

LEASE AGREEMENT No.

This agreement made this ____ day of _____, 2008, by and between the ARIZONA BOARD OF REGENTS, a body corporate, for and on behalf of The University of Arizona, hereinafter referred to as the TENANT and *[an Arizona corporation], hereinafter referred to as the LANDLORD.

Whereas, TENANT is desirous of leasing from LANDLORD and LANDLORD is desirous of leasing to TENANT certain premises hereinafter described, it is agreed between the parties as follows:

In consideration of the rent hereinafter received and all terms, conditions, covenants, and agreements hereinafter contained, LANDLORD hereby leases and demises to the TENANT and TENANT hereby hires, leases and takes from the LANDLORD, the following described premises.

1. PREMISES. That [office building] located at *, in Tucson, Pima County, Arizona, comprising approximately * square feet, to include * but specifically excluding *. It is agreed that for the purposes of this lease the premises shall be considered to be * square feet.

2. TERM. The term of this lease shall be for a period of *, and shall commence on *. [If neither party is in default of any of the terms and conditions of this Lease, the TENANT shall have the right to extend the term for *.]

3. USE. The premises shall be used by TENANT for any and all purposes which are lawful and permissible under all applicable laws and ordinances and which are consistent with the intended use of The University of Arizona.

4. RENT. The base rent, payable monthly, during the initial term (* to *) shall be as follows:

[*Rate (per sq.ft. or set amt.)
Plus applicable sales tax @
Payable in monthly installments = \$
Total annual amount due \$]

[Should TENANT exercise the option to extend this lease, the cost per square foot for the new

term shall be subject to annual increases or decreases based upon the Consumer Price Index for All Urban Consumers-Pacific Cities, as published by the United States Department of Labor in its publication "The Consumer Price Index," under the category "All Items--Los Angeles--Anaheim--Riverside," or, if this Index as to the inflationary status of the U. S. Dollar in the Western United States ceases to be formulated, then the most similar index. In no event shall any annual increase be more than four percent (4%).]

5. LANDLORD'S RESPONSIBILITIES. Prior to occupancy by TENANT, LANDLORD shall place the premises in good condition and warrant that all heating, cooling, plumbing, electrical, roof and structural systems are in good repair. During the term of the Lease, LANDLORD shall be responsible for major repairs as needed to roof, air conditioning motors or compressors, major plumbing requirements (in-wall plumbing), heating units and in-wall electrical connections.

6. TENANT'S RESPONSIBILITIES. TENANT shall be responsible for utilities and housekeeping maintenance except as provided above.

7. TAXES. LANDLORD shall be responsible for all taxes related to this lease other than sales tax which shall be the responsibility of TENANT.

8. INSURANCE. LANDLORD shall be responsible for fire and other property insurance for the premises. TENANT shall be responsible for insuring its personal property brought to the premises. TENANT shall provide commercial general liability insurance or its equivalent in the amount of \$2,000,000 each occurrence. LANDLORD acknowledges that it has been informed that TENANT is a participant in the State of Arizona Department of Administration's insurance program under A.R.S. ' 41-621 and that coverage under said program shall be sufficient and acceptable to fulfill the TENANT's liability insurance obligation under this lease.

9. DEFAULT. If the TENANT defaults in performance of any condition or compliance with any term or covenant contained in this lease, LANDLORD shall give the TENANT thirty (30) days written notice by personal service or certified mail, return receipt requested to cure said default. If the TENANT fails to cure said default within the prescribed period, then in addition to any other remedies the LANDLORD may have, the LANDLORD shall have the right at its option, to terminate this lease.

10. NOTICES. All notices to be given under this lease shall be in writing and shall be either served personally or sent by certified or registered mail, return receipt requested, to the parties as indicated below or to such other persons, or addressees as either party may designate in writing to the other party:

TENANT:	Assistant Vice President
	Real Estate Administration
	UNIVERSITY OF ARIZONA
	1125 N. Vine, Room 103
	Tucson, Arizona 85721

Telephone: 520/621-1813

LANDLORD:

11. ASSIGNMENT. TENANT shall not have the right to assign or sublease the premises in whole or in part without the prior written consent of the LANDLORD, which consent shall not be unreasonably withheld. Such an assignment or sublease does not constitute a release of any obligations of the TENANT due under this lease. The LANDLORD agrees that should it desire to sell the demised premises or assign this lease, it shall do so only subject to the terms and conditions of this lease and further agrees to give at least thirty (30) days notice of any such intent to the TENANT.

12. MODIFICATIONS. TENANT shall make no major modifications to premises without written approval of LANDLORD, such approval shall not unreasonably be withheld.

13. FURNISHINGS. TENANT shall have a right to remove from the premises all furnishings, fixtures, and equipment installed in the premises by the TENANT. However, in removing any such furnishings, fixtures, or equipment, the TENANT shall restore the premises to its condition prior to the installation of said furnishings, fixtures, or equipment or at TENANT'S option and with LANDLORD'S approval, shall leave said items in place and they shall become the property of the LANDLORD.

14. NO LIENS OR INTERFERENCE. TENANT agrees not to incur or if incurred to promptly remove any obligations, judgments or other actions which result in a lien or encumbrance on the demised premises.

15. DESTRUCTION OF PREMISES. If at any time during the term of the lease or any extension hereof, the premises becomes partially or totally destroyed by reason of any damage by fire, flood, hurricane, windstorm or other casualty or act of God and the LANDLORD cannot or does not fully repair the premises within ninety (90) days through no fault of the TENANT then the TENANT shall be relieved of any further obligation, duty or liability under this lease. If the premises can be and are repaired fully in ninety (90) days, then the lease shall continue in full force and effect while the repairs are being made, and the TENANT'S rent shall be abated by the percentage of the total space which is unavailable or not reasonably useful to the TENANT.

16. PERSONAL PROPERTY. All personal property placed or removed in the premises shall be at the risk of the party placing such property on the premises or moving such property in the premises.

17. INSPECTION. LANDLORD shall be given access to premises to view and inspect its condition and state of repair upon reasonable notice to TENANT.

18. CONDEMNATION. If all or any part of the premises are taken under the power of

eminent domain or sold under the threat of exercise of that power, this lease may be terminated by the LANDLORD or the TENANT without further obligation on the part of either party.

19. DAMAGE TO PROPERTY. The TENANT covenants that it will permit no waste or damage to the lease property; that it will keep all improvements placed upon the premises in reasonably good order and reasonably good state of repair.

20. CERTIFICATE OF OCCUPANCY. If LANDLORD is required by the City of Tucson to obtain a certificate of occupancy for the premises, LANDLORD shall make a reasonable effort to provide a copy of such certificate to TENANT before this lease is effective.

21. QUIET ENJOYMENT. LANDLORD warrants that LANDLORD is seized of the premises and has the full right to make this lease. LANDLORD further covenants that TENANT shall have quiet and peaceful possession of the premises during the entire term as against lawful acts of third parties and as against the acts of all parties claiming title to, or a right to possess, the premises.

22. FAILURE TO GIVE POSSESSION. If LANDLORD fails to deliver possession of the premises to TENANT by _____, 20__, TENANT shall have the right (at any time thereafter and before LANDLORD does deliver possession) to terminate this Lease. If TENANT does not terminate, rent and other sums payable under this Lease shall not commence until the delivery of possession. IF TENANT does terminate, LANDLORD shall be liable to TENANT for all damages resulting from the LANDLORD's failure, including but not limited to expenses of locating substitute space and an amount equal to the additional rent TENANT is required to pay for such substitute space for the term set forth in Paragraph 2.

23. EXPENSES ADVANCED BY TENANT. If LANDLORD fails within a reasonable time after requested by TENANT to make such repairs or perform such other act as may be required of LANDLORD under this Lease, the (a) LANDLORD shall be liable for any damages sustained by TENANT as a result of such failure, and (b) TENANT may cause such repairs to be made or such acts to be performed at the expense of LANDLORD. TENANT may apply such claims against any subsequent installment of rent.

24. SIGNS. TENANT may, upon obtaining any necessary permits from governmental authorities, and the advance written approval of LANDLORD, erect and maintain at TENANT's own expense signs of such dimensions and materials as it may desire. LANDLORD's consent shall not be unreasonably withheld.

25. CHANGE IN OWNERSHIP. If ownership of the premises or the name or address of the party entitled to rent shall be changed, TENANT may, until receipt of written notice of such change, continue to pay rent to the party to whom and in the manner in which the last preceding installment of rent was paid. TENANT shall not be subject to double liability for any rent so paid.

26. PARKING FACILITIES. LANDLORD warrants that it will provide parking facilities at the location shown on the attached drawing to accommodate a minimum of ____ cars. TENANT shall have the right to install signs or other markers designating such spaces for TENANT's exclusive use.

27. SURRENDER/HOLDING OVER. On termination of TENANT's occupancy, TENANT shall surrender the premises in the condition in which TENANT is required to maintain them under this Lease. If TENANT for any reason and with written consent of LANDLORD remains in possession after the expiration of this Lease (including any optional extension), or after the date specified in any notice of termination given by either party, such possession shall be as a month to month Tenant, subject to all conditions of this Lease other than the term hereof, at a monthly rent equal to that accruing during the last month of the preceding term.

28. INTERPRETATION OF LEASE. The parties acknowledge that each has had the opportunity to review this agreement with counsel of its or their choice. This lease shall not be construed most strongly in favor nor most strongly against either of the parties but shall be interpreted fairly and equitably to effectuate the intent of the parties. All provisions contained in this lease shall bind and inure to the benefit of the parties hereto, their successors and assigns.

29. ENTIRE AGREEMENT. This agreement contains the entire agreement between the parties and all previous agreements, negotiations, or understandings are superseded by and merged in this lease. This lease may be modified by the parties only by writing executed with the same formalities as this lease.

30. NON-DISCRIMINATION. The parties shall comply with all applicable state and federal statutes and regulations governing equal employment opportunity, non-discrimination, and immigration.

31. ARBITRATION. The parties agree that any dispute arising under this Agreement involving the sum of FIFTY THOUSAND DOLLARS (\$50,000) or less in money damages only shall be resolved by arbitration pursuant to the Arizona Uniform Arbitration Act. The decision of the arbitrator(s) shall be final.

32. STATE OBLIGATION. The parties recognize that the performance by the Arizona Board of Regents for and on behalf of the University of Arizona may be dependent upon the appropriation of funds by the State Legislature of Arizona or the availability of funding from other sources. Should the Legislature fail to appropriate the necessary funds, if the University's appropriation is reduced during the fiscal year, or funding becomes otherwise not legally available, the Arizona Board of Regents may reduce the scope of this Agreement if appropriate or cancel the Agreement without further duty or obligation. The Board agrees to notify the other party(ies) as soon as reasonably possible after the unavailability of said funds comes to the Board's attention.

33. CONFLICT OF INTEREST. This Agreement is subject to cancellation pursuant to the

provisions of Arizona Revised Statute '38-511 regarding Conflict of Interest.

34. LAW TO GOVERN. This contract is made under and shall be interpreted according to Arizona Law.

35. AMERICANS WITH DISABILITIES ACT. The LANDLORD shall comply with all applicable provisions of the Americans with Disabilities Act (Public Law 101-336, 42 U.S.C. 12101-12213) and applicable federal regulations under the Act as it pertains to facilities.

IN WITNESS WHEREOF, we have set our hands and seals on the day and date first written above.

ARIZONA BOARD OF REGENTS
FOR THE UNIVERSITY OF ARIZONA

*
[an Arizona corporation]

By: _____
Mercy A. Valencia
Assistant Vice President
Real Estate Administration

By: _____
Its: _____

Date: _____

Date: _____

STATE OF ARIZONA)
) ss.
COUNTY OF PIMA)

The foregoing instrument was acknowledged before me this ____ day of _____, 2008, by Mercy A. Valencia, Assistant Vice President of Real Estate Administration for the Arizona Board of Regents, a body corporate, for and on behalf of the University of Arizona.

Notary Public

My Commission Expires: