

BOARD OF REGENTS
BRIEFING PAPER

1. AGENDA ITEM TITLE: **University of Nevada, Reno- Lease Amendment for 6100 Neil Road Reno, NV**

MEETING DATE: June 7-8, 2018

2. BACKGROUND & POLICY CONTEXT OF ISSUE:

Background: The University of Nevada, Reno Small Business Development Center's Business Environmental Program has leased no-cost office space from NV Energy at 6100 Neil Road since 1997. The most recent lease was signed May of 2007 (Exhibit 1) with two options. The current lease for space will expire on December 31, 2018. Recently, NV Energy has relocated the office space that UNR occupies in the building requiring an Amendment to the Lease Agreement (Exhibit 2). The amendment extends the length of the lease until March 2021 at no cost.

3. SPECIFIC ACTIONS BEING RECOMMENDED OR REQUESTED:

University of Nevada, Reno President Marc Johnson requests Board of Regents' approval of the Lease Amendment for 6100 Neil Road.

4. IMPETUS (WHY NOW?):

- NV Energy relocated UNR to a different space within the building.
- UNR can extend the lease space until 2021 without cost.

5. CHECK THE NSHE STRATEGIC PLAN GOAL THAT IS SUPPORTED BY THIS REQUEST:

- Access (Increase participation in post-secondary education)
 Success (Increase student success)
 Close the Achievement Gap (Close the achievement gap among underserved student populations)
 Workforce (Collaboratively address the challenges of the workforce and industry education needs of Nevada)
 Research (Co-develop solutions to the critical issues facing 21st century Nevada and raise the overall research profile)
 Not Applicable to NSHE Strategic Plan Goals

INDICATE HOW THE PROPOSAL SUPPORTS THE SPECIFIC STRATEGIC PLAN GOAL

The Business Environmental Program is a long-standing research and community outreach program of the University that researches and provides assistance on critical environmental issues facing Nevada businesses. The program employs student workers and provides exposure to additional learning opportunities and real world experience that supplements classroom learning.

6. BULLET POINTS TO SUPPORT REQUEST/RECOMMENDATION:

- UNR programming already occupies space at this location and has since 1997.
- Space is offered to UNR at no cost

7. POTENTIAL ARGUMENTS AGAINST THE REQUEST/RECOMMENDATION:

- None

8. ALTERNATIVE(S) TO WHAT IS BEING REQUESTED/RECOMMENDED:

- Pass on the Lease Amendment and potentially lose the space which would require UNR to find alternative space, at cost, to house this program.

9. RECOMMENDATION FROM THE CHANCELLOR'S OFFICE:

Approve lease amendment

10. COMPLIANCE WITH BOARD POLICY:

- Consistent With Current Board Policy: Title # 4 Chapter # 10 Section # 1.9
- Amends Current Board Policy: Title # _____ Chapter # _____ Section # _____
- Amends Current Procedures & Guidelines Manual: Chapter # _____ Section # _____
- Other: _____
- Fiscal Impact: Yes _____ No X
- Explain: _____

Exhibit 1

LEASE AGREEMENT

This Lease Agreement ("Lease"), dated as of January 1, 2011, is made by and between NV Energy, Inc., a Nevada corporation ("Landlord") and Board of Regents of the Nevada System of Higher Education on behalf of the University of Nevada, Small Business Development Center ("Tenant").

RECITALS

- A. Landlord's affiliate, Sierra Pacific Power Company, a Nevada corporation ("Affiliate"), leases the Sierra Plaza Building, 6100 Neil Road, Reno, Nevada (the "Building") from the Building's owner, Silliman Associates Limited Partnership, a Massachusetts limited partnership ("Owner") under the Amended and Restated Lease dated January 30, 1986. Landlord subsequently entered into the "Building Lease," also with the Owner dated May 26, 2009, which states that effective December 31, 2010 at midnight, Landlord will become the tenant under the Building Lease which the parties thereto agreed would express the exclusive agreement and understanding between them and their affiliates with respect to the leasing of the Building.
- B. Affiliate and Tenant are parties to that certain Lease Agreement with a base lease period from May 1, 2007 through April 30 2008, with provision for holding over on a month to month tenancy (the "Expired Lease") with respect to certain premises located in the Building that are further defined in the Expired Lease.
- C. The Parties to this Lease hereby agree that notwithstanding the above, Landlord, and not Affiliate, is Party to this Lease.
- D. Landlord and Tenant, for good and valuable consideration, desire enter into a new Lease for the Premises that will take effect on January 1, 2011.

AGREEMENT

- 1. **LEASE.** Landlord and Tenant agree to enter into this Lease on the following terms and conditions.
- 2. **PREMISES.** Landlord grants to Tenant for the Term and upon all of the conditions set forth in this Lease, the right to use and occupy approximately 1,720 square feet of rentable space, as described or designated in Exhibit A attached to this Lease and made a part of it, ("Premises") in a portion of the fourth floor of the building commonly known as the Sierra Plaza Building ("Building") located at 6100 Neil Rd., Reno, NV on the property commonly known as Assessor Parcel Number (APN) 025-460-22 (the "Property"). This Lease includes the right of Tenant and its officers, directors and employees, in common with others, to use the Building and the parking on Premises.
- 3. **SUMMARY OF RENT.** (This Section is subject to the provisions of Section 9.1).

| | |
|---------------------------|------------------------------------|
| <u>Lease Term</u> | <u>Monthly Installment of Rent</u> |
| Lease Months 1 through 60 | No Cost |
- 4. **RELOCATION OF PREMISES.** Landlord has the right from time to time to relocate the Premises and the Building, subject to the following terms and conditions: (a) the useable areas of the new Premises must be of substantially equal size to the existing Premises and (b) Landlord delivers to Tenant written notice of Landlord's election to relocate the Premises, specifying the new location at least one

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hundred and twenty (120) days before the date the relocation is to be effective. Landlord will not be responsible for any expenses tenant incurs in connection with any relocation.

5. CONDITION OF PREMISES.

5.1 Condition of Premises at Lease Execution. Whereas Tenant is currently in possession of the Premises, Tenant acknowledges that the Premises are being delivered "as is", that Tenant performed preliminary investigations and reviews and has concluded on its own judgment that the Premises are suitable for the purposes intended, without any representation or warranties of any kind (including, without limitation, any express or implied warranties of merchantability, fitness or habitability) from Landlord or any agent of Landlord.

5.2 Acceptance of Premises. Tenant's continued possession of the Premises is conclusive evidence that the Premises were in good order and satisfactory condition when Tenant took possession of the Premises. Landlord has not agreed to alter, remodel, decorate, clean or improve the Premises other than as stated herein. Landlord has not made, and Tenant has not relied on, any representation regarding the condition of the Premises or suitability of Premises for Tenant's proposed use.

5.3 Return of the Premises to Landlord. Upon the expiration or earlier termination of the Lease Term or Tenant's right to possession of the Premises, Tenant must return the Premises to Landlord broom clean and in good order and condition, ordinary wear, only, excepted. Tenant must also remove its personal property from the Premises before termination of the Lease Term or Tenant's right to possession of the Premises. If Tenant does not remove those items before termination of the Lease Term or Tenant's right to possession of the Premises, Tenant is conclusively presumed to have conveyed the same to Landlord free and clear of all liens and security interests without further payment or credit by Landlord to Tenant or, at Landlord's sole option, those items will be deemed abandoned, in which event, Landlord may cause those items to be removed and disposed of at Tenant's expense, without notice to Tenant and without obligation to compensate Tenant or a third party.

6. TERM. The term of this Lease ("Lease Term") is the period of time commencing on January 1, 2011 ("Lease Commencement Date") and expires sixty (60) months, or December 31, 2015 after the Lease Commencement Date ("Lease Expiration Date"), unless sooner terminated or extended as expressly provided in this Lease.

7. OPTIONS TO EXTEND LEASE TERM. Tenant has two (2) consecutive options (the "Options") to extend the Lease Term for additional periods of three (3) years each (the "Extension(s)"), on the same terms and conditions as set forth in this Lease but without any additional Options other than those granted in this Section 7. Landlord represents and warrants that the term of the Building Lease expires on December 31, 2015, and therefore Tenant's options to extend the Lease Term for the full Extension periods are conditioned on Landlord extending the Building Lease for the requisite time periods, purchasing the Building, or otherwise controlling the Premises so that it has the ability to lease the Premises to Tenant for the Extension periods. If the Building Lease is extended for less than the full Extension periods, or for less than the entire Premises, Tenant shall have the right to extend the Term for such lesser period and/or for such reduced space. For example, if Landlord extends the Building Lease for five (5) years, Tenant will have one three (3) year option and one subsequent two (2) year option. If

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Landlord has not extended the Building Lease, purchased the Building or otherwise come into control of the Premises at the time Tenant exercises an option, but has done so by the time the Extension period is to commence, Tenant's Option exercise is still effective.

If Tenant exercises one or more Option, the Lease Expiration Date will be the last day of the last Extension for which the Option is exercised. Tenant must not be in material default under any of the provisions of this Lease (beyond any applicable notice and cure period).

7.1 Exercising Option. Tenant must exercise each Option by delivering written notice to Landlord at least sixty (60) days before the expiration of the initial Lease Term or the preceding Extension of the Lease Term, respectively, and each Option is subject to the provisions of Section 7.2 and Section 7.3. If Tenant does not deliver Landlord written notice of the exercise of an Option within the prescribed time period, that Option and any succeeding Options lapse and Tenant has no further right to extend the Lease Term. Following Tenant's timely and valid exercise of an Option and the determination of the amount of Rent to be paid on the applicable FRV Rental Adjustment Date (as defined below) (taking into consideration the provisions of Section 7.2 and Section 7.3), Landlord must prepare and Tenant must execute and deliver to Landlord an amendment to this Lease confirming the term of the Extension and the amount of Rent payable by Tenant during the particular Extension.

7.2 Calculation of Rent. The Rent during the Extension(s) will be determined by the Fixed Adjustment.

7.3 Fixed Adjustment. The Rent will be increased to the following amounts on the following dates: on the first day of the 1st month of each year throughout the term of each Extension (each a "Rental Adjustment Date") by a factor of five percent (5%) over the Rent payable immediately prior to the applicable Rental Adjustment Date.

| <u>Lease Term (as extended)</u> | <u>Monthly Installment of Rent</u> |
|---------------------------------|------------------------------------|
| Lease Months 61 through 96 | No Cost |
| Lease Months 97 through 132 | No Cost |

8. EARLY TERMINATION. In its discretion, Landlord may terminate this Lease without cause before the Lease Term, as extended, expires by providing Tenant with 120 days prior written notice and specifying the effective date of the termination in that notice.

9. RENT.

9.1 Time and Manner of Payment. Upon execution of this Lease, Tenant must pay Landlord the sum of \$ 0.00 as and for the Rent for Lease Month 1. On the first day of Lease Month 2 and each month during the Lease Term thereafter, Tenant must pay Landlord the monthly Rent set forth in Section 3 above, in advance, without offset, deduction or prior demand except as otherwise provided in this Lease. Tenant must pay Landlord the Rent at Landlord's address or at such other place as Landlord may designate in writing. The term "Rent" means the sum Tenant must pay Landlord for the right to use the Premises and Common Area (as that term is defined in Exhibit D attached hereto). The term "Lease Month" means each consecutive month during the Lease Term (for example, if the Lease Commencement Date is September 15,

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the first Lease Month will run from September 15 through October 14). For purposes of this Lease, the term "Lease Year" means, with respect to the first Lease Year, the period commencing on the Lease Commencement Date and ending on the last day of the twelfth (12th) month following the month in which the Lease Commencement Date falls and, with respect to subsequent Lease Years, each consecutive twelve (12) month period during the Lease Term following the first Lease Year.

9.2 Application of Payments. Unless otherwise agreed by Landlord and Tenant, all payments received by Landlord from Tenant will be applied to the oldest payment obligation owed by Tenant to Landlord. No designation by Tenant, either in a separate writing or on a check or money order, modifies this Section or has any force or effect.

9.3 Termination; Advance Payments. Upon termination of this Lease under Section 24 (Destruction) of this Lease, or under Section 23 (Condemnation) of this Lease, or any other termination not resulting from Tenant's default, and after Tenant has vacated the Property in the manner required by this Lease, Landlord will refund or credit to Tenant (or Tenant's successor) any Rent, or other advance payments made by Tenant to Landlord, and any amounts paid for Real Property Taxes and insurance which apply to any time periods after termination of this Lease.

10. OTHER CHARGES PAYABLE BY TENANT.

10.1 Personal Property Taxes. Tenant must pay all taxes charged against trade fixtures, furnishings, equipment or any other personal property belonging to Tenant on the Premises. Tenant must diligently pursue the separate assessment of such personal property, so that it is taxed separately from the Premises and, if any of Tenant's personal property is taxed with the Premises, Tenant must pay Landlord the taxes for the personal property within five (5) days of receipt of an invoice from Landlord. If mailed, an invoice is deemed received three (3) days after the invoice date.

10.2 Insurance. Tenant must pay all premiums for the insurance policies described in Section 10.2. Tenant is self insured in accordance with the provisions of NRS 41.0305 to 41.039 and such self insurance satisfies the conditions of this agreement.

(A) Insurance Policies. Tenant must procure and maintain in effect during the Lease Term and any holding over or other occupancy period – and require its contractors and subcontractors performing any Work (defined in Section 20.1) to procure and maintain – the following (required limits can be met by use of primary, underlying, and umbrella/excess combinations):

(1) Workers' Compensation and Employer's Liability. Workers' compensation insurance in the form and manner required by the State of Nevada. Employer's liability insurance with the following limits: (1) one million dollars (\$1,000,000.00) per each accident; (2) one million dollars (\$1,000,000.00) per each employee disease; and (3) one million dollars (\$1,000,000.00) in the annual aggregate per each occupational disease;

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- (2) Commercial General Liability Insurance. Comprehensive general liability providing bodily injury, property damage, personal injury/advertising injury, premises/operations, and products/completed operations coverage with a per occurrence limit of not less than two million dollars (\$2,000,000.00) and an aggregate limit of not less than two million dollars (\$2,000,000.00);
 - (3) Automobile Liability Insurance. Comprehensive automobile liability with a combined single limit of one million dollars (\$1,000,000.00) or a limit of one million dollars (\$1,000,000.00) each person and one million dollars (\$1,000,000.00) each occurrence; and
 - (4) Excess or Umbrella Liability Insurance. Excess or umbrella liability with a limit of not less than three million dollars (\$3,000,000.00) per occurrence. Except with respect to the workers' compensation insurance, these limits apply in excess of each of the above-mentioned policies.
- (B) Insurer and Policy Requirements. Each contract of insurance must be with an insurer approved to do business in the State of Nevada, is A-Rated or better by A.M. Best Company and must include the following provisions or endorsements:
- (1) Additional Insured. Naming NV Energy, Inc., its directors, officers, and employees as additional insureds on the general liability, automobile liability insurance policies and excess/umbrella liability insurance.
 - (2) Primary Insurance. Stating that the insurance is primary insurance with respect to the interest of Landlord and that any insurance maintained by Landlord is excess and not contributory insurance.
 - (3) Subrogation Waivers. Providing Landlord with waivers of subrogation on all coverages.
 - (4) Severability and Cross Liability. Providing for severability of interest or cross liability coverage in the general liability, automobile liability insurance policies and excess/umbrella liability insurance.
 - (5) Notice Requirement. Providing that Landlord is entitled to 30-days prior written notice before cancellation of the coverage provided above.
- (B) Additional Notice Requirement. Tenant (or its particular contractor or subcontractor) must provide Landlord with 30-days prior written notice before the termination, expiration, or alteration of the coverage provided above.
- (C) Deductible and Retention Limits. Deductible or retention amounts under the policies described above must not exceed 5% of the per occurrence coverage limits, without the express written consent of Landlord.

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- (D) Certificate of Insurance. Before Tenant takes possession of the Premises or uses the Common Area, Tenant must provide Landlord with certificates of insurance that name Landlord as additional insured and evidence the coverage required above, including additional insured endorsement numbers. Before a particular contractor or subcontractor of Tenant's enters the Property, Tenant must provide Landlord with certificates of insurance that name Landlord as additional insured and evidence the coverage required above, including additional insured endorsement numbers.

10.3 Maintenance and Costs. Tenant must maintain premises in good order, condition and repair (including replacement, as Landlord determines is necessary). Tenant (at its sole cost and expense) must provide for janitorial services and supplies for the restrooms.

11. USE. Tenant must only use the Premises for its pre-determined business. However, that use (a) must not create obnoxious (as to a reasonable person) odors or noise, (b) must not include storage of fire or other products made with like materials, (c) must not include storage of a Hazardous Material, and (d) must not include storage of explosives. Tenant must maintain the Premises in good order, condition and repair. Landlord will be responsible for any damages it, or its licensees, invitees, employees, agents, contractors or subcontractors cause. Tenant will have the nonexclusive right (in common with Landlord or other tenants of Landlord) to use the Common Area for the purposes intended, subject to such reasonable rules and regulations as Landlord may establish from time to time (current rules and regulations attached as part of Exhibit D). Tenant must not interfere with the rights of Landlord, other tenants or any other person entitled to use the Common Area. Tenant agrees that it will not cause any sign or symbol to be placed on the Building or Common Area without Lessor's prior approval.

12. HOLDING OVER. If Tenant holds over after the expiration or termination of the Lease Term, with or without the express or implied consent of Landlord, that tenancy will be from month-to-month only and will not constitute a renewal or an extension, and in such case Tenant must pay Landlord rent in the amount of \$0.00 per month. That month-to-month tenancy will be subject to every other term, covenant and agreement contained in this Lease. Nothing contained in this Section 12 may be construed as consent by Landlord to any holding over by Tenant, and Landlord expressly reserves the right to require Tenant to surrender possession of the Premises and Common Area to Landlord as provided in this Lease upon the expiration or other termination of this Lease. If Tenant does not surrender the Premises and Common Area upon the termination or expiration of this Lease, in addition to any other liabilities to Landlord accruing from Tenant's failure to surrender, Tenant must protect, defend, indemnify and hold Landlord harmless from all loss, costs (including reasonable attorneys' fees) and liability resulting from such failure, including without limiting the generality of the foregoing, any claims made by any succeeding tenant or buyer of the property on which the Building is located that are founded upon Tenant's failure to surrender, and any lost profits to Landlord resulting therefrom. In no case will the obligations of Tenant as set forth in this section exceed its obligations set forth in Section 22 below.

13. ALTERATIONS AND IMPROVEMENTS. Except as required under Section 18, Tenant must not make any alteration, additions, or improvements to any portion of the Premises, Building or Property unless Tenant has prior approval in writing from Landlord.

14. HAZARDOUS MATERIALS.

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14.1. Hazardous Material Prohibition. Other than normal quantities of general office and cleaning supplies, Tenant must not cause or permit any Hazardous Material to be brought upon, treated, kept, stored, disposed of, discharged, released, produced, manufactured, generated, refined or used upon, about or beneath the Premises or Property without the prior written consent of Landlord.

14.2. Indemnity. Tenant agrees to defend, indemnify and hold (A) Landlord, (B) any other person who acquires all or a portion of the Property in any manner (including purchase at a foreclosure sale) or who becomes entitled to exercise the rights and remedies of Landlord under this Lease, and (C) the directors, officers, shareholders, employees, partners, members, managers, agents, contractors, subcontractors, affiliates, lessees, mortgagees, trustees, heirs, devisees, successors, and assigns and invitees of those persons from and against all claims, judgments, damages, losses, penalties, fines, liabilities (including strict liability), encumbrances, liens, costs, and expenses (including the expense of investigation and defense of any claim, whether or not such claim is ultimately defeated, or the amount of any good faith settlement or judgment arising from any such claim) of whatever kind or nature, contingent or otherwise, matured or unmatured, foreseeable or unforeseeable (including without limitation reasonable attorneys' fees and disbursements and consultants' fees) that are caused by the activities or negligence of Tenant or that result from the breach of any warranty or covenant or the inaccuracy of any representation of Tenant contained in this Lease, or by Tenant's remediation of the Property or failure to meet its obligations contained in this Section 14, including without limitation compensatory damages for personal injury, or injury to property or natural resources occurring upon or off of the Property, fees, costs or expenses reasonably incurred for the services of outside environmental counsel, consultants, contractors, experts, laboratories and all other costs incurred in connection with the investigation or remediation of such Hazardous Materials, liability to any third person and diminution in the fair market value of the Property. In no case will the obligations of Tenant as set forth in this section exceed its obligations set forth in Section 22 below.

14.3. Definition of Hazardous Material. "Hazardous Material" means any substance, whether solid, liquid or gaseous in nature (A) the presence of which requires remediation under any federal, state or local statute, regulation, ordinance, order, action or policy relating to the protection of human health or the environment; (B) that is or becomes defined as a "hazardous waste," "hazardous substance," pollutant or contaminant under any federal, state or local statute, regulation, rule or ordinance or amendments thereto including, without limitation, the Comprehensive Environmental Response, Compensation and Liability Act (42 U.S.C. section 9601 et seq.) and/or the Resource Conservation and Recovery Act (42 U.S.C. section 6901 et seq.), the Hazardous Materials Transportation Act (49 U.S.C. section 1801 et seq.), the Federal Water Pollution Control Act (33 U.S.C. section 1251 et seq.), the Clean Air Act (42 U.S.C. section 7401 et seq.), the Toxic Substances Control Act (15 U.S.C. section 2601 et seq.), and the Occupational Safety and Health Act (29 U.S.C. section 651 et seq.), as these laws are amended or supplemented; (C) that is toxic, explosive, corrosive, flammable, infectious, radioactive, carcinogenic, mutagenic, or otherwise hazardous and is or becomes regulated by any governmental authority, agency, department, commission, board, agency or instrumentality of the United States, the State of Nevada or any political subdivision thereof; (D) that contains gasoline, diesel fuel or other petroleum hydrocarbons; (E) that contains polychlorinated biphenyls (PCBs), asbestos or urea formaldehyde foam insulation; or (F) that contains radon gas.

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14.4 Survival. Tenant's obligations under this Section survive default, expiration, or earlier termination of this Lease or excuse of performance, and constitute obligations that are independent and severable from Tenant's covenants and obligations to pay amounts required under this Lease.

15. REAL PROPERTY TAXES. Landlord will pay all *ad valorem* real property tax assessed against the Property and levied pursuant to the provisions of Nevada Revised Statutes ("NRS") 361.445-361.470, or any successor statute, during the Lease Term.

16. COMPLIANCE WITH LEGAL REQUIREMENTS. Tenant must not cause or permit the Property to be used in any way that (a) constitutes a violation of any law, statute, ordinance, or governmental regulation or order, or other governmental requirement now in force or that may be enacted or promulgated subsequently (collectively, "Law"), (b) unreasonably interferes with the rights of Landlord or other tenants of Landlord, or (c) constitutes a nuisance or waste. Tenant must obtain and pay for any permits required for Tenant's use of the Premises and Common Area, and for all business licenses, and must promptly take all actions necessary to comply with all applicable statutes, ordinances, rules, regulations, orders and requirements regulating the use by Tenant of the Premises, including without limitation, the Occupational Safety and Health Act. Tenant must promptly notify Landlord in writing of any water infiltration at the Premises indicating the need for a repair that is the responsibility of Landlord under this Lease and any other material water infiltration in the Building.

17. LANDLORD'S ACCESS. Landlord reserves the right at all reasonable times and upon reasonable notice to Tenant (*i.e.*, notice of not less than two (2) business days) to enter the Property to (a) inspect it; (b) show the Property to any person, including but not limited to contractors and prospective purchasers and tenants; (c) post notices of non-responsibility if required by statute to be so posted to be effective; (d) alter, improve or repair the Property as permitted or required under the terms of this Lease; or (e) place "For Lease" signs on the Property. Any such entries are without the abatement of Rent and include the right to take such reasonable steps as required to accomplish the stated purposes. Any entry into the Property in the manner described above will not be deemed to be a forcible or unlawful entry into, or a detainer of, the Property, or an actual or constructive eviction of Tenant from any portion of the Property. In case of any such entry into the Property, Landlord's representatives do not have to be accompanied by a representative of Tenant.

18. MAINTENANCE AND REPAIRS. Tenant, at its sole cost and expense, must maintain and keep the Premises in good order, condition and repair. Landlord, at its sole cost and expense, is otherwise responsible for repair and maintenance of the Premises (as described in Section 10.3), Building and Property.

19. UTILITIES. Tenant's share of electric, natural gas, sewer service, and water utilities are included in the Rent specified in Section 3 above. Tenant must pay all other expenses incurred in connection with its use and occupancy of the Premises.

20. LIENS.

20.1 Tenant Must Keep the Property Free of Liens. Tenant must keep the Property free and clear of all liens, claims, judgments, security interests, and encumbrances ("Liens") arising out of its use of or any work performed on the Property ("Work") by Tenant, its

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contractors, its subcontractors of any tier, and all laborers, materialmen, mechanics, and other similar persons.

20.2 Indemnity. Tenant agrees to indemnify Landlord, its directors, officers, employees, and agents against and from any claims, losses, costs, suits, judgments, damages, and expenses, including attorneys' fees, arising out of or resulting from all laborers', materialmen's and mechanics' Liens, or claims made or filed upon the Property on account of any labor performed or labor, services, property, materials, and equipment furnished by Tenant's contractors, subcontractors of any tier and all laborers, materialmen, mechanics, and other persons in connection with the Work. In no case will the obligations of Tenant as set forth in this section exceed its obligations set forth in Section 22 below.

20.3 Tenant's Obligation to Discharge the Lien. If any Lien is filed before or after Work is completed, and Landlord provides Tenant written notice of the Lien, Tenant must obtain the release of (or otherwise satisfy) the Lien within 10 days of the date on that notice. If Tenant fails to do so, (A) Landlord may take such steps and make such expenditures as, in its discretion, it deems advisable to obtain release of or otherwise satisfy the Lien or Liens, and (B) Tenant must, upon demand, reimburse Landlord for all costs and expenditures incurred, including but not limited to attorneys' fees, court costs, surety premiums by Landlord in obtaining the release or satisfaction.

20.4 Laws Related to Processing Liens. Except as required by applicable Law, Tenant's obligation to indemnify Landlord from Liens will not in any way be rendered unenforceable, or altered, amended, eliminated, or otherwise conditioned by any laws related to processing such Liens. Except as required by applicable Law, Landlord will have no obligation to deliver a copy of any notice of claim or right to a Lien to Tenant or any other person or entity.

21. SECURITY DEPOSIT. When Tenant signs and delivers the Lease to Landlord, Tenant must deposit with Landlord the sum of \$0.00 as security for Tenant's faithful performance of its obligations under this Lease. If Tenant defaults with respect to any provision of this Lease, Landlord may use, apply or retain all or any portion of the deposit for the payment of any sum to which Landlord may be entitled by reason of Tenant's default, but in no way will such retention serve as liquidated damages or otherwise limit Landlord's remedies under this Lease Agreement. If Tenant performs all of Tenant's obligations, Landlord will return to Tenant, without payment of interest, the deposit or so much of it Landlord has not previously used or applied within fifteen (15) days after the expiration of the Lease Term or after Tenant has vacated the Premises, whichever is later.

22. INDEMNITY. To the extent limited in accordance with NRS 41.0305 to 41.039, Tenant shall indemnify, defend and hold harmless Landlord from and against any and all liabilities, claims, losses, lawsuits, judgments and/or expenses, including attorneys fees, arising directly or indirectly from any act of failure or act by Tenant or any of its officers or employees, which may occur during or which may arise out of the performance of this Agreement. Tenant will assert the defense of sovereign immunity as appropriate in all cases, including malpractice and indemnity actions. Tenant's indemnity obligation for actions sounding in tort is limited in accordance with the provisions of NRS 41.035 to \$75,000 per cause of action.

23. CONDEMNATION. If all or any portion of the Property is taken under the power of eminent domain or sold under the threat of that power (all of which are called "Condemnation"), this Lease will

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terminate as to the part taken or sold on the date the condemning authority takes title or possession, whichever occurs first. Landlord is entitled to all of any award or payment made for the Premises, Building and Property, and Tenant hereby assigns to Landlord any interest in any such awards or payments.

24. **DESTRUCTION.** In case of damage to or destruction of the Premises, Building or Property, or any part of the foregoing by fire, other casualty or any other cause, Landlord may either make repairs it determines are necessary in its discretion or terminate this Lease.

25. **DEFAULTS: REMEDIES.**

25.1 **Defaults.** The occurrence of any one or more of the following events constitutes a material default and breach of this Lease by Tenant:

- (A) The failure of Tenant to make any payment of Rent or any other payment required to be made by Tenant under this Lease and that failure continues for a period of ten (10) days after Landlord provides Tenant written notice; or
- (B) The failure of Tenant to perform any of the covenants, conditions or provisions of this Lease to be observed or performed by Tenant, other than those described in Section 25.1(A) above, and that the failure continues for a period of thirty (30) days after Landlord provides Tenant written notice; provided that if more than thirty (30) days are required to complete that performance or cure that breach, Tenant will not be in default if Tenant commences that performance or cure within the thirty (30) day period and thereafter diligently completes performance or cures the breach to Landlord's satisfaction. The notice required by this Section is (1) intended to satisfy any and all notice requirements imposed by Law on Landlord and is not in addition to any such requirement and (2) not intended to extend the time for Tenant's performance if a shorter period of time for performance is expressly provided in this Lease (although Tenant will not be in material default of this Lease unless and until that shorter period of time for performance expires without performance, Landlord thereupon or thereafter provides the 30-day written notice provided for above and Tenant fails to complete such performance or cure such breach within the time period set forth above in this Section 25.1(B)).

25.2 **Remedies upon Default.** In the event of any such material default or breach by Tenant, Landlord may, after giving notice as provided above:

- (A) Terminate Tenant's right to possession of the Premises and to use the Common Area through the institution of restitution, unlawful detainer or other legal action or by any other lawful means. Upon termination of Tenant's possession and occupancy of the Premises and right to use the Common Area and recovery, occupancy and possession of the Property by Landlord, this Lease will terminate. In such event, Landlord is entitled to recover from Tenant all compensatory damages reasonably incurred by Landlord by reason of Tenant's default, including without limitation, all costs, expenses and fees, including reasonable attorneys' fees that Landlord reasonably incurs in connection with the filing,

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commencement, pursuing and/or defending of any action in any bankruptcy court or other court with respect to this Lease; the obtaining of relief from any stay in bankruptcy restraining any action to evict Tenant; or the pursuing of any action with respect to Landlord's right to possession of the Property. All such damages suffered (apart from Rent payable under this Lease) will constitute pecuniary damages that must be reimbursed to Landlord before assumption of this Lease by Tenant or any successor to Tenant in any bankruptcy or other proceeding.

- (B) Pursue any other remedy now or hereafter available to Landlord under the laws or judicial decisions of the State of Nevada not expressly prohibited in this Lease.

25.3 Default by Landlord. Landlord is not in default unless Landlord fails to perform obligations required of it and that the failure continues for a period of sixty (60) days after Tenant provides Landlord written notice; provided that if more than sixty (60) days are required for Landlord to complete that performance or cure that breach, Landlord will not be in default if Landlord commences that performance or cure within the sixty (60) day period and thereafter diligently completes performance or cures the breach to Landlord's satisfaction.

25.4 Remedies upon Landlord's Default. If Landlord defaults in the performance of any of the obligations or conditions required to be performed by Landlord under this Lease, Tenant may, after giving notice as provided above, elect to terminate this Lease after giving thirty (30) days written notice to Landlord of Tenant's intention to do so and specifying the effective date of the termination in that notice. In that event, Lease will terminate upon the date specified in the notice, unless Landlord has meanwhile completed performance or cured the breach.

26. NOTICES.

26.1 Method of Delivery; Contacts. Each notice, consent, request, or other communication required or permitted under this Lease must be in writing, delivered personally or sent by certified mail (postage prepaid, return receipt requested), by facsimile (with electronic confirmation of receipt), or by a recognized international courier, and addressed to a party as follows:

Tenant:

University of Nevada, Reno
Attention: Director of Purchasing
Physical Address: Business Center North, Purchasing Dept., Reno, NV 89557
Mailing Address: Business Center North, Purchasing Dept., Reno, NV 89557
Telephone No.: 775-784-1641
Facsimile No.: 775-784-6017

Landlord:

NV Energy
Attention: Director, Administrative Services

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Physical Address: 6226 W. Sahara Ave, M/S 12
Mailing Address: P.O. Box 98910, Las Vegas, NV 89151-0001
Telephone No.: 702-402-5636
Facsimile No.: 702-402-0999

With a copy to:

NV Energy
Attention: Assistant General Counsel (for Facilities)
P.O. Box 98910, Las Vegas, NV 89151-0001
Facsimile: 702-402-2069

26.2 Receipt of Notice; Change of Information. Each notice, consent, request, or other communication is deemed to have been received by the party to whom it was addressed (A) when delivered if delivered personally; (B) on the third business day after the date of mailing if mailed by certified mail; (C) on the first business day after the facsimile transmission if delivered by facsimile; or (D) on the date officially recorded as delivered according to the record of delivery if delivered by courier. Each party may change its contact information for purposes of the Lease by giving written notice to the other party in the manner set forth above.

27. ASSIGNMENT AND SUBLEASING. Tenant must not (a) assign, mortgage, pledge, encumber or otherwise transfer this Lease or any interest under it, (b) permit any assignment or other transfer of this Lease or any interest under it by operation of law, (c) sublet the Property or any part of it, or (d) sublet or assign any portion of the Premises. Landlord may assign its interest in this Lease without Tenant's consent. This Lease inures to the benefit of and is binding upon the parties to this Lease and Landlord's successors and assigns.

28. QUIET ENJOYMENT. If Tenant pays the rent and complies with all other terms of this Lease, Tenant may occupy and enjoy the Property for the full Lease Term, subject to the provisions of this Lease.

29. FORCE MAJEURE. If a Force Majeure Event affects Landlord, Landlord may terminate the Lease without liability upon 30-days prior written notice to Tenant. A "Force Majeure Event" means an event or condition that is beyond the control of Landlord, that occurs without the fault or negligence of Landlord, and that renders Landlord's performance impossible or impractical. Force Majeure may include orders of government agencies, war, riots, acts of terrorism, sabotage, civil insurrection, fires, floods, earthquakes, lightning, epidemics, weather, strikes, lock-outs, work stoppages or other labor difficulties (including a labor difficulty involving Landlord's work force), and other events or conditions.

30. INTEGRITY.

30.1 Counterparty Code of Conduct. Tenant warrants that it and its contractors will comply and operate within the standards of Landlord's Counterparty Code of Conduct. Tenant may obtain a copy of the Counterparty Code of Conduct at www.NVEnergy.com. The Counterparty Code of Conduct is incorporated into the Lease by this reference.

30.2. Notice of Illegal or Unethical Activities. Tenant will notify Landlord immediately of any illegal or unethical activity or violation of its Counterparty Code of Conduct.

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Or Tenant may call Landlord's Integrity Line toll free at 888.256.5819 – 24 hours a day, 7 days a week – with concern or to make a report.

30.3 Contract Termination. If Tenant violates this "Integrity" Section, Landlord may immediately terminate the Lease for cause, without liability to Tenant.

31. MISCELLANEOUS PROVISIONS.

31.1 Landlord's Exemption from Liability. Landlord is not liable for, and Tenant knowingly and voluntarily releases Landlord from, any damage or injury to the person or business (or any loss of income therefrom), goods, wares, merchandise or other property of Tenant, Tenant's employees, invitees, or the property of others in the possession and control of Tenant, in or about the Property, whether that damage or injury is caused by or results from: (A) fire, steam, electricity, water, gas or rain; (B) the breakage, leakage, obstruction or other defects of pipes, sprinklers, wires, appliances, plumbing, air conditioning or lighting fixtures or any other cause; (C) conditions arising in or about the Property or from other sources or places; or (d) any act or omission of any employee, agent, contractor, invitee or permittee of Landlord or other tenant of Landlord. Landlord will not be liable for any such damage or injury even though the cause of or the means of repairing such damage or injury are not accessible to Tenant. The provisions of this Section will not, however, exempt Landlord from (and Tenant does not release Landlord from) liability to the extent of the negligence or willful misconduct of Landlord, its employees, agents, contractors, invitees and permittees.

31.2 Limitation of Damages. Notwithstanding anything to the contrary, Landlord is not liable to Tenant or a third party for any consequential, indirect, exemplary or incidental damages, including but not limited to damages based on lost revenues or profits. This Section survives default, expiration, earlier termination of this Lease or excuse of performance.

31.3 No Waiver. The failure of Landlord to enforce any of the provisions of the Lease at any time, or to require performance by Tenant of any of the provisions of the Lease at any time, will not be a waiver of any provisions, nor in any way affect the validity of the Lease, or Landlord's right to enforce each and every provision.

31.4 Remedies. All rights and remedies of Landlord provided for in this Lease are cumulative and in addition to, and not in lieu of, any other remedies available to Landlord at law, in equity, or otherwise.

31.5 Choice of Law and Venue. This Lease is governed by and must be construed in accordance with the laws of the State of Nevada, without giving effect to its conflict of law provisions. All actions must be initiated in the courts of Washoe County, Nevada or the federal district court with jurisdiction over Washoe County, Nevada. Tenant agrees it will not initiate an action against Landlord in any other jurisdiction.

31.6 Integration. This Lease represents the entire and integrated agreement between Landlord and Tenant and supersedes all prior and contemporaneous oral and written communications, representations, and agreements relating to the subject matter of the Lease.

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31.7 Amendments. Any change, modification, or amendment to the Lease is not enforceable unless consented to in writing by the Parties and executed with same formality as this Lease.

31.8 Severability. If any portion or provision of the Lease is invalid, illegal, or unenforceable, or any event occurs that renders any portion or provision of the Lease void, the other portions or provisions of the Lease will remain valid and enforceable. Any void portion or provision will be deemed severed from the Lease, and the balance of the Lease will be construed and enforced as if the Lease did not contain the particular portion or provision held to be void. The Parties further agree to amend the Lease to replace any stricken portion or provision with a valid provision that comes as close as possible to the intent of the stricken portion or provision.

31.9 Independent Contractor. Tenant is an independent contractor for all purposes of the Lease, and all persons engaged in fulfilling Tenant's obligation under the Lease are employees, agents, contractors, or subcontractors of Tenant and not the employees, agents, contractors, or subcontractors of Landlord. Nothing in the Lease or any contract/subcontract by Tenant will create any contractual relationship between Tenant's contractor/subcontractor. Tenant has no privileges or rights to act as an agent on behalf of Landlord.

31.10 No Third-Party Beneficiaries. Nothing expressed or implied in this Lease is intended, or should be construed, to confer upon or give any person or entity not a party to this Lease any third-party beneficiary rights, interests, or remedies under or by reason of any term, provision, condition, undertaking, warranty, representation, or agreement contained in this Lease.

31.11 Headings; Exhibits; Cross References. The headings or section titles contained in this Lease are used solely for convenience and do not constitute a part of this Lease, nor should they be used to aid in any manner in the construction of this Lease. All exhibits attached to this Lease are incorporated into the Lease by reference. All references in this Lease to Sections, Subsections, and Exhibits are to Sections, Subsections, and Exhibits of or to this Lease, unless otherwise specified. And, unless the context otherwise requires, the singular includes the plural and the plural includes the singular and the neuter includes feminine and masculine.

31.12 Discretion. Reference in this Lease to the "discretion" of a party means the party's sole and absolute discretion. Such discretion is not subject to any external standard, including but not limited to any standard of custom, "good faith" or reasonableness.

31.13 Performance of Acts on Business Days. Any reference in this Lease to time of day refers to local time in Nevada. All references to days in this Lease refer to calendar days, unless stated otherwise. Any reference in this Lease to a "business day" refers to a day that is not a Saturday, Sunday or legal holiday (or observed as a legal holiday) for Nevada state governmental offices under the Nevada Revised Statutes. If the final date for payment of any amount or performance of any act required by this Lease falls on a Saturday, Sunday or legal holiday, that payment is required to be made or act is required to be performed on the next business day.

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31.14 Representations.

- (A) No Pending Actions, Suits or Proceedings. Tenant represents that to its knowledge as of the date of this Lease, there are no actions, suits or proceedings pending or threatened against Tenant in any court or before any administrative agency that would prevent its performance under this Lease.
- (B) Tenant's Standing in Nevada. Tenant represents that, as of the date of this Lease, it (1) is duly organized, validly existing and in good standing under the laws of the State of Nevada, (2) is licensed to do business in the State of Nevada, and (3) has valid corporate power to enter into and perform all of its obligations under this Lease.
- (C) Authority. Each party has taken all actions as may be necessary or advisable and proper to authorize this Lease, the execution and delivery of it, and the performance contemplated in it. The persons executing this Lease state and acknowledge that they are authorized and empowered to do so on behalf of the party so designated.

31.15 No Recording. Tenant must not record this Lease or any Memorandum of this Lease. Concurrently with their execution of this Lease, Landlord and Tenant shall execute a memorandum of this Lease in the form of that attached as Exhibit B to this Lease (the "Lease Memorandum") which shall be recorded at Landlord's sole cost and expense.

31.16 Confidentiality. Tenant acknowledges that the content of this Lease and any related documents are confidential information. Except with respect to any disclosure required by law, Tenant must keep that confidential information strictly confidential and must not disclose that confidential information to any person or entity other than its financial and legal consultants, provided that each recipient agrees to maintain the confidentiality of the information.

31.17 Revenue and Expense Accounting. Landlord and Tenant agree that, for all purposes (including any determination under Section 467 of the Internal Revenue Code), rental income will accrue to the Landlord and rental expenses will accrue to the Tenant in the amounts and as of the dates rent is payable under this Lease.

32. BROKERS. Landlord and Tenant warrant to each other that they have had no dealings with any real estate broker or agent in connection with the negotiation of this Lease and that they know of no other real estate broker or agent who is entitled to a commission in connection with this Lease. Each party agrees to save and hold harmless the other party from any and all claims for brokerage fees arising out of this Lease. In no case will the obligations of Tenant as set forth in this section exceed its obligations set forth in Section 22 below.

33. ESTOPPEL CERTIFICATES.

33.1 Obligation to Provide Estoppel Certificates. Upon Landlord's written request, Tenant must execute, acknowledge and deliver to Landlord a written estoppels certificate substantially in the form attached hereto as Exhibit C. Tenant must deliver that certificate to Landlord within fifteen (15)

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business days after Landlord's request. Landlord may give any such certificate by Tenant to any prospective purchaser or encumbrancer of the Property. That purchaser or encumbrancer may rely conclusively upon such statement as true and correct.

33.2 Presumptions If Tenant Does Not Timely Deliver a Certificate. If Tenant does not deliver the estoppel certificate to Landlord within the 15-business-day period, Landlord, and any prospective purchaser or encumbrancer, may conclusively presume and rely upon the following: (a) that the terms and provisions of this Lease have not been changed except as set forth in written amendments to this Lease attached thereto and reflecting the signatures of both Landlord and Tenant; (b) that this Lease has not been canceled or terminated; (c) that not more than one month's Rent or other charges have been paid in advance; and (d) that Landlord is not in default under this Lease. In such event, Tenant will be estopped from denying the truth of the foregoing.

34. MASTER LEASE. Tenant acknowledges the Building Lease and represents that it has had sufficient opportunity to review it. Tenant understands and agrees that this Lease is subject to the terms and conditions of the Building Lease and is subordinate thereto.

35. SUBORDINATION AND ATTORNMENT. Upon written request of Landlord, or any first mortgagee or first deed of trust beneficiary of Landlord, Tenant shall, in writing, subordinate its rights under this Lease to the lien of any first mortgage or first deed of trust, or to the interest of any lease in which Landlord is lessee, and to all advances made or hereafter to be made thereunder. However, before signing any subordination agreement, Tenant shall have the right to obtain from any lender or lessor or Landlord requesting such subordination, an agreement in writing providing that, as long as Tenant is not in default hereunder, this Lease shall remain in effect for the full Lease Term. The holder of any security interest may, upon written notice to Tenant, elect to have this Lease prior to its security interest regardless of the time of the granting or recording of such security interest.

In the event of any foreclosure sale, transfer in lieu of foreclosure or termination of the lease in which Landlord is lessee, Tenant shall attorn to the purchaser, transferee or lessor as the case may be, and recognize that party as Landlord under this Lease, provided such party acquires and accepts the Premises subject to this Lease.

The parties to this Lease have executed or caused this Lease to be executed as of the date first above written.

LANDLORD:

NV Energy, a Nevada corporation

By:

Roberto Denis FRANK GONZALEZ
Senior Vice President, Energy Delivery
VICA PRASID-IT, CORP SVC

Dated:

9 June 11

TENANT:

Approved by;

BOARD OF REGENTS OF THE NEVADA
SYSTEM OF HIGHER EDUCATION on behalf
of the UNIVERSITY OF NEVADA, SMALL
BUSINESS DEVELOPMENT CENTER

By:

Daniel J. Klaich, Chancellor

Dated:

6-2-11

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Exhibit A

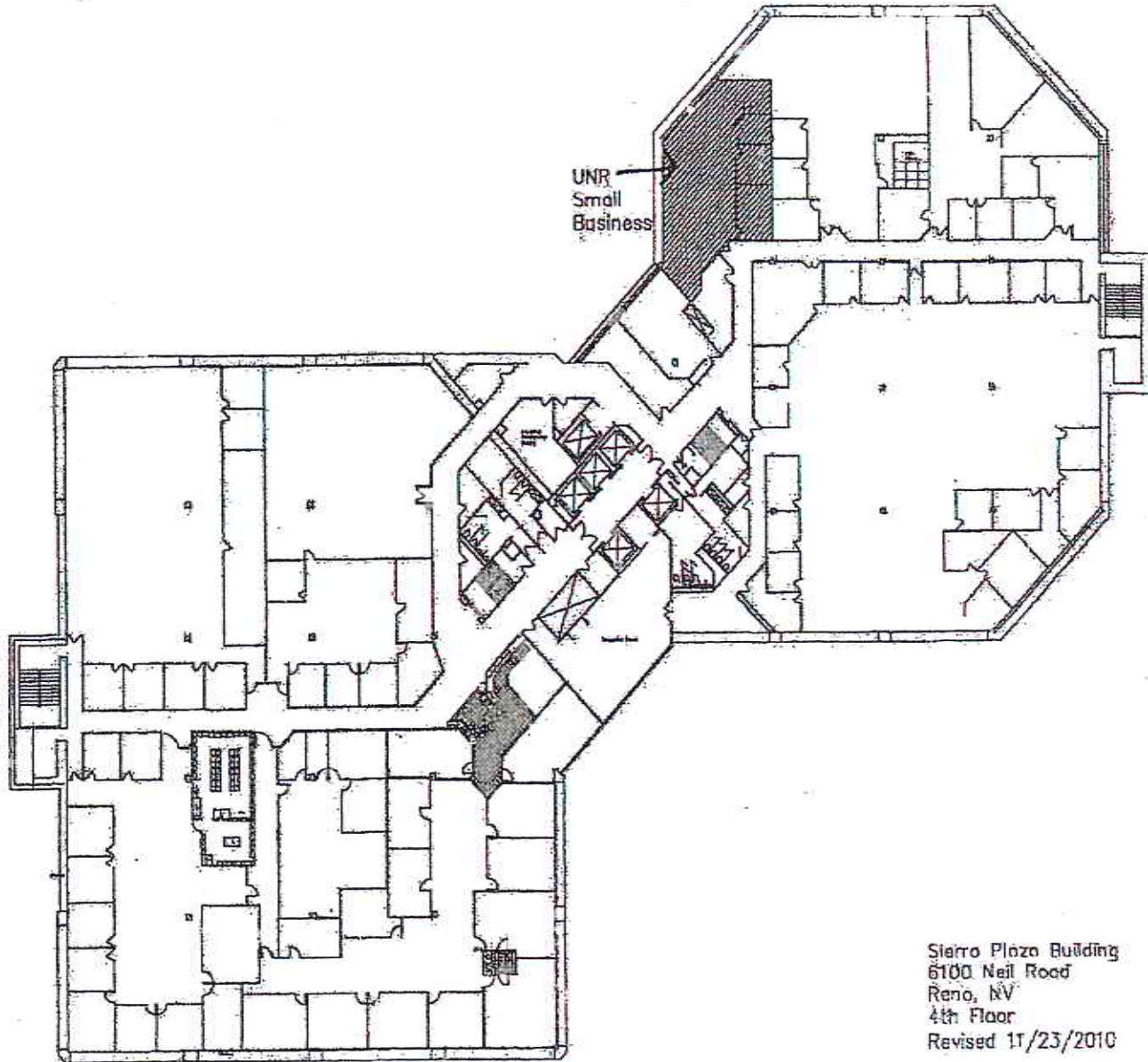
Premises

See attached sheet

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Sierra Plaza Building
6100 Neil Road
Reno, NV
4th Floor
Revised 11/23/2010

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Exhibit B

MEMORANDUM OF LEASE

THIS MEMORANDUM OF LEASE ("Memorandum") is made January 1, 2011, by and between NV Energy, a Nevada corporation, whose address is 6226 W. Sahara Avenue, Las Vegas, NV 89146 ("Landlord") and Board of Regents of the Nevada System of Higher Education on behalf of the University of Nevada, Small Business Development Center, whose address is 6100 Neil Rd., Ste. 400, Reno, NV 89520 ("Tenant").


WITNESSETH:

1. Landlord is owner or tenant of certain real property, located at 6100 Neil Rd., Reno, NV on the property commonly known as Washoe County Assessor Parcel Number (APN) 025-460-22 ("Property").
2. Pursuant to the terms of the Lease Agreement, Landlord has leased Property to Tenant, and has agreed to allow Tenant quiet enjoyment of a portion of the Property.
3. The initial term of the Lease Agreement is five (5) years, commencing on January 1, 2011.
4. The rent and other obligations of Tenant are set forth in the Lease, to which reference is made for further information. If a conflict exists between the terms of the Lease and this Memorandum (except with respect to the description of the Property), those contained in the Lease shall govern and be controlling.
5. This Memorandum describes only selected provisions of the Lease, and reference is made to the full text of the Lease for the full terms and conditions thereof.

IN WITNESS WHEREOF, the parties hereto have executed this Memorandum of Lease on the dates set forth below, to be effective as of the date first set forth above.

LANDLORD:

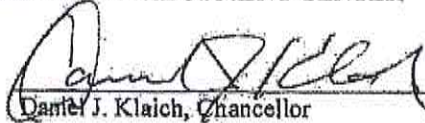
NV Energy, a Nevada corporation

By: 
 Roberto Denis *FRANK GONZALES*
 Senior Vice President, Energy Delivery
 VICE PRESIDENT, CORPORATE S & J

Dated: 9 June 11

TENANT:

Approved by;
 BOARD OF REGENTS OF THE NEVADA
 SYSTEM OF HIGHER EDUCATION on behalf
 of the UNIVERSITY OF NEVADA, SMALL
 BUSINESS DEVELOPMENT CENTER

By: 
 Daniel J. Klaich, Chancellor

Dated: 6-2-11

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Exhibit C

Estoppel Certificate

<Name of Prospective Purchaser or Encumbrancer>
<Address of Prospective Purchaser or Encumbrancer>

Re: Lease Dated: January 1st, 2011

[Original Landlord:] NV Energy, Inc.

[Original Tenant:] BOARD OF REGENTS OF THE NEVADA SYSTEM OF HIGHER EDUCATION on behalf of the UNIVERSITY OF NEVADA, SMALL BUSINESS DEVELOPMENT CENTER

[Current Landlord:] NV Energy, Inc.

[Current Tenant:] BOARD OF REGENTS OF THE NEVADA SYSTEM OF HIGHER EDUCATION on behalf of the UNIVERSITY OF NEVADA, SMALL BUSINESS DEVELOPMENT CENTER

Property: 6100 Neil Rd., Reno, NV 89520

Premises: 1,720 square feet

Commencement Date: January 1, 2011

Termination Date: Per terms of Agreement

Current Monthly Rent: \$0.00

Security Deposit: \$0.00

Ladies and Gentlemen:

The undersigned hereby states, declares, represents and warrants to ~~insert name of prospective purchaser or encumbrancer~~ ("insert name reference") as follows:

1. Attached hereto as Exhibit "A" is a true, correct and complete copy of the above-referenced Lease including any amendments thereto. The Lease has not been amended (or further amended) or supplemented except to the extent set forth below:

2. Tenant's only interest in the Property is the leasehold estate created under the Lease and Tenant has no option to purchase or right of first refusal with respect to the Property or any portion thereof except to the extent set forth below:

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3. All rent, any expense reimbursement charges and any other amounts required to be paid by Tenant under the Lease are current and have been paid in full through the current month, but not more than 30 days in advance of their due dates except as identified below:

4. Tenant has not assigned or encumbered its interest in the Lease or sublet all or any portion of the Premises except to the extent set forth below:

5. Tenant has accepted the Premises and all construction of improvements required to be performed or paid by Landlord under the Lease has been completed except to the extent set forth below:

6. The Lease has been duly authorized, executed and delivered by Tenant, is in full force and effect, and contains the entire agreement between Landlord and Tenant with respect to the lease of the Premises except to the extent set forth below:

7. The term of the Lease commenced as of the commencement date indicated above and will expire on the termination date indicated above unless sooner terminated pursuant to the terms thereof or unless renewed or extended as provided in the Lease.

8. Tenant has no right or option to renew or extend the term of the Lease or to enlarge the Premises except as set forth in the Lease.

9. The amount of monthly rent currently due and the security deposit (if any) paid by Tenant is as set forth above. No interest is due Tenant on such security deposit, and no other amount has been paid by Tenant to or for the account of Landlord, the return of which Tenant would be entitled to upon the expiration of the Lease except to the extent set forth below:

10. Tenant has not received any written notice of any assignment, mortgage or pledge of Landlord's interest under the Lease or of the rents or other amounts payable thereunder except to the extent set forth below:

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11. No default, or to Tenant's knowledge (without conducting any investigation or inquiry) any event or condition which with the passing of time or giving of notice, or both, would constitute a default on the part of Tenant exists under the Lease. To Tenant's knowledge (without conducting any investigation or inquiry), no default, or any event which with the passing of time or giving of notice, or both, would constitute a default on the part of Landlord exists under the Lease.

12. To Tenant's knowledge (without conducting any investigation or inquiry), no claim against Tenant or dispute exists between Tenant and Landlord under the Lease. Tenant has no knowledge (without conducting any investigation or inquiry) of any claim, offset or defense against Landlord under the Lease.

13. Tenant acknowledges that {insert name reference} is relying on this Tenant Estoppel Certificate in considering a {insert description of transaction} Landlord. Tenant represents and warrants to {insert name reference} that this Tenant Estoppel Certificate is a valid and authorized certificate of Tenant and the person(s) executing this Tenant Estoppel Certificate on behalf of Tenant has(have) the authority to do so. This Tenant Estoppel Certificate inures to the benefit of {insert name reference} and its successors and assigns.

Dated this _____ day of _____.

Approved by;
**BOARD OF REGENTS OF THE NEVADA
SYSTEM OF HIGHER EDUCATION**
on behalf of the **UNIVERSITY OF NEVADA,
SMALL BUSINESS DEVELOPMENT CENTER**

By: _____
Daniel J. Klaich, Chancellor

Dated: _____

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Exhibit D

COMMON AREA DESCRIPTION AND BUILDING RULES AND REGULATIONS

The Common Area includes the building lobbies, common corridors and hallways, restrooms, cafeteria, parking areas, stairways, elevators and auditorium, and other generally understood public or common area. Landlord shall have the right to regulate or restrict use of the Common Area.

NV Energy is committed to providing a safe and accident free work environment for all employees and tenants of its Sierra Plaza facility. The following are expected of Sierra Plaza Tenants

Access Control/Security Awareness

- Appropriate identification badges shall be obtained/provided for all tenant employees requiring unescorted access to the facility
- Identification badges shall be prominently displayed on the outermost article of clothing.
- Identification badges shall be presented by each individual at each controlled door or gate. Piggybacking/tailgating is prohibited.
- Individuals shall not allow the use of their identification badge and shall not use the identification badge of another for the purpose of gaining access to controlled doors or gates.
- Tenant shall present identification badge to NVE Security personnel and management personnel for further inspection when requested.
- Tenant shall make all reasonable efforts to secure badges from loss or theft.
- In the event that a badge is lost or suspected to be lost or stolen, NVE Security shall be notified immediately at 834-3586 (4-3586) to allow for prompt revocation of the card's access.
- In case of forgotten badges, tenants shall sign in and obtain a temporary badge. Temporary badges shall be returned to NVE Security upon exiting the facility.
- All tenant visitors, contractors, and vendors shall be required to sign in with NVE Security at the Lobby Desk or BMS office and be issued a visitors badge. Visitor badges shall be returned to NVE Security upon exiting the facility.
- Unless expressly authorized by NVE Security and NVE Facilities Dept., tenants shall utilize only authorized entrances and exits. This point applies directly to Microsoft tenants. Such individuals are expected to enter via the south entrance controlled by that tenant.
- Individuals are responsible for preventing, and/or immediate reporting of unauthorized access or unauthorized access attempts to NVE Security.
- Tenants are expected to report suspicious individuals, items, and circumstances to NVE Security immediately at 834-3586 (4-3586).

Parking/Vehicle Related

Vehicles must adhere to the posted speed limits where posted and 10 mph where the speed limit is not posted. This is due in part to the many employees that enjoy the grounds as part of their daily fitness routine as well as to prevent vehicle accidents involving property or wildlife.

- All vehicles are required to utilize designated parking spaces
- The vehicle should occupy only one parking space and not infringe on adjacent spaces
- Vehicles are not allowed to park on marked fire lanes at anytime for any length of time

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- Vehicles shall not be parked in spaces marked handicapped without a valid state issued placard for any length of time
- Spaces reserved for Credit Union Customers shall only be utilized by visiting customers of the credit union and visitors must utilize the assigned spaces and not park on the fire lanes
- Spaces designated for motorcycles or bicycles shall be reserved for motorcycles and bicycles
- Additionally, vehicles should not be parked on curbs or sidewalk ramps whether marked or unmarked
- Tenants having access to the parking garage shall park in only the spaces leased by their organization
- As in surface lots, the vehicle should occupy only one parking space and not infringe on adjacent spaces.

Access to lots shall be granted through the entrance gates on Delucchi Dr or Campus Way. After regular business hours access will require the employee to have a current and valid Access card or an authorization request from onsite officers.

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FIRST AMENDMENT TO LEASE AGREEMENT

This First Amendment to Lease Agreement, (the "Amendment") made as the 31 day of December, 2015 and with an effective date of January 1, 2016 (the "Effective Date"), by and between **Sierra Pacific Power Company**, a Nevada corporation doing business as NV Energy (SPPC), having an address of 10100 Neil Road, Reno, NV 89511 (the "Landlord") and **Board of Regents of the Nevada System of Higher Education on behalf of the University of Nevada, Small Business Development Center**, having an address of 6100 Neil, Reno, NV 89502 (the "Tenant").

RECITALS:

WHEREAS, Tenant and NV Energy, Inc., entered into that certain lease dated January 1, 2011 (the "Sublease"), by which NV Energy, Inc. did lease to Tenant certain portions of the property commonly known as the Sierra Plaza Building, with an address of 6100 Neil Road, Reno, Nevada (the "Premises"), as more particularly described in said Sublease;

WHEREAS, the Sublease was subject to a certain Building Lease dated May 26, 2009 (the "Master Lease") between Silliman Associates Limited Partnership, as lessor and NV Energy, Inc., as tenant, wherein NV Energy, Inc. did lease from Silliman Associates Limited Partnership the Sierra Plaza Building and other improvements, with an address of 6100 Neil Road, Reno, Nevada;

WHEREAS, pursuant to the terms of the Master Lease, NV Energy, Inc. did exercise its option to purchase (or for its designee to purchase) Silliman Associates Limited Partnership's fee simple interest in all buildings and improvements that are the subject of said Master Lease. Said purchase was consummated and fee simple title was fully conveyed to NV Energy, Inc.'s designee, SPPC, on December 31, 2015;

WHEREAS, pursuant to the Sublease, Tenant exercised its option to extend the Sublease based on NV Energy, Inc.'s purchase of the Sierra Plaza Building improvements from Silliman Associates Limited Partnership;

WHEREAS, Sierra Pacific Power Company, Inc. did, as designee of NV Energy, Inc., take fee simple title to the Sierra Plaza Building improvements, the parties hereto agree that it has succeeded NV Energy, Inc. as Landlord under the Sublease and that this First Amendment to Lease Agreement shall be solely by and between SPPC and Tenant.

WHEREAS, Landlord and Tenant desire to extend the term of the Sublease and to modify certain terms contained in the Sublease to the extent set forth below.

AGREEMENT:

UNR First Amendment to Lease

1. Section 3, Summary of Rent, is changed as follows:

| <u>Lease Term</u> | <u>Monthly Rent</u> |
|---|---------------------|
| January 1, 2016 through December 31, 2018 | No Cost |

2. The Lease Term, as defined in Section 6 is extended from January 1, 2016 through December 31, 2018.
3. Except as modified by this Amendment, the Sublease remains unchanged, in full force and effect and the parties hereto ratify each and every term, covenant and agreement contained in the Lease.

IN WITNESS WHEREOF, the parties have signed and delivered this Amendment as of the day and year first written above.

LANDLORD:

SIERRA PACIFIC POWER COMPANY, a Nevada Corporation d/b/a/ NV Energy.

By: Keith Bacon
Name: Keith Bacon
Title: Director, Corporate Services

TENANT:

**Board of Regents of the Nevada System of Higher Education
on behalf of the University of Nevada, Small Business
Development Center**

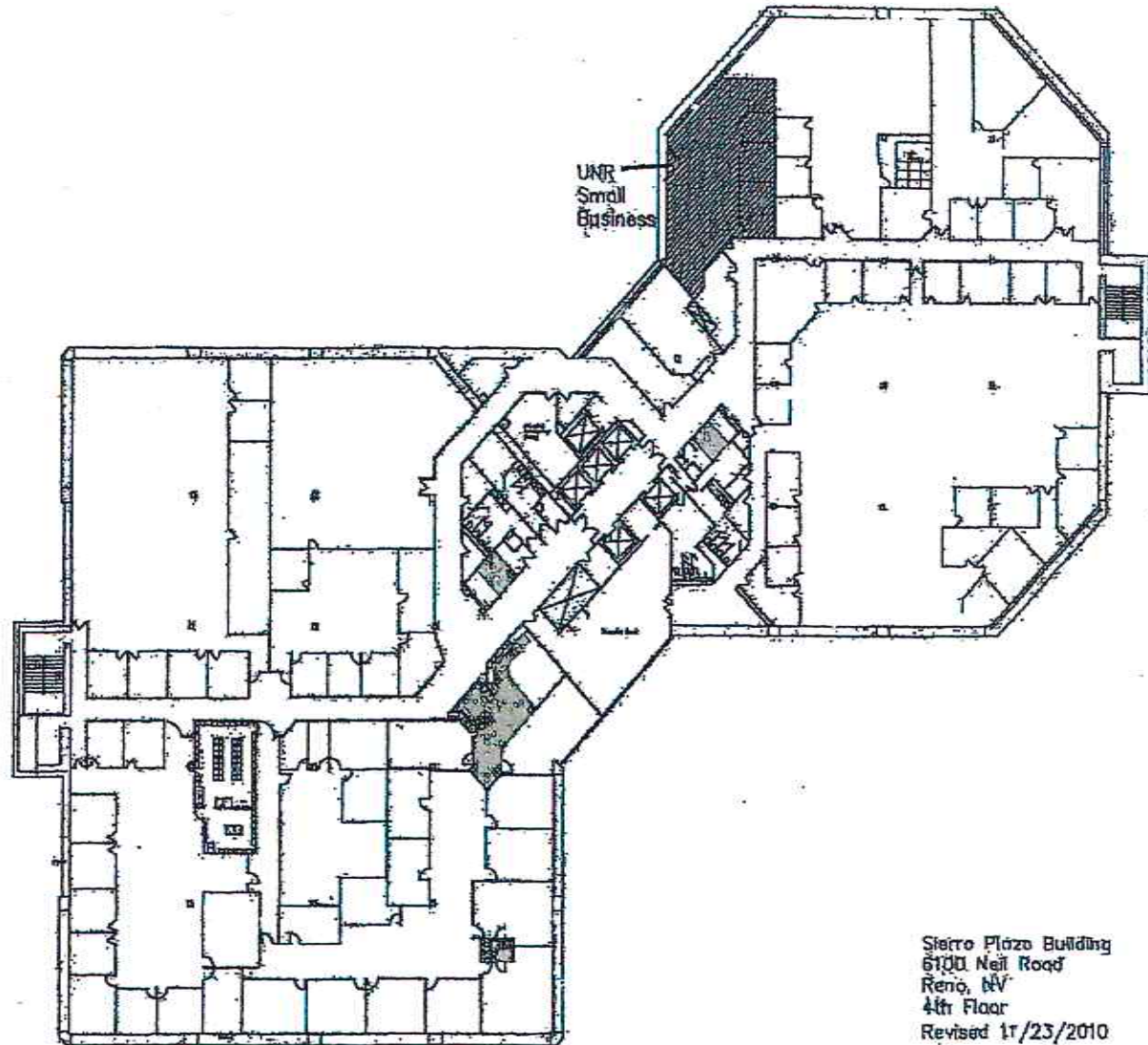
By: Daniel J. Klaich
Name: Daniel J. Klaich
Title: Chancellor

EXHIBIT "A"
SITE PLAN OF PREMISES

UNR First Amendment to Lease

6100 Neil Rd,
Reno, NV 89520
UNR

18



Sierra Plaza Building
6100 Neil Road
Reno, NV
4th Floor
Revised 11/23/2010

SECOND AMENDMENT TO LEASE AGREEMENT

This Second Amendment to Lease Agreement, (the "Amendment") made as the _____ day of February, 2018 and with an effective date of March 15, 2018 (the "Effective Date"), by and between **Sierra Pacific Power Company, a Nevada corporation doing business as NV Energy**, having an address of 6100 Neil Road, Reno, NV 89511 (the "Landlord") and **Board of Regents of the Nevada System of Higher Education on behalf of the University of Nevada, Small Business Development Center**, having an address of 6100 Neil, Reno, NV 89502 (the "Tenant").

RECITALS:

WHEREAS, Tenant and NV Energy, Inc., entered into that certain lease dated January 1, 2011 (the "Sublease"), by which NV Energy, Inc. did lease to Tenant certain portions of the property commonly known as the Sierra Plaza Building, with an address of 6100 Neil Road, Reno, Nevada (the "Premises"), as more particularly described in said Sublease;

WHEREAS, the Sublease was subject to a certain Building Lease dated May 26, 2009 (the "Master Lease") between Silliman Associates Limited Partnership, as lessor and NV Energy, Inc., as tenant, wherein NV Energy, Inc. did lease from Silliman Associates Limited Partnership the Sierra Plaza Building and other improvements, with an address of 6100 Neil Road, Reno, Nevada;

WHEREAS, pursuant to the terms of the Master Lease, NV Energy, Inc. did exercise its option to purchase (or for its designee to purchase) Silliman Associates Limited Partnership's fee simple interest in all buildings and improvements that are the subject of said Master Lease. Said purchase was consummated and fee simple title was fully conveyed to NV Energy, Inc.'s designee, SPPC, on December 31, 2015;

WHEREAS, pursuant to the Sublease, Tenant exercised its option to extend the Sublease based on NV Energy, Inc.'s purchase of the Sierra Plaza Building improvements from Silliman Associates Limited Partnership;

WHEREAS, Sierra Pacific Power Company, Inc. did, as designee of NV Energy, Inc., take fee simple title to the Sierra Plaza Building improvements, the parties hereto agree that it has succeeded NV Energy, Inc. as Landlord under the Sublease and that this First Amendment to Lease Agreement shall be solely by and between SPPC and Tenant.

WHEREAS, the First Amendment to Lease Agreement dated December 31, 2015 extended the term of the lease through December 31, 2018.

WHEREAS, Landlord and Tenant desire to extend the term of the Sublease, amend the premises, and to modify certain terms contained in the Sublease to the extent set forth below.

A G R E E M E N T:

1. Section 2, Premises, is changed as follows: Landlord grants to Tenant for the Term and upon all of the conditions set forth in the Lease, the right to use and occupy approximately 1,201 square feet of rentable space, as described or designated in Exhibit A attached hereto and made a part hereof ("Premises") in a portion of the second floor of the building commonly known as the Sierra Plaza Building ("Building") located at 6100 Neil Rd., Reno, NV on the property commonly known as Assessor Parcel Number 025-460-22 ("the Property"). This includes the right of Tenant and its officers, directors and employees, in common with others, to use the Building and the parking on Premises.

2. Section 3, Summary of Rent, is changed as follows:

| <u>Lease Term</u> | <u>Monthly Rent</u> |
|---------------------------------------|---------------------|
| March 15, 2018 through March 14, 2021 | No Cost |

3. The Lease Term, as defined in Section 6 is extended from March 15, 2018 through March 14, 2021.
4. Except as modified by this Amendment, the Sublease remains unchanged, in full force and effect and the parties hereto ratify each and every term, covenant and agreement contained in the Lease.

(Rest of Page Intentionally Left Blank)

IN WITNESS WHEREOF, the parties have signed and delivered this Amendment as of the day and year first written above.

LANDLORD:

SIERRA PACIFIC POWER COMPANY, a Nevada Corporation d/b/a/ NV Energy

By: _____

Name: Jay Tubbs

Title: Director, Real Estate & Facilities, North

TENANT:

Board of Regents of the Nevada System of Higher Education on behalf of the University of Nevada, Small Business Development Center

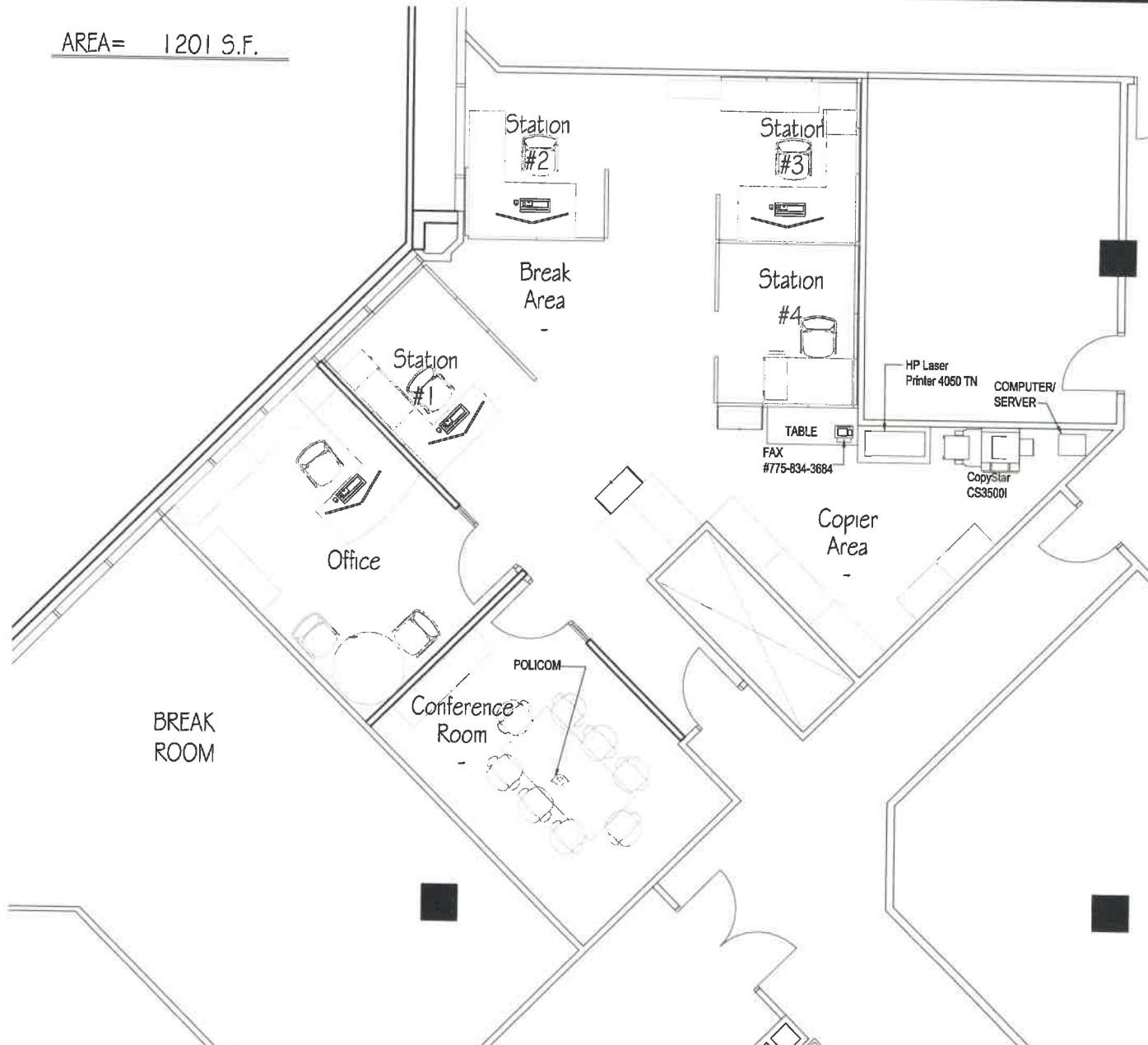
By: _____

Name:

Title:

EXHIBIT "A"
SITE PLAN OF PREMISES

AREA= 1201 S.F.



SIERRA PLAZA - 2ND FLOOR - UNR SPACE

SCALE: 1/8" = 1'-0"



SIERRA PLAZA BUILDING
6100 NEIL ROAD
RENO, NV

DATE: 2/21/2018
SCALE: 1/8" = 1'-0"
DESIGNER:
NAME
DRAFTER:
MS30284
SHEET NO.
1 OF 1

MANAGERS / DIRECTOR'S APPROVAL
DATE:

REV. DATE COMMENTS:
A
X
X