter to back office for network cabling by the Liquor Division.

GENERAL PROPERTY REQUIREMENTS-PLEASE NOTE THAT A TURN-KEY FINISH IS REQUESTED.

PLEASE NOTE: Lessor shall be responsible for obtaining a Certificate of Occupancy prior to the Division's acceptance of the Premises. Additional Lessor requirements shall include:

SITE:

- Exterior Lighting. Adequate outdoor lights, fitted with photocells and timers, shall be placed directly above each outside entryway and around the perimeter of the building.
- Parking. The Division seeks 10 to 15 parking spaces, depending on the size of space leased. Parking on the property shall be required to accommodate deliveries.
- Site Improvements. Accessible spaces will be in close proximity to the building entrance. All improvements to the site, whether existing or new, must meet or exceed the accessibility requirements by ADA.
- Building Exterior. The building's exterior shall be compatible with the surrounding community. In areas with severe weather conditions, the building design shall be appropriate and functional, especially with regard to specific site requirements including drainage, heavy snow situations, and solar orientation.

GENERAL BUILDING REQUIREMENTS:

- ADA. The Premises and all areas serving the Premises, including common areas, the parking lot and sidewalk, must conform to ADA requirements.
- Energy. An Energy Star building, a LEED building certification or a building that has environmental considerations implemented into the construction/remodel, as well as its day-to-day operations, is an important consideration for the state. The Portfolio Manager program through the U.S. Environmental Protection Agency's website at www.energystar.gov/istar/pmpam/ provides an interactive energy management tool that allows buildings owners to assess energy and water consumption, as well as rate energy performance on a scale of 1 to 100.
- Space Plan. Upon execution of the Lease, a qualified, professional space planner shall prepare a detailed space plan acceptable to the Lessor and Lessee. The building must be designed by an architect or engineer licensed in Idaho.
- Store Dimensions. The ideal store has a wider store front with more linear feet of store front window area than depth is preferred. A squarer store layout with a minimum store front width of 70 feet and a maximum depth of 80 feet could

be acceptable.

- Crawl Space. Any crawl space beneath the building should be easily accessible from within the building.
- Air Standards. Mechanically operated ventilation systems shall comply with minimum outside air and circulation standards established by the Idaho General Safety and Health Standards in all portions of the building and shall be kept continuously operating when building is occupied. The system should be designed to accommodate any unique needs associated with severe weather conditions, solar gain, or unusual temperature fluctuations.
- Environmental Hazards. Lessor must provide a safe work environment, certified to be free of airborne asbestos. Any costs related to abatement will be borne by the Lessor.
- Grounds Maintenance. Outside ground maintenance shall be provided on an “as needed” basis.
- Snow Removal. Snow removal shall include removal of snow from parking lots and walkways. Removal shall be performed seven days per week prior to 9:00 a.m. Priority shall first be given to keeping accessible spaces clear and to ingress, egress, and fire lanes, secondly to customer and employee parking areas, and lastly to overflow parking areas. An area shall be designated for snow storage. Areas subject to ice accumulation shall be treated with de-icing agents as necessary.

BUILDING ENCLOSURE:

- Structural Frame. The building shall be of steel or wood frame, reinforced concrete, or bearing wall construction designed in accordance with governing building codes.
- Exterior Walls. The exterior wall assembly shall be of masonry or such other materials as selected by Lessor. Exterior walls at front of suite, if masonry, shall be furred out with 5/8” gypsum wallboard on 1-1/2” z-studs and 1-1/2” rigid insulation, if frame, shall be insulated and clad with gypsum wallboard. Exterior walls at the rear of the Premises, if masonry, shall not be furred out, if frame, shall be insulated and clad with gypsum wallboard. All demising walls (both sides of space) shall be finished out as described below in Interior finishes.
- Roof Membrane. The typical roof assembly shall be built-up composition type, as selected by Lessor.
- Floor. Ground floor level within the interior of the Premises shall be concrete with smooth finish. Floor to be flat and on a single plane without blockouts depressions or raised areas.
- Exterior Service and Receiving Door Assembly. Door frame and door shall be hollow metal construction, appropriately sized to accommodate pallets. Must be equipped with panic hardware.
- Store Front Assembly. Standard aluminum storefront shall include two sets of double 3’ wide front doors.

INTERIOR FINISHES:

- The Liquor Division Manager’s Office. The Division anticipates the contractor to supply and install 48” pony walls and plastic laminate desk surface, to include four (4) duplex convenience outlets, as well as phone and data outlets.
- Entire space must be brought up to code – exit lighting, doors, storefront vestibules (only if required by code-vestibules not preferred), drinking fountains, sprinkler systems, etc. Any code issues relating to the space and proposed use of the space to be borne by Lessor.
- Ceiling. Clear height between floor slab and acoustical ceiling shall preferably be a minimum of ten feet (10’), as governed by structural design. Open ceiling, spray painted black is preferred but dropped ceiling would be acceptable, provided ceiling height is a minimum of 10’. Ceiling grid lines to be consistent throughout unit, especially in areas where walls have been removed.
- Walls. Demising partitions between areas shall be of wood frame, metal stud (sized as required per Lessor’s plans), or masonry as selected by Lessor and shall be gypsum wallboard clad, taped, sanded, textured and painted Sherwin Williams March Wind Grey or light Grey color matte finish or similar. Height above ceiling to be determined by Lessor. Demising wall assembly shall include sound insulation if wood frame or metal stud.
- Door Assemblies. Solid core wood, paint-grade veneer.
- Flooring: Stained concrete or new commercial 20mm IVC LVT vinyl planking is preferred (Shaw Uncommon Ground luxury Vinyl plank French Grey or similar).
- Insulation. Minimum insulation of R36 in the ceiling and R19 in the walls.
- Check-Out Counter: The Liquor Division shall install a prefab check-out counter. Location to be designated by ISLD, to include two (4) quad-plex convenience outlets, as well as phone and data outlets. Lessor electrical and conduits should be located in the front center of the registers, not on a corner.

SANITARY FACILITIES:

- Toilet Room. Number of toilet rooms (ADA compliant) as required by code. Each toilet room shall include one (1) lavatory and one (1) water closet. Floors in toilet room(s) shall be sealed concrete. Flooring and/or base material provided if required by local code. Ceiling shall be approximately 8' height and be painted gypsum wallboard. Toilet accessories include a 2' x 3' mirror, grab bars and toilet paper dispenser. Drinking fountain as required by code.
- Janitorial Closet. Janitorial closet to include mop sink, with 4' tall FRP to protect walls from splashing and minimum 10-gallon hot water heater, hooked up to serve restroom and mop sink.

HVAC / PLUMBING / ELECTRICAL / FIRE PROTECTION / LIFE SAFETY:

- HVAC. Lessor shall install air conditioning unit(s), located on the roof, complete with air distribution system, condensate, and programmable thermostat to meet a standard of one (1) ton per three hundred fifty (350) square feet of space. Lessor shall install a roof mounted exhaust fan and distribution for toilet room. If using an existing HVAC unit (or units), these units must be serviced prior to occupancy by Lessee. Lessor agrees to warrant the condition of the units for a period of 5 years.
- Water and Sewer. Lessor shall furnish and install water and sewer utilities for toilet facilities, janitorial closet and drinking fountains.
- Electricity. Lessor shall furnish one (1) 200-amp service and panel which shall be separately metered. Lessor shall furnish electrical convenience outlets in demising partitions per Lessee's specifications, to include several dropdowns for Lessee-provided free-standing shelving units. Typically, electric outlets should be placed 20 feet apart and 9 feet high for shelving units, 3 duplex outlets in rear of building approximately 9' off the floor plus 4, 4-gang outlets close to the check-out stand and 2,4-gang outlets to the manager's office. Final connections by Lessor.
- Lessor shall install "J" boxes with conduit to Lessee's electrical panel for Lessee's sign. Dedicated circuits shall be provided one for the office computer, one for the security system, and two for the checkout counter computers. Additionally, one convenience circuit will be installed in the center of the register counter for additional equipment, such as lottery and an additional circuit installed at the backer board for equipment.
- Lighting. Lessor shall provide light fixtures or flood spotlights for store lighting. Light switches shall independently control lighting to the following areas: retail (1); rear stock (1); and Toilet Room(s). Lessor shall provide exit lights as required by code for a retail space. All lighting shall be upgraded to the new energy standards. All existing light lenses to be cleaned and broken ones to be replaced as needed.
- Telephone and Data Cabling. Phone and Data Premises Demarcation to be installed by Lessor. Lessor shall install a conduit with pull string from the Premises Demarcation to the Lessor-provided Data/Telephone Mounting Board (DB) (approximately 4 x 4 feet). Conduit (1") from the DB to the office wall ('A'). Another conduit (1") from the office wall (location 'A') to the center of the checkout stand(s) ('B'). An additional path must be provided to connect the other office wall to either location 'A' or 'B'. Conduits must be ¾ or larger and may not have excessive 90-degree bends. The boxes installed must be for Data cabling not an electrical J-Box.
- If new construction the conduit needs only to come just out of the floor with an end bell. The cabling will be routed under the cabinets. If it is existing construction, then the drops come from the ceiling so the conduit will need to run from 'DB' to a position just above the drop location at 'A' and another connecting 'A' to 'B'.

MISCELLANEOUS:

- Code Requirements. Provide any other code-required improvements to accommodate Lessee's use and occupancy of the space, which shall include but not be limited to, emergency lighting, smoke or fire alarms, and/or ADA requirements for occupancy.
- Permits. Prepare and submit plans approved by Lessee for the above improvements to appropriate city agencies and obtain building permits; pay all fees as may be required by such agencies, including sewer hook-up fees, if any; and obtain an occupancy permit as may be required by such agencies following the completion of improvements.
- Division of Occupational and Professional Licenses, Building, Construction, and Real Estate Bureau. All buildings renovated specifically for use or occupancy by any state government agency or entity shall conform to all existing state and local codes. If any conflict arises between applicable codes, the more stringent code shall take precedence.
- Final Inspection. All improvements made to the Premises shall require final inspection, acceptance, and written approval by the state's Division of Occupational and Professional Licenses, Building, Construction, and Real Estate Bureau and by Lessee. Any deficiencies of work shall immediately be remedied.

- Warrantees. Lessor shall warrant and guaranty all materials, equipment, and workmanship for a minimum period of one (1) year or such period which is standard in the real estate industry (aside from HVAC). Upon completion of the Improvements, Lessor shall furnish to the Lessee a listing of products, subcontractors, supplier and/or manufacturers and maintenance manuals relative to the Premises. All warrantees shall be extended to the Lessee.

DATA & PHONE:

- At a minimum, the building must have entrance facilities with accessibility for voice and data communications wiring, meeting any applicable Building Industry Consulting Services International (BICSI). The cost shall be borne by Lessor, in compliance with Division’s explicit specifications and as identified on agreed-upon interior design layout completed before construction.

OTHER INFORMATION:

The efficient use of energy is of prime importance to the well-being of the State of Idaho and energy conservation is to be a major consideration in the construction of all state buildings and the execution of lease agreements.

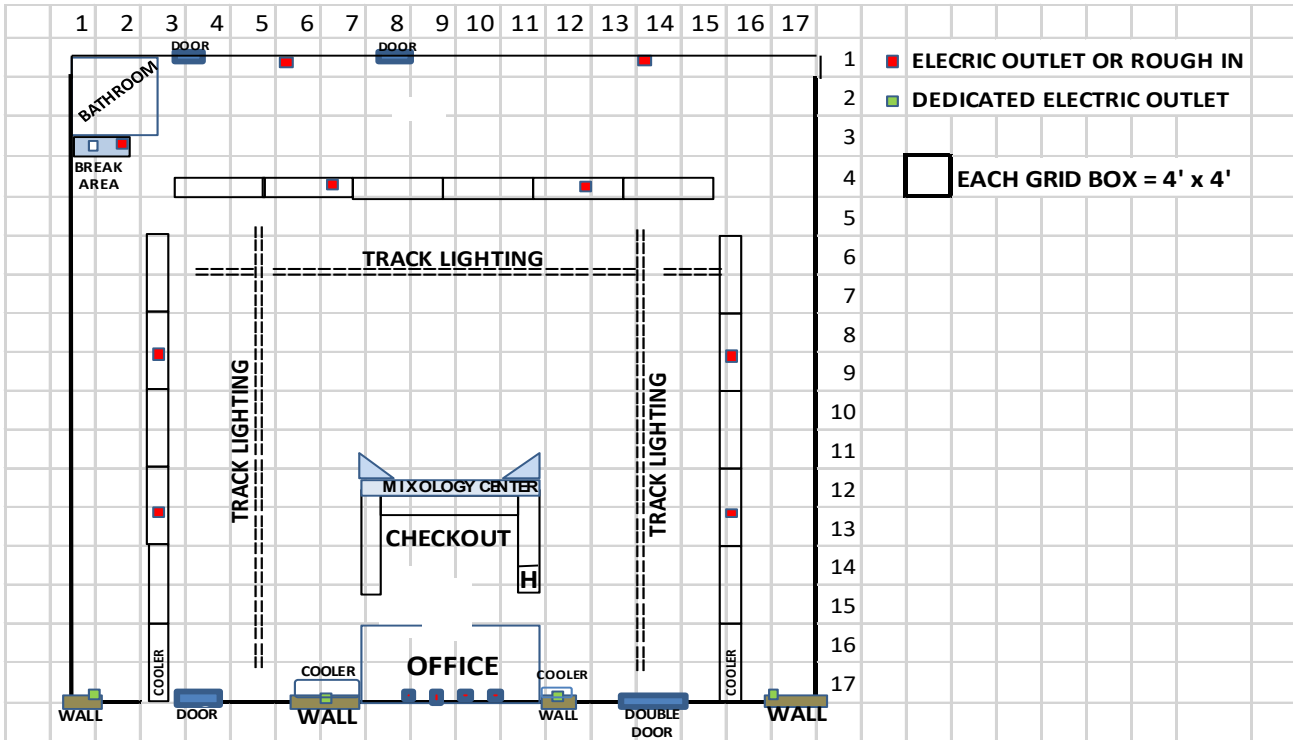
State-owned or state-lease buildings, facilities or area occupied by state employees shall be designated as “non-smoking” except for custodial care and full-time residential facilities. The policy governing custodial care and full-time residential facilities may be determined by the directors of such facilities.

All buildings owned or maintained by any State government agency or entity that are constructed or renovated specifically for use or occupancy by any such agency or entity shall conform to all existing state codes, including but not restricted to, the IDAPA 07.03.01.004, the Idaho General Safety and Health Standards Code, the International Building Code, the International Mechanical Code and the International Fire Code. If any conflict arises between applicable codes, the more stringent code shall take precedence. Lessors leasing space to the State must procure building permits, secure necessary inspections, and obtain a Certificate of Occupancy for the intended use prior to the lease taking effect.

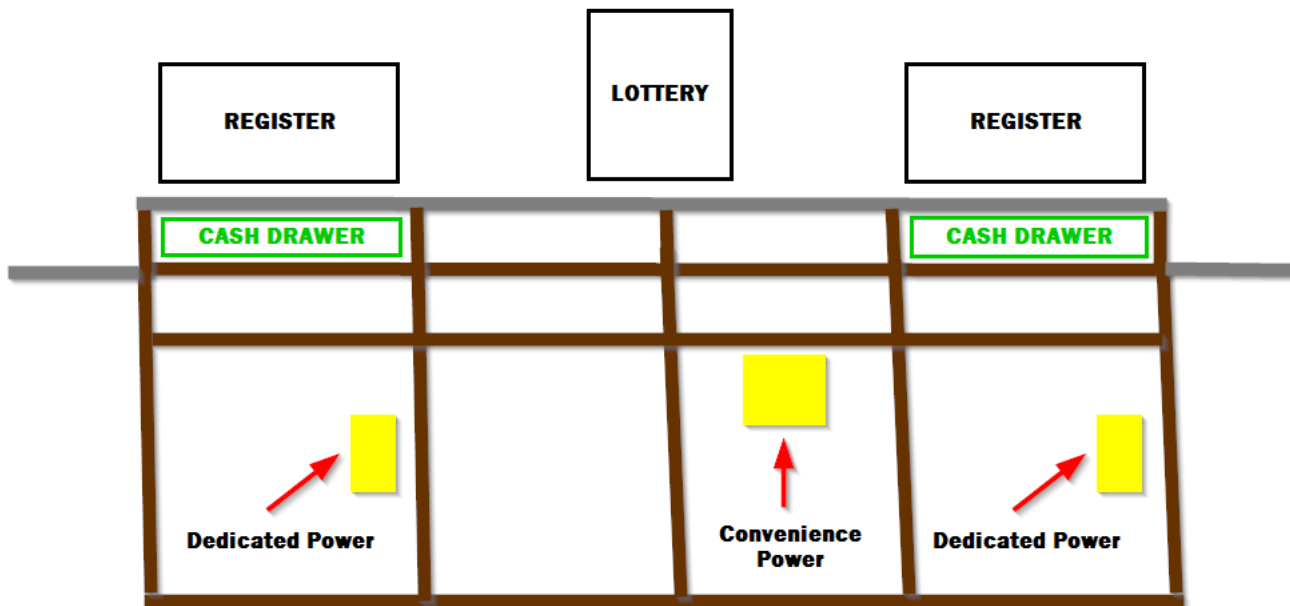
Local governments have jurisdiction over privately owned buildings in the target area. The minimum building and safety codes adopted by the state of Idaho and the federal government may be amended by the Division of Occupational and Professional Licenses, Building, Construction, and Real Estate Bureau. An accurate listing of their codes can be located at <https://dopl.idaho.gov>.

FACILITY STANDARDS SHEET AND SAMPLE FLOOR PLAN: <i>Idaho State Liquor Division-Retail</i>		
Area/Room	Total Sq. Ft	Remarks
RETAIL AREA:		
Display Area	2,500 to 5,000 Sq. Ft	
Cooler Area	10 Sq. Ft	
Check-out Counter	90 Sq. Ft	Division will build counter. Lessee will have special phone and data needs. Connectivity to manager’s office for data is required
Manager’s office	64 to 80 Sq. Ft	Floor safe. Connectivity to check-out counter in display area.
OTHER AREAS:		
Stockroom	200 to 700 Sq. Ft	Delivery doors to accommodate pallets.
Restrooms	0 to 128 Sq. ft	ADA compliant
Janitorial Closet		Mop sink & hot water required.
Computer Demarcation	0 to 100 Sq. Ft	Dedicated outlets.
Add 15%	355	
TOTAL	3,500 to 5,500 sq. ft	

Sample Floor Plan

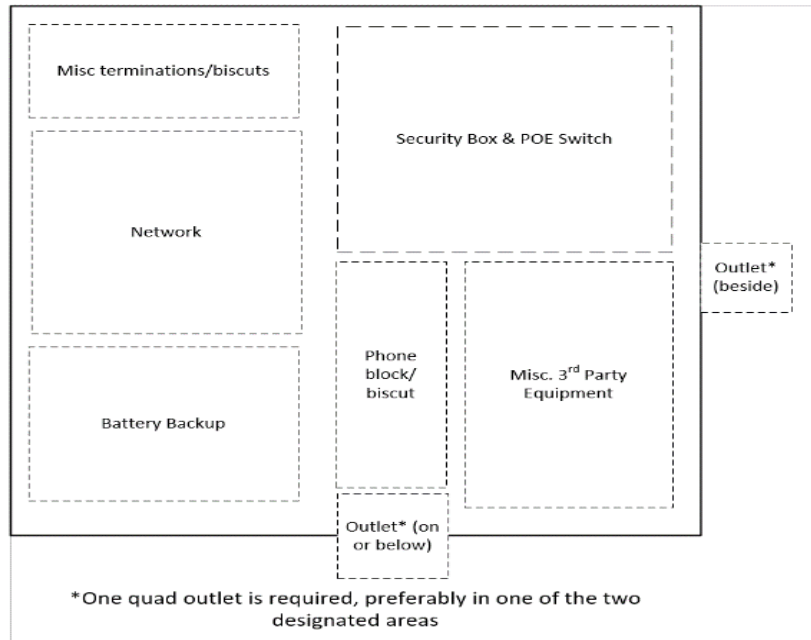


Standard Register Power Example



Add a mark either at the floor or from above for marking the location of the data cable entrance. Some designs only have 3 cabinets not the 4 shown here.

Standard Demarcation Backer Board



Rating Factors

RATING FACTORS - RETAIL FACILITIES Idaho State Liquor Division			
Accessible Access (Yes or No)		"No" may disqualify property	
	FACTOR	EXPLANATION OF FACTOR -	TARGET RANGE
Cost – 20%	Rent & Escalations	Rate increases, if any, should be capped. Pass-thru on building exp (taxes, insurance, CAM)	10% to 20%
Cost – 5%	Incentives & Allowances	Renewal options, free rent, reimbursement of moving costs, TI allowance, etc.	5% to 15%
Const – 10%	Site and Parking	Is zoning appropriate? Environmental or construction issues? Site drainage issues? Adequate parking? Delivery area available?	0% to 10%
Const – 10%	Building Condition	Interior, exterior, energy usage and security. Maintenance and condition of building. Free-standing versus end cap.	0% to 10%
Const – 5%	SF Size and Expansion	Size and usability of space. Configuration. Storefront area. First right of refusal on adjacent space?	0% to 10%
Location – 25%	Visibility and Access	Is visibility critical to this operation? Property easy to find? Close to a major thoroughfare? Is traffic in the area a problem?	15% to 25%
Location – 20%	Demographics and Trade Area	Population and Household Income (1 mile, 3 miles, 5 miles) Miles to current Liquor store, Drive-time to store.	15% to 25%
Other – 5%	Qualifications	Building owner's experience & financial ability to construct or remodel, property management experience	0% to 10%
TOTALS 100%			100%

SAMPLE LEASE AGREEMENT

And

LESSOR INFORMATION SHEET

And

**INSPECTION/ ACCEPTANCE OF PREMISES
PRIOR TO OCCUPANCY**

EXHIBIT A – SAMPLE LEASE
LEASE AGREEMENT FOR SPACE

THIS LEASE AGREEMENT FOR SPACE (“Lease Agreement”) is entered effective upon the date of the last required signature (the “Effective Date”), by and between Lessor Name, Lessor Address (the "Lessor"), and the **STATE OF IDAHO**, by and through the Idaho State Liquor Division, 1349 East Beechcraft Court, Boise, Idaho 83716 (the "Lessee"), for the leasing of that real property described below and referred to as the "Premises." The Lessor and the Lessee may be referred to collectively as the “Parties.” The Parties specifically agree and acknowledge that the approval signature of the Leasing Manager, Division of Public Works, Department of Administration, is a required signature.

WITNESSETH

WHEREAS, the parties desire to enter into a Lease Agreement for Space; and

WHEREAS, the Lessee is legally authorized to enter in this amendment by power granted by Title 67, Chapter 57 of Idaho Code, with the approval of the Department of Administration.

NOW, THEREFORE, in consideration of the mutual covenants, agreements, and conditions contained in this Lease Agreement, the Parties agree as follows.

1. LEASE OF PREMISES. The Lessor does hereby demise and lease to the Lessee the Premises situated in the City of Premises City, County of Premises County, State of Idaho, known and described as follows:

Premises Street Address/Suite
City, State Zip.

The lease of the Premises includes the right, together with other tenants of the Building and their employees and business invitees, to use the common public areas of the Building for their intended use and subject to the other provisions of this Lease Agreement but includes no other rights not specifically set forth herein.

2. TERM. The term of this Lease Agreement is Months (Months #) months. As time is of the essence, the term of this Lease Agreement shall begin on Lease Start, and shall end at midnight on Lease Expiration, subject to Section 7.E Proration and 7.F Adjustments Based on Commencement Date of this Lease Agreement. The Parties agree that this Lease Agreement is subject to the termination, expiration and renewal rights set forth in this Lease Agreement. The Lessee may, at the expiration of the term of this Lease Agreement and without the necessity of renewing said Lease Agreement, continue in its occupancy of the Premises on a month-to-month basis upon the terms and conditions set forth in this Lease Agreement for a period not to exceed one (1) year. The Lessor may terminate the Lessee’s month-to- month occupancy upon ninety (90) days prior written notice to the Lessee.

3. PAYMENT. The Lessee shall pay to Lessor a fixed payment for the term of this Lease Agreement in monthly installments of \$Numerical Monthly Rent each, subject to adjustment in accordance with Section 7.B of this Lease Agreement. The lease payment shall be computed at a rate of \$Numerical \$/SF per square foot, per year. The total square footage of the Premises is 3,500, subject to measurement using BOMA standard. The total first year lease payment is \$Numerical Annual Rent. Upon election by the Lessee to pay in advance N/A, quarterly, semi-annually, or annually, the Lessor shall allow Lessee a discount of spell out percentage Percent (numerical percentage%).

The lease payments shall be paid pursuant to the Lessor's timely submission of invoices for payment. Upon receipt, Lessee shall forward Lessor’s invoice to the State Controller for payment. Lessor specifically acknowledges that State vouchers are processed by the State Controller, not Lessee. Therefore, any payment that is made no later than sixty (60) days after it is actually due shall not be considered an event of default, per Idaho Statute 67-2302. Lessee shall use its best efforts to expedite payment. It is expressly covenanted and agreed that any prepayment of rent made by the Lessee under the terms of this Lease Agreement shall be considered as an advance payment of rent only and no part thereof shall be considered as a security or cash deposit.

4. ACCEPTANCE OF PREMISES. Lessor shall deliver the Premises to Lessee in accordance with floor plans and specifications attached to this Lease Agreement as Exhibit A and incorporated herein by reference. Prior to or at occupancy, Lessee shall provide Lessor with a written statement acknowledging inspection and acceptance of the Premises. Lessee's obligations under this Lease Agreement shall not commence until Lessee's acceptance of the Premises. Lessee's inspection and acceptance of the Premises are based upon what may be reasonably observed by one untrained or unfamiliar with building inspections. At Lessee's discretion, Lessee may have particular conditions or parts of the Premises inspected by one trained or familiar with building inspections. In no event shall Lessee's inspection, or inspection by any agent of Lessee, be deemed a waiver of any defects in the Premises.

5. NO WASTE; REPAIRS. Lessee will not commit waste on the Premises, nor will it disfigure or deface any part of the Building, grounds, or any other part of the Premises, including fixtures. Lessee further covenants that upon return, the Premises will be in the same condition as originally received, reasonable wear and tear accepted. Repairs, except those actually necessitated by Lessee's waste, disfigurement or defacement, and except for repairs required by the removal of Trade Fixtures as provided for in Section 12 of this Lease Agreement, shall be made solely at the Lessor's expense. Any repairs shall be done in a workmanlike manner and must comply with all applicable codes, ordinances, rules and regulations.

6. SERVICES AND PARKING. The Lessor covenants that it will provide, perform, and pay for the services, maintenance and parking as follows:

A. Utilities:

- 1) Domestic water and sewer;
- 2) Electricity;
- 3) Natural gas; and
- 4) Irrigation.

B. Facility Repair and Maintenance:

- 1) General building structure and related equipment (interior and exterior);
- 2) Heating system and related equipment: Lessee shall be responsible for all repairs up to \$xxx per incidence, with a maximum of \$xxx for all occurrences within the Premises during any given lease year. Lessor shall be responsible for all amounts above \$xxx per occurrence during any given lease year;
- 3) Cooling and air handling system and related equipment: Lessee shall be responsible for all repairs up to \$xxx per incidence, with a maximum of \$xxx for all occurrences within the Premises during any given lease year. Lessor shall be responsible for all amounts above \$xxx per occurrence during any given lease year;
- 4) Electrical system and related equipment: Lessee shall be responsible for all repairs up to \$xxx per incidence, with a maximum of \$xxx for all occurrences within the Premises during any given lease year. Lessor shall be responsible for all amounts above \$xxx per occurrence during any given lease year;
- 5) Sewer and plumbing systems and related equipment: Lessee shall be responsible for all repairs up to \$xxx per incidence, with a maximum of \$xxx for all occurrences within the Premises during any given lease year. Lessor shall be responsible for all amounts above \$xxx per occurrence during any given lease year;
- 6) Exterior lighting, including landscaped areas, parking area and walkway;
- 7) Cleaning ground and parking area of debris: weekly, monthly, or other;
- 8) Lamp and light fixture repair and maintenance: Lessee shall be responsible for all repairs up to \$xxx per incidence, with a maximum of \$xxx for all occurrences within the Premises during any given lease year. Lessor shall be responsible for all amounts above \$xxx per occurrence during any given lease year;
- 9) Outside ground maintenance shall be provided on an "as needed" basis. Snow removal shall include removal of snow from parking lots and walkways. Removal shall be performed weekdays prior to 9:00 a.m. and on an "as needed" basis throughout the day. Priority shall first be given to keeping ADA accessible spaces clear and to ingress, egress, and fire lanes, secondly to customer and employee parking areas, and lastly to overflow parking areas. An area shall be designated for snow storage. Areas subject to ice accumulation shall be treated with de-icing agents as necessary;
- 10) Trash removal from the property weekly,
- 11) Maintenance and repair of the monument and directory signs, if any;
- 12) Door sign with Lessee name; and

13) Lawn and shrubbery care weekly during season.

C. In Suite Custodial Services:

None – Paid by Lessee.

D. Parking and Deliveries. A minimum of xx and up to xx lighted and paved automotive parking spaces will be maintained with adequate ingress and egress available. ADA accessible spaces will be provided equal to the requirements of the Americans with Disabilities Act (ADA). Lessor will provide and maintain access for full-size interstate semi-trailer deliveries to the front of the building.

7. **SPECIAL PROVISIONS.**

A. Taxes. Lessor shall pay and discharge all taxes and assessments whatsoever charged against the Premises whether charged by federal, state, county, city or other public authority.

B. Adjustments to the Lease Payment. The lease payment set forth in Section 3 of this Lease Agreement shall increase according to the following schedule:

[Insert Rent Schedule]

[IF THE STORE IS PART OF A SHOPPING CENTER INSERT ADDITIONAL RENT]

C. Additional Rent. In addition to the rental payment required and provided by Paragraph 3 of this Lease Agreement, the Lessee agrees to pay as additional rent its Proportionate Share of the Shopping Center's Triple Net Expenses in accordance with this section. Capitalized terms used in this section shall have the meanings ascribed herein. Lessor's books and records shall be maintained in accordance with generally accepted accounting principles (GAAP) and only such costs to operate, manage, insure, secure or maintain the Shopping Center shall be allocated and billed as Triple Net Expenses.

1) For the purposes of this section, the following definitions apply:

a. "Triple Net Expenses" shall mean Real Estate Taxes, Common Area Expenses and Property Damage and Liability Insurance.

b. "Real Estate Taxes" shall mean all real estate taxes, ad valorem or excise, assessed or levied against the real property on which the Premises is located, before the addition of any fine, penalty, interest or cost for nonpayment and excluding any special improvement taxes or special assessments, franchise, corporate, estate, inheritance, succession, income or revenue taxes.

In the event Lessor successfully protests the amount of the Real Estate Taxes, Lessee's proportionate share of Real Estate Taxes shall be reduced to the successfully protested amount. Lessee agrees to pay its proportionate share of the costs of said protest, provided that the proportionate share of the cost is less than the savings realized from the protest.

c. "Common Area" shall be defined as the area with the legal boundaries of the Shopping Center and shall have the meaning as is ascribed to such term in the Covenant and/or the CAMA and/or as provided herein, and generally means the portions of the Shopping Center which have at the time in question been designated and improved for common use by or for the benefit of more than one tenant or concessionaire of the Shopping Center including and if applicable, without limitation, the land and facilities utilized for or as parking areas, access and perimeter roads, truck passageways, service corridors and stairways providing access from store premises, landscaped or buffer areas, drainage facilities, fences, ditches, exterior walks, bike paths, arcades, stairs, ramps, interior corridors, pedestrian mall areas, directory equipment, common area washrooms, shopping center signs (excluding individual tenant store signs), common utility systems, roof(s), exterior walls, exterior canopies and support and lighting for such canopies (excluding canopy area lighting that is individually metered and maintained by individual tenants), structural components of buildings, but excluding any portion of the Shopping Center so included within the Common Area when designated by Lessor for a non-common use.

Should Lessor acquire or make available land (whether owned by Lessor or others) not shown as part of the Shopping Center on Exhibit "A" and make the same available for parking or other common area purposes, then expenses for improvements, and the maintenance of such improvements in

connection with said Common Area shall also be included in the aforementioned expenses, provided the expansion of the Common Area is not necessitated by any one specific tenant's occupancy and use of the Shopping Center.

- d. "Common Area Expenses" shall mean only those costs incurred by Lessor to satisfy its obligations and properly chargeable to the operation of the Common Area of the Shopping Center. Lessor shall keep or cause to be kept the Common Area in a neat, clean and orderly condition, properly lighted, and shall repair any damages to the facilities thereof, but all expenses in connection with the Common Area shall be charged and prorated in the manner hereinafter set forth. It is understood and agreed that the phrase "expenses in connection with the Common Area" as used herein shall expressly exclude such items chargeable directly to specific tenants of the Shopping Center, to vacant units in the Shopping Center or to occupants of adjoining parcels. "Expenses in connection with the Common Area" shall be offset by any related rebates, insurance proceeds or warrantee reimbursements. "Expenses in connection with the Common Area" shall be construed to include, but not be limited to, all reasonable and customary sums expended for all general improvements, maintenance, replacement and repairs, major repairs or renovations to the Common Area, including, without limitation:

- Maintenance and repair of general building structure and related equipment (interior and exterior);
- Preventive servicing of heating, cooling and air handling system and related equipment servicing the Common Area of the Shopping Center; Lessee specific, not common area
- Shopping Center signs, excluding individual tenant signage;
- Utilities serving the Common Area or those utilities serving all tenants in the Shopping Center and that are not separately metered to each respective tenant;
- Repair, surfacing and striping of the parking lot;
- Maintenance and repair of the roofs, exterior walls and canopies, including repainting;
- Lot sweeping;
- Snow and ice removal;
- Maintenance and repair of sidewalks, curbs, gutters and other drainage systems and sprinkler systems;
- On-going maintenance of landscaping, lighting and other utilities;
- Directional signs and other markers and bumpers;
- Maintenance and repair of any fire protection systems, automatic sprinkler systems, lighting systems (including exterior tube and bulb replacement), storm drainage systems and any other utility systems;
- Personnel to implement Common Area services and to police the Common Area;
- Police and fire protection services;
- All costs and expenses pertaining to security guards, security alarm devices and security systems for the Common Area in the Shopping Center;
- Maintenance of operating machinery and equipment (if owned) and rental paid for such machinery and equipment (if rented);
- Reasonable amortization charges of capital expenditures incurred to affect a reduction in the Common Area Expenses of the Shopping Center, provided, however that the amount of such amortization shall not exceed the annual expense reduction attributed by Lessor to any such capital expenditures;

Common Area Expenses shall not include the following:

- Depreciation on the Shopping Center, the buildings within the Shopping Center or any of its components;
- Loan Payments;
- Property management fees;
- Executive salaries;
- Real estate brokerage commissions;
- The cost to replace capital equipment;

- Reserves for equipment or capital replacement;
 - All items associated with the operation of the business of ownership as opposed to the costs of operating the Shopping Center. Ownership shall thus exclude cost of ownership or partnership accounting.
- e. "Property Damage Insurance" shall mean public liability and property damage insurance, vandalism insurance, Business Income Coverage (loss of rental income) and plate glass insurance for the Shopping Center improvements and equipment before the addition of any fine, penalty, interest or cost for nonpayment.
- f. "Proportionate Share" shall mean that fraction, the numerator of which is the total rentable square footage leased by Lessee and the denominator of which is the total rentable square footage in the Shopping Center in which the Premises is located. The parties agree that the applicable fraction is XXX/XXX and shall be represented in percentage terms and the parties further agree that this percentage is XXX%.
- If any of the expenses in connection with the Common Area can be attributed to occupants of adjoining parcels, then the proportionate share of these expenses shall be adjusted accordingly.
- If any tenant of the Shopping Center shall separately maintain its portion of the Shopping Center, then Lessee's share shall be computed using a denominator that excludes any portions that are so self-maintained.
- 2) From and after the Commencement Date, but subject to adjustment as hereinafter provided, Lessee shall pay Lessor on the first day of each calendar month during the term of this Lease Agreement, additional rent in an amount estimated by Lessor to be the Lessee's monthly share of the Shopping Center's Triple Net Expenses. No later than One Hundred Eighty (180) days after each calendar year, Lessor shall provide Lessee with a written statement setting forth the amount of Triple Net Expenses paid by the Lessor for the previous calendar year and the additional rent payments made by Lessee with respect to such calendar year. If Lessee's share of the Triple Net Expenses exceeds Lessee's payments, Lessor shall submit an invoice for the difference, together with a copy of the bill for Real Estate Taxes and an itemization of all Common Area Expenses and Property Damage Insurance costs. If Lessee's share of the Triple Net Expenses is less than Lessee's payments, Lessor shall refund the difference to Lessee within thirty (30) days.
- Unless Lessee objects in writing within thirty (30) days after receipt by Lessee of such statement, Lessee shall submit for payment in accordance with Paragraph 3. If Lessee objects in writing, Lessee shall submit for payment that portion to which Lessee does not object.
- 3) Lessee shall have thirty (30) days upon receipt of the statement required to object in writing to any part of such statement and to specify what portions are claimed to be incorrect. Lessee shall have the right, but not more than once per year, at any time within forty-five (45) days of receipt of the statement, and at its sole cost, to examine the Lessor's books and records relating to the determination of any claimed increase or decrease in Triple Net Expenses. No later than sixty (60) days after receipt of the statement, Lessee shall notify Lessor in writing of its determination with regard to any objection made pursuant to this section. Failure to pay a claimed portion pursuant to this section shall not be deemed a default in the payment of Rent.
- 4) Anything contained herein notwithstanding, failure by Lessor to provide the written statement required in the time frame set forth therein shall be deemed a waiver by the Lessor to any right to obtain any increase in the additional rent for that calendar year.
- 5) During the term of this Lease Agreement, Lessee's share of Triple Net Expenses shall not increase by more than three percent (3%) over the Lessee's share in the previous calendar year, excluding real estate taxes, property damage insurance, snow removal and utilities.
- 6) If this Lease Agreement begins on any day other than the first day of January or if this Lease Agreement ends on any day other than the last day of December, any additional rent due to the Lessor shall be prorated based on the number of days by which such partial year bears to 365.

[IF THE BUILDING HAS THE ABILITY FOR STORE EXPANSION INSERT FIRST RIGHT OF REFUSAL

AND RENUMBER]

- D. First Right of Refusal. During the term of this Lease Agreement, Lessee shall have the first right of refusal on any space which may become available in the building. The Lessee shall have three business days, after receipt of verbal notice from the Lessor, to notify Lessor of his intentions regarding the available space. During such period, the Lessor shall not lease such available space or any portion thereof to any other party. If, for any reason, Lessee fails to notify the Lessor within the afore-mentioned three business days, Lessee shall have no interest, claim, rights or obligations whatsoever with respect to the available space.
- E. Signage. Lessor consents to Lessee's alteration of the Premises, to include the following:
- 1) Lessor shall allow Lessee to install at Lessee's expense, professionally manufactured signs along front and side fascia of the building, monument, and storefront, subject to current city and local codes and Lessor's reasonable approval.
- F. Option to Renew. Lessee shall have One option to renew for a period of Five Years. Lessee shall give written notice to the Lessor of Lessee's intent to renew the Lease Agreement upon the following terms no later than ninety (90) days prior to the expiration of the Lease Agreement or any renewal period of the Lease.
- G. Proration of Rent. The first month's lease payment shall be based upon the actual date Lessee accepts and takes possession of the Premises. The first month's lease payment shall be divided by the number of calendar days in the month of occupancy, and then multiplied by the number of calendar days in the month that Lessee occupied the Premises.
- H. Adjustment of Dates Based on Commencement Date. If the Commencement Date does not occur on **[Insert date]**, the first year shall be extended from the first day of the next month following Lessee's acceptance of the Premises for a period of twelve (12) months. Each succeeding year shall begin at the expiration of the previous year. The Parties agree to amend the Lease Agreement to adjust the dates of the scheduled lease payment increases, as well as the dates of the option to renew.
- I. Lessor's Work. After execution of the Lease Agreement, the Lessor shall, on Lessee's behalf agrees to commence the Work upon receipt of an executed Lease Agreement and to substantially complete the Work on or before [insert date].

During the life of the Leasing Contract and any renewal thereto, the Lessor must keep the Premises, all improvements and all FF&E free and clear of all mechanics liens and other encumbrances unless permitted by the Lessor or otherwise approved in advance by Lessee. The Work shall be built to the Lessor's architects' specifications, subject to Lessee's approval. Lessee shall review and approve the final plans and specifications prior to commencement of the Work. Lessor will allow the Lessee to enter upon the Premises during the construction period for inspection purposes.

PLEASE NOTE: Lessor shall be responsible for obtaining a Certificate of Occupancy prior to the Lessee's acceptance of the Premises. Additional Lessor requirements are listed in Exhibit xxx.

Any contractor or contractors employed by Lessee or any other person who will perform work on or install equipment in the Building shall be:

Fully covered by worker's compensation insurance as required under the Idaho Worker's Compensation Act, and all certificates of worker's compensation insurance shall be furnished to Lessor upon request. Covered by liability coverage with minimum limits of one million dollars (\$1,000,000) per occurrence, and two million dollars aggregate with an additional insured endorsement in favor of the Lessor and the State of Idaho. By requiring insurance herein, Lessee does not represent that coverages and limits will necessarily be adequate to protect Lessor, Lessee or any contractor or contractors employed by Lessee.

All Work shall be done in a workmanlike manner and must comply with all applicable codes, ordinances, rules and regulations. Lessee shall obtain any and all permits and inspections applicable to this work which must comply with all applicable codes, ordinances, rules and regulations. Lessee shall warrant and guaranty all materials, equipment and workmanship for a period of one (1) year. Upon completion of the Work, Lessee

shall furnish to the Lessor a listing of products, subcontractors, supplier and/or manufacturers and maintenance manuals relative to the work. Lessor shall complete a final cleaning upon completion of the Work.

The trade fixtures installed by Lessee shall, at the option of the Lessee, not become the property of the Lessor. Upon the termination of the Lease Agreement, the Lessee may remove the trade fixtures installed by Lessor and return the Premises in as close to original condition as possible, reasonable wear and tear excepted.

All improvements made to the Premises could require final inspection, acceptance and written approval by the state's Division of Occupational and Professional Licenses, Building, Construction, and Real Estate Bureau, the State Fire Marshall, and by Lessor before being deemed acceptable to Lessee. Should such inspections reveal or determine any deficiencies of work designated as Lessor's, then Lessor shall proceed immediately to remedy and/or complete any such deficiencies. Lessor must additionally procure building permits, secure necessary inspections, and obtain a Certificate of Occupancy for the intended use if required. All buildings renovated specifically for use or occupancy by any state government agency or entity shall conform to all existing state codes. If any conflict arises between applicable codes, the more stringent code shall take precedence. The minimum building and safety codes adopted by the state of Idaho and the federal government may be amended by the Division of Occupational and Professional Licenses, Building, Construction, and Real Estate Bureau. An accurate listing of their codes can be located at <https://dbs.idaho.gov/>.

J. Other Special Provisions. No other special provisions exist.

8. FAILURE TO REPAIR, MAINTAIN OR SERVICE. In the event that the Lessor shall fail or refuse to make such repairs, perform such maintenance, provide such services, or to take any other action required of the Lessor pursuant to this Lease Agreement, Lessee shall give Lessor reasonable notice and time to cure and, failing such cure, Lessee may, at its option, make such repairs, perform such maintenance, provide such services, or take any such action, and deduct such sums expended doing so from the lease payments due to the Lessor. In the event that such failure or refusal prevents Lessee from occupying any or all of the Premises, Lessee may deduct a pro rata sum from its lease payments equal to the greater of the monthly cost per square foot of those Premises not acceptable for occupancy or the actual cost incurred by the Lessee to secure and occupy alternate premises. Lessee's decision to exercise this remedy shall not be deemed to limit its exercise of any other remedy available under this Lease Agreement, at law or in equity.

9. INDEMNIFICATION. Lessor hereby agrees to defend, indemnify and save Lessee harmless from and against any and all liability, loss, damage, cost, and expense, including court costs and attorneys' fees of whatever nature or type, whether or not litigation is commenced, that the Lessee may incur, by reason of any act or omission of the Lessor, its employees or agents or any breach or default of the Lessor in the performance of its obligations under this Lease Agreement. The foregoing indemnity shall not apply to any injury, damage or other claim resulting solely from the act or omission of the Lessee. Nothing contained herein shall be deemed a waiver of Lessee's sovereign immunity, which is hereby expressly retained.

10. USE OF PREMISES. Lessee shall use the Premises for the following purposes: to conduct the business of the State of Idaho. Lessor warrants that, upon delivery, the Premises will be in good, clean condition and will comply with all laws, regulations or ordinances of any applicable municipal, county, state, federal or other public authority respecting such use as specified above, including but not limited to health, safety and building codes specified in Section 27 of this Lease Agreement. Lack of compliance shall be an event of default and shall be grounds for termination of this Lease Agreement.

11. FIRE OR DAMAGE.

A. Damage or Destruction Renders Premises Unfit for Occupancy. If, during the term of this Lease Agreement, the Premises, or any portion thereof, shall be destroyed or damaged by fire, water, wind or any other cause not the fault of Lessee so as to render the Premises unfit for occupancy by Lessee, this Lease Agreement shall be automatically terminated and at an end. Lessee shall immediately surrender the Premises to Lessor and shall pay rent only to the time of such surrender. If comparable and acceptable office space can be provided

by the Lessor within thirty (30) days of the date of destruction or damage, the Lessee may elect, at its sole option, to relocate to such substitute office space and all relocation costs shall be at the sole expense of the Lessor. Rents will be continued upon occupancy at the lesser of: (i) the current lease rate; or (ii) the market rate for the substitute space. Such relocation shall be for the remainder of this Lease Agreement or any extension.

B. Some Portion Fit for Occupancy.

- 1) Notwithstanding any other provision of this Lease Agreement, if less than fifty percent (50%) of the Premises are destroyed or damaged, and if that portion of the Premises may be restored within ninety (90) days to as good a condition as originally received, the Lessee may elect to continue this Lease Agreement and Lessor shall have the option to restore the Premises. Lessee shall give written notice of its intention to continue this Lease Agreement within thirty (30) days after such damage or destruction occurs. If Lessor does not elect to restore the Premises, the Lessor shall provide the Lessee with written notice of that fact and this Lease Agreement shall automatically terminate effective as of the date of destruction or damage.
- 2) If the Lessor elects to restore or rebuild pursuant to the option provided in Section 11.B.1, the rents otherwise due Lessor by Lessee shall be abated equal to the monthly cost per square foot of the unoccupied Premises for that period of time during which restoration or rebuilding of the Premises occurs. If the Lessee is unable to occupy all or part of the Premises during the restoration, then, at the option of the Lessee, the Lessee may be relocated to comparable and acceptable office space and all relocation costs shall be at the sole expense of the Lessor. If such restoration or rebuilding exceeds ninety (90) days beyond the date of the destruction or damage to the Premises, Lessee may terminate this Lease Agreement without liability of any kind save payment for actual occupancy of the Premises prior to termination.

- C. Prepaid Rent.** In the event that this Lease Agreement is terminated as the result of damage or destruction to the Premises during any period of its term for which the Lessee has prepaid rent, the Lessor shall, within ten (10) days from the date of notification of termination by the Lessee, refund the full amount of any prepaid rent not then applied to a period of the Lessee's actual occupancy of the Premises. In the event that the Lessor does not timely remit the full amount of any prepaid rent to the Lessee, the Lessee shall be entitled to collect the full amount of its prepaid rent from insurance proceeds in the manner set forth in this Lease Agreement.

12. ALTERATIONS. Except as otherwise agreed, subsequent to the Effective Date and during the term of this Lease Agreement and any extension, neither Lessor nor Lessee shall make any alterations, additions or improvements to the Premises without the prior written consent of the other. Any and all alterations and improvements made by Lessee shall be made at Lessee's sole expense and, subject to the exception for Trade Fixtures provided below, shall, upon termination of this Lease Agreement, and without disturbance or injury, become the property of the Lessor, and shall remain in and be surrendered with the Premises. Any such alterations, whether performed by Lessor or Lessee, must be made in a workmanlike manner and must comply with all applicable codes, ordinances, rules and regulations. Notwithstanding any other provision of this Lease Agreement, Trade Fixtures, as defined in this Lease Agreement, installed by Lessee shall, at the option of the Lessee, not become the property of the Lessor and, upon the termination of this Lease Agreement, the Lessee may remove such Trade Fixtures and return the Premises in as close to original condition as possible, reasonable wear and tear excepted. For purposes of this Lease Agreement, a Trade Fixture is defined as personal property used by the Lessee in the conduct of its business and includes items such as, but not limited to, shelves and reception counters.

13. DEFAULT. In the event that either party shall default in the performance of any material term, covenant, or condition of this Lease Agreement, the party not in default may at its option terminate this Lease Agreement. The party alleging default must provide written notice of said default, specifying the alleged default, and the receiving party shall have five (5) business days to cure or shall immediately provide written documentation that it is proceeding to cure the default in an expedited manner (e.g., working overtime, express delivery, etc.). Should Lessee be in default by surrendering occupancy of the Premises in some manner violative of the terms of the Lease Agreement, Lessor may reenter the Premises without affecting its right of recovery of accrued rent therefore; provided, however, the Lessor shall exercise due diligence to mitigate any and all future losses of rent or damages that may result due to the failure of the

Lessee to occupy the Premises.

14. SUFFICIENT APPROPRIATION BY LEGISLATURE REQUIRED. It is understood and agreed that the Lessee is a governmental entity, and this Lease Agreement shall in no way or manner be construed so as to bind or obligate the State of Idaho beyond the term of any particular appropriation of funds by the State legislature as may exist from time to time. The Lessee reserves the right to terminate this Lease Agreement in whole or in part if, in its judgment, the legislature of the State of Idaho fails, neglects or refuses to appropriate sufficient funds as may be required for Lessee to continue such lease payments, or requires any return or "give-back" of funds required for the Lessee to continue payments, or if the Executive Branch mandates any cuts or holdbacks in spending. All affected future rights and liabilities of the Parties shall thereupon cease within ten (10) days after the notice to the Lessor. It is understood and agreed that the lease payments provided for in this Lease Agreement shall be paid from State legislative appropriations.

15. RIGHT TO TERMINATE LEASE AGREEMENT AT DIRECTION OF IDAHO DEPARTMENT OF ADMINISTRATION. The parties to this Lease Agreement recognize and agree that Lessee, as an agency of the State of Idaho, is subject to the direction of the Idaho Department of Administration pursuant to Title 67, Chapter 5706, Idaho Code, and, specifically, the right of that Department to direct and require Lessee to remove its operations from the Premises and relocate to other facilities owned or leased by the State of Idaho. Accordingly, it is agreed that, upon the occurrence of such event, Lessee may terminate this Lease Agreement at any time after a one (1) year period from the date of the commencement of the Lease Agreement as determined under Section 2, provided that Lessor is notified in writing ninety (90) days prior to the date such termination is to be effective. Such action on the part of the Lessee will relieve the Lessee and the State of Idaho of liability for any rental payments for periods after the specified date of termination or the actual date of surrender of the Premises, if later.

16. OFFICIALS, AGENTS AND EMPLOYEES OF LESSEE NOT PERSONALLY LIABLE. It is agreed by and between the Parties that in no event shall any official, officer, employee or agent of the State of Idaho be in any way liable or responsible for any covenant or agreement contained in this Lease Agreement, express or implied, nor for any statement, representation or warranty made in or in any way connected with this Lease Agreement or the Premises. In particular, and without limitation of the foregoing, no full-time or part-time agent or employee of the State of Idaho shall have any personal liability or responsibility under this Lease Agreement, and the sole responsibility and liability for the performance of this Lease Agreement and all of the provisions and covenants contained in this Lease Agreement shall rest in and be vested with the State of Idaho.

17. RELATION OF PARTIES. The Parties agree and acknowledge that neither shall be considered the employer, agent, representative, or contractor of the other by reason of this Lease Agreement.

18. NOTICES. Notices, requests, demands, and other communications hereunder shall be in writing and shall be given by (i) established express delivery service which maintains delivery records, (ii) hand delivery, (iii) electronic mail, or (iv) certified or registered mail, postage prepaid, return receipt requested, to the Parties at the addresses set forth below, or at such other address as the Parties may designate by written notice in the above manner.

Any notice required to be sent by the Lessee shall be sent to the Lessor's last known address at:

LESSOR
Attn: LESSOR,
LESSOR ADDRESS.

Any notice required to be sent by the Lessor shall be sent to the address of the Premises and to the Lessee's last known address at:

Idaho State Liquor Division
Attn: Josh Shockey
1349 E Beechcraft Ct
Boise, ID 83716

A copy of any such notice shall also be sent to:

The Department of Administration
State Leasing Program
Attn: Statewide Leasing Manager,
Post Office Box 83720, Boise, ID 83720-0072.

In the event of a change of address by either Lessor or Lessee, the Parties agree to notify each other in writing within ten (10) days of the date of any such change.

19. INSURANCE. The Lessor shall maintain an insurance policy (or policies) for the purpose of insuring any property and liability risks regarding the Premises. Any such policy obtained by the Lessor shall be at its sole and absolute expense, and Lessee shall have no obligation to obtain or pay for such insurance. The Lessor shall provide the Lessee with a certificate of insurance or a copy of its insurance policy on or before the term this Lease Agreement commences and shall provide annual confirmation of coverage prior to the renewal date of the policy (or policies). Should any of Lessor's policy (or policies) be cancelled before its expiration date, the Lessor shall immediately notify the Lessee and provide evidence of a replacement policy.

In the event that the Lessee shall prepay rent in the manner set forth in this Lease Agreement, the insurance policy (or policies) obtained and maintained by the Lessor shall include Business Income Coverage (loss of rental income). The policy (or policies) shall identify the Lessee as an additional loss payee and shall furthermore require the issuing insurer to notify the Lessee of any policy cancellation. The Lessee shall be entitled to receive insurance proceeds in the full amount of any prepaid rent prior to any distribution of insurance proceeds to the Lessor or any other third party not having an insurable interest in the Premises.

The Lessor acknowledges that the State of Idaho and its departments and agencies are self-funded for their public liability exposures. The State of Idaho has created The Retained Risk Fund, administered by the Office of Insurance Management (Idaho Code Section 67-5776), as the method to finance its risk loss. Trade Fixtures are subject to coverage in accordance with state law. Evidence of financial responsibility of Lessee will be provided to Lessor upon request and will consist of a Certificate of Financial Responsibility.

20. ASSIGNMENTS. Lessor shall not assign this Lease Agreement without the written consent of the Lessee. If the Premise is assigned to another party without the written consent of the Lessee via the State Board of Examiners, Lessee will not and cannot pay rent to the new assigned party. If approved, the assignment is not effective unless it is also approved by the State Board of Examiners in accordance with Idaho Code § 67-1027. An assignment shall not in any way act as a release of any claim by Lessee as against the original Lessor nor shall it act as a waiver of any default under this Lease Agreement existing at the time of such sale or conveyance and assignment to the extent that any such default continues and remains uncured after such sale and assignment. The provisions of the Lease Agreement will continue in full force and effect upon such assignment by Lessee.

21. NON-WAIVER. The failure of the Lessor or Lessee to insist upon strict performance of any of the covenants and agreements of this Lease Agreement or to exercise any option contained in this Lease Agreement shall not be construed as a waiver or relinquishment of any such covenant or agreement, but the same shall be and will remain in full force and effect unless such waiver is evidenced by the prior written consent of authorized representatives of the Lessor and Lessee.

22. MODIFICATION. This Lease Agreement may be modified in any particular only by the prior written consent of authorized representatives of the Lessor and Lessee. **Anything else contained herein notwithstanding, modifications to this Lease Agreement shall be of no force and effect until approved in writing by the Department of Administration, Division of Public Works, State Leasing Program.**

23. RENEWAL. Providing there are no other extension provisions or lease extension amendments. This Lease Agreement may be renewed by the written consent of the Lessor and Lessee provided such consent is rendered sixty (60) days in advance of the expiration of the term of this Lease Agreement. Notice of Lessor's offer to renew shall be given by the Lessor one hundred twenty (120) days prior to the expiration of this Lease Agreement, including any extension. Lessee will have thirty (30) days to respond to Lessor's offer. If agreement is not reached by sixty (60) days prior to the expiration of the Lease Agreement, Lessor may lease the Premises to another party, but not on more favorable terms than

offered to Lessee, without first giving Lessee ninety (90) days to accept or reject those new terms.

24. ASBESTOS AND HEALTH HAZARDS. Lessor agrees to comply promptly with all requirements of any legally constituted public authority made necessary by any unknown or existing health hazard including, but not limited to, such hazards which may exist due to the use or suspected use of asbestos or asbestos products in the Premises. The Lessor warrants that it has inspected the Premises for health hazards, specifically for the presence of asbestos, and the inspection has not detected asbestos, or if Lessor's inspection has revealed asbestos, then Lessor warrants that it has been removed or been encapsulated in accordance with current law and regulations. In the event that asbestos or another health hazard is discovered on the Premises, the Lessor agrees to protect the Lessee and its employees and to take immediate corrective action to cure the problem. It is agreed that, in the event the Lessee is unable to continue occupancy of the Premises due to the presence of asbestos or any other health hazard, or because of any governmental, legislative, judicial or administrative act, rule, decision or regulation, the Lease Agreement may be terminated by the Lessee upon ten (10) days' written notice to the Lessor. Any asbestos abatement costs, and any other repair or renovation costs associated with asbestos or other health hazard, as well as moving costs and consequential damages, will be at the sole expense of the Lessor.

25. NON-DISCRIMINATION. The Lessor hereby agrees to provide all services funded through or affected by this Lease Agreement without discrimination on the basis of race, color, national origin, religion, sex, age, physical/mental impairment, and to comply with all relevant sections of: Title VI of the Civil Rights Act of 1964, as amended; Section 504 of the Rehabilitation Act of 1973, as amended; and The Age Discrimination Act of 1975; and to comply with pertinent amendments to these acts made during the term of this Lease Agreement. The Lessor further agrees to comply with all pertinent parts of federal rules and regulations implementing these acts. The Lessor hereby agrees to provide equal employment opportunity and take affirmative action in employment on the basis of race, color, national origin, religion, sex, age, physical/mental impairment, and covered veteran status to the extent required by: Executive Order 11246; Section 503 of the Rehabilitation Act of 1973, as amended; and Section 402 of the Vietnam Era Veterans Readjustment Assistance Act of 1974; and to comply with all amendments to these acts and pertinent federal rules and regulation regarding these acts during the term of the Lease Agreement.

26. ACCESSIBILITY. Space leased by the State of Idaho will meet or exceed standards for accessibility as set out in the American National Standards Institute (ANSI A117-1); Americans with Disabilities Act, Americans with Disabilities Accessibility Guidelines (ADAAG) and applicable regulations; the International Building Code; all state-adopted codes and standards; and such federal regulations as may be applicable to the occupying agency. If any conflict arises between applicable codes, the more stringent code shall take precedence.

27. CONSTRUCTION OR RENOVATION AND MAINTENANCE OF BUILDINGS. All buildings owned or maintained by any State government agency or entity, or which are constructed, renovated, and/or maintained specifically for use or occupancy by any such agency or entity shall conform to all existing state codes, including but not restricted to, the Idaho General Safety and Health Standards, the International Building Code, the International Mechanical Code, the International Fire Code, Division of Occupational and Professional Licenses, Building, Construction, and Real Estate Bureau and the State Fire Marshal's Office. If any conflict arises between applicable codes, the more stringent code shall take precedence. Prior to construction or remodeling of such buildings, where appropriate, construction plans shall be reviewed and approved by the Division of Occupational and Professional Licenses, Building, Construction, and Real Estate Bureau, the State Fire Marshal's Office and the Permanent Building Fund Advisory Council.

28. LONG TERM ENERGY COSTS. Long-term energy costs, including seasonal and peaking demands upon the suppliers of energy, are to be a major consideration in the construction and operations of all State buildings and the execution of lease agreements. Special attention shall include energy conservation considerations including: (i) Chapter 13 of the International Building Code; (ii) use of alternative energy sources; (iii) energy management systems and controls to include effective means to monitor and maintain systems at optimal operations; and (iv) "state-of-the-art" systems and equipment to conserve energy economically.

29. NON-SMOKING BUILDINGS. All State-owned or State-leased buildings, facilities or area occupied by State employees shall be designated as "non-smoking" except for custodial care and full-time residential facilities. The policy governing custodial care and full-time residential facilities may be determined by the directors of such facilities.

30. UTILITY INFORMATION. State agencies are encouraged to implement strategies to reduce greenhouse gases. The Lessor agrees to provide Lessee with ongoing permission to access the utility information of the Building to determine the amount of electricity and heating fuel consumed within the Premises. If Lessee is not able to access this information directly from the utility companies, Lessor agrees to furnish said information to Lessee on a calendar year basis if requested.

31. INDOOR AIR QUALITY. Lessor agrees to achieve and maintain indoor air quality management in conjunction with all construction projects in the Building as well as on all ongoing maintenance and repairs of the Building and the Premises. Lessor shall optimize the use of air quality compliant materials inside the Building to reduce the emissions from materials used in the Building. Ongoing indoor air quality requires the use of low or no VOC paints, solvents, adhesives, furniture and fabrics. VOC and chemical component limits shall not exceed Green Seal's Standard GS-11 requirements. Paints used on site shall be low VOC and are to be brush-applied only, spray painting is not allowed on the interior of the Building. Carpet and carpet cushion must meet the requirements of the CRI Green Label Plus Testing Program. Composite panels and agrifiber products must not contain added urea-formaldehyde resins. Laminate adhesives used to fabricate on-site and shop applied assemblies containing these laminate adhesives must contain no urea-formaldehyde.

In the event a health hazard is discovered on the Premises, the Lessor agrees to protect the Lessee and its employees and to take immediate corrective action to cure the problem and return air quality within or general accepted requirements of the indoor environmental air quality category of Leadership in Energy and Environmental Design; US Green Building Council for non-industrial air quality criteria as tested by a certified industrial hygienist. It is agreed that, in the event the Lessee is unable to continue occupancy of the Premises due to the presence of poor air quality or any other health hazard, or because of any governmental, legislative, judicial or administrative act, rule, decision or regulation, the Lease Agreement may be terminated by the Lessee upon ten (10) days' written notice to the Lessor. Any preventative and costs, and any other repair or renovation costs associated with air quality or other health hazard, as well as moving costs and consequential damages, will be at the sole expense of the Lessor.

32. MATERIAL REPRESENTATIONS. The Parties agree and acknowledge that the representations and acknowledgments made in this Lease Agreement are material and the Parties have relied upon them in entering this Lease Agreement.

33. SEVERABILITY. If any term or provision of this Lease Agreement is held by the courts to be illegal or in conflict with any existing law, the validity of the remaining terms and provisions shall not be affected, and the rights and obligations of the Parties shall be continued and enforced as if the invalid term or provision were not contained in this Lease Agreement.

34. LESSOR'S RIGHT TO LEASE. The Lessor warrants that it is lawfully possessed of the Premises and has good, right and lawful authority to enter into this Lease Agreement and that the Lessor shall put the Lessee into actual possession of the Premises at the commencement of the term of this Lease Agreement and shall ensure to the Lessee the sole, peaceable, and uninterrupted use and occupancy of the Premises during the full term of this Lease Agreement and any extension.

35. MORTGAGES BY LESSOR. Lessee recognizes that Lessor may encumber the Premises by a mortgage(s) or other instrument securing Lessor's obligations to a lender. In such event, the following provisions apply as to the holder of any such mortgage or security instrument and to any person or entity acquiring an interest in the Premises through such mortgage or security interest:

- A. In the event of a foreclosure or acquisition by the holder of such mortgage or security instrument (or by a third party at a foreclosure sale), this Lease Agreement shall continue in full force and effect and the holder or other acquiring party shall be entitled to the benefits of the Lessee's performance under this Lease Agreement and shall have such remedies as are available to the Lessor under this Lease Agreement with respect to any default by the Lessee then existing or thereafter occurring.
- B. Upon written notification to Lessee of a completed foreclosure or other acquisition by the holder or third-party purchaser at a foreclosure sale, Lessee will attorn to the acquiring party and shall thereafter perform.

- C. In the event of a foreclosure or acquisition by the holder of such mortgage or other security instrument (or by a third party purchaser at a foreclosure sale), claims by Lessee against the Lessor arising prior to acquisition by the holder or third party purchaser shall not apply to such holder or third party purchaser; provided, however, that this shall not act as a waiver of any rights of Lessee by reason of default under this Lease Agreement existing at the time of such foreclosure sale or other acquisition or thereafter arising, to the extent that such default is not cured under the provisions of this Lease Agreement.

36. ESTOPPEL CERTIFICATE. Lessee agrees, upon reasonable written request, and from time to time, to provide to Lessor an Estoppel Certificate in the form attached hereto as Exhibit B.

37. COUNTERPARTS/ELECTRONIC SIGNATURES. This Lease Agreement may be executed in exact counterparts and when so executed by the parties shall be effective in accordance with the terms hereof. This Lease Agreement may be executed and delivered by electronic means and thereupon the Lease Agreement shall be treated in each case and in all manner and respects and for all purposes as an original and shall be considered to have the same binding legal effect as if it were an original manually signed counterpart thereof delivered in person.

38. STATE CONTRACT CERTIFICATIONS. Pursuant to compliance with Idaho law, the following certifications are required for state contracts:

- A. Certification Concerning Boycott of Israel. Pursuant to Idaho Code section 67-2346, if payments under the Agreement exceed one hundred thousand dollars (\$100,000) and Lessor employs ten or more persons, Lessor certifies that it is not currently engaged in, and will not for the duration of the Agreement engage in, a boycott of goods or services from Israel or territories under its control. The terms in this section defined in Idaho Code section 67-2346 shall have the meaning defined therein.
- B. Certification of Non-Ownership by China. Pursuant to Idaho Code section 67-2359, Lessor certifies that it is not currently owned or operated by the government of China, will not for the duration of the Contract be owned or operated by the government of China, and will not assign or attempt to assign this Lease Agreement to an entity owned or operated by the government of China. The terms in this section defined in Idaho Code section 67-2359 shall have the meaning defined therein.

39. COMPLETE STATEMENT OF TERMS. No other understanding, whether oral or written, whether made prior to or contemporaneously with this Lease Agreement, shall be deemed to enlarge, limit or otherwise affect the operation of this Lease Agreement.

[Signature Page Follows]

LESSEE: Agency Name

STATE OF _____)
)ss.
COUNTY OF _____)

On this _____ day of _____, 20__, before me, the undersigned, a Notary Public in and for said State, personally appeared _____, known or identified to me to be the person whose name is subscribed to the foregoing instrument on behalf of Agency Name, as Lessee, and acknowledged to me that he/she executed the same on behalf of the Lessee.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

Notary Public

Commission expires on _____ Residing at _____

APPROVED BY:

Richard Brien, State Leasing Manager
Division of Public Works, Department of Administration

Date

EXHIBIT A TO THE LEASE AGREEMENT
THE PREMISES
Premises Street Address, Premises City, Idaho

SAMPLE

EXHIBIT B TO THE LEASE AGREEMENT
ESTOPPEL CERTIFICATE

This Estoppel Certificate is made by _____, (hereinafter “Lessee”) the lessee of those certain premises located at _____, [_____, Idaho], and described as _____, and leased by Lessee from _____ (hereinafter “Lessor”).

NOW THEREFORE, Lessee certifies and represents to Lessor and its successors, mortgagees and assigns and their attorneys, representatives, with respect to the above described lease as follows:

1. The true, correct and complete copy of the lease, including all amendments or addendum thereto (hereinafter collectively referred to as the “Lease”) is attached hereto.
2. The Lease contains the entire agreement between Lessor and Lessee, and to the best of Lessee’s knowledge, as of the date hereof, Lessor is not in default in the performance of the terms and provisions of the Lease.
3. The Lease is for approximately _____ square feet. The Lease began on _____ and will end on _____.
4. Lessee has paid all rents due under the Lease for the period through and including _____, and Lessee has paid no other rent or compensation in lieu of rent in advance beyond such date. As of the date hereof, rent due from Lessee to Lessor is in the amount of \$ _____ per month plus such additional rent as called for in the Lease.

DATE: _____

LESSEE:



Please Note! We have enclosed an executed copy of your new lease document. Please complete the following, then return this form and all requested items as noted below.

LESSOR INFORMATION SHEET

Agency Name @: Premises Street Address, Premises City

LESSOR INFORMATION: Please fill out all four sections. If all are the same, please check "Same".

Lessor or Company Name: Lessor's Name	Property Management:	Accounts Receivable:	Legal Notices:
Contact Person:	Contact Person:	Contact Person:	Contact Person:
Address:	<input type="checkbox"/> Same	<input type="checkbox"/> Same	<input type="checkbox"/> Same
Telephone Number:	<input type="checkbox"/> Same	<input type="checkbox"/> Same	<input type="checkbox"/> Same
Email Address:	<input type="checkbox"/> Same	<input type="checkbox"/> Same	<input type="checkbox"/> Same

Which address should we use to send you information on state Request for Proposals, notifying you of new space the state is seeking?

Mailing Address: _____ Email Address: _____

CHECKLIST: A W-9 is required prior to processing invoices. Invoices are required on all rent payments. The lease requires Lessor to provide a copy of its insurance policy prior to the commencement date of the lease. A Certificate of Occupancy is required on all new construction or remodeling projects. Please send the following items immediately:

- W-9 to ACCOUNTS PAYABLE at: Agency Name,
- Copy of insurance policy to: Agency Name, Agency Address, T.
- Rent invoices to ACCOUNTS PAYABLE at: Agency Name, Agency Address, T.
- Copy of Certificate of Occupancy to Division of Public Works, 502 N. 4th St, PO Box 83720, Boise, ID 83720-0072 and to Agency Address (if occupying this particular space for the first time).

INSPECTION/ACCEPTANCE OF PREMISES: The attached form or its equivalent to be completed jointly by both tenant and landlord (if occupying this particular space for the first time). Due no later than 15 days after occupancy.

- Upon completion of the Inspection/Acceptance of Premises, a copy should be sent to the Division of Public Works, 502 N. 4th Street, PO Box 83720, Boise, ID 83720-0072 and to Agency Name, Required only if state is occupying this particular space for the first time).

NOTICES

- Notice of an adjustment to the rental payment should go to: Agency Name, Agency Address,
- Any legal notices should go to: Agency Name, Agency Address and to
- A copy of any legal notice should also be sent to: Division of Public Works, PO Box 83720, Boise, ID 83720-0072, Phone (208)332-1929

ADDITIONAL INFORMATION: State web site may provide additional information, found at <http://leasing.idaho.gov/>

PLEASE SEND COPIES OF THIS COMPLETED FORM TO:

- Agency Name, Agency Address
- Agency Name, Agency Address (with insurance information)
- Division of Public Works, 502 N. 4th Street, PO Box 83720, Boise, ID 83720-0072
- Accounts Payable @ Agency Name, Agency Address. (with W-9 and rent invoices)

INSPECTION/ACCEPTANCE OF PREMISES PRIOR TO OCCUPANCY

PROPERTY: Suite-Multi-Tenanted Office Single Tenant Office Bldg Classroom Retail Store Warehouse

This Inspection/Acceptance of Premises is intended to:

- Establish the Commencement Date of the Lease Agreement;
- To prevent disputes on property condition at the time of occupancy; and,
- To prevent disputes on property condition at the time the property is vacated.

In no event shall Lessee's inspection be deemed a waiver of any defects in the Premises.

Copies of this completed form should be sent to:

- Division of Public Works, 502 N. 4th Street, PO Box 83720, Boise, ID 83720-0072
- Agency Name, Agency Address,

ITEM	CONDITION @ TIME OF ACCEPTANCE*	
Exterior Walls		
Exterior Doors		
Lighting (Exterior)		<input type="checkbox"/> Lessee to replace bulbs/tubes after initial occupancy**
Stairs (Interior and Exterior)		
HVAC		<input type="checkbox"/> Lessee to service after initial occupancy**
Electrical		
Ceilings		
Walls		
Window Coverings		
Interior Doors		
Floor Coverings		<input type="checkbox"/> Lessee responsible for carpet cleaning**
Fire Protection (Exit Lighting, Emergency Lighting)		
Fire Extinguishers		<input type="checkbox"/> Lessee to supply & maintain after initial occupancy**
Restrooms		<input type="checkbox"/> Lessee to provide janitorial and paper products**
Lighting (Interior)		<input type="checkbox"/> Lessee to replace bulbs/tubes after initial occupancy**

*E=Excellent(or new) G=Good F=Fair P=Poor(Must document conditions that are fair or poor – photos are helpful)

** Maintenance responsibilities are defined in the lease. In any event of a conflict, the lease agreement will prevail.

Lessor agrees to remedy the following items:

ITEM	Before Acceptance & Occupancy of Premises	After Occupancy But Before _____ (Date)

The Premises were inspected on _____ (Date) by _____, representing _____ (State Agency) and _____, representing _____ (Lessor).

Lessor

Lessee

Lessee shall return the Premises at the end of its occupancy in the same condition as originally received, less reasonable wear and tear. Reasonable wear and tear shall take into account:

- Original condition at time of occupancy• Length of tenancy
- Quality and life expectancy of the building product
- Maintenance and repair responsibilities as detailed in the Lease Agreement
- Number of occupants and amount of public traffic in and out of Premises
- Amount of public traffic in and out of Premises
- Type of use

As an example, the following are some estimates of the estimated lifetime of building products:

Interior Paint: 5 to 10 yrs	Laminate Countertops: 10 to 15 yrs	Solid Core Interior Doors: 30 to 100 yrs	Carpet: 7 to 10 yrs
Vinyl Flooring: 10 to 20 yrs	Drywall: 65 to 70 yrs	Faucets: 13 to 20 yrs	Overhead Doors: 20 to 30 yrs