

GROUND LEASE

THIS GROUND LEASE (this "Lease") is made on the day executed by the last signatory hereto, by and between **UNIVERSITY OF ALASKA**, a corporation created and existing under the Constitution and laws of the State of Alaska, whose address is Land Management, 1815 Bragaw Street, Suite 101, Anchorage, Alaska 99508-3438 ("Lessor"), and [NAME OF LESSEE], whose address is [Address], [City], [State] [Zip Code] ("Lessee"), collectively the "Parties."

RECITALS

- I. Lessor owns that certain unimproved real property located in the \_\_\_\_\_ Recording District, \_\_\_\_\_ Judicial District, State of Alaska (the "Property"), and more particularly described as:  
  
[Legal Description]
- II. Lessee desires to lease the Property for the purposes of the construction, operation, and use by Lessee of [enter

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of any above-surface improvements constructed or placed on the Leased Premises by Lessee during the term of this Lease, subject to the terms outlined in Section 5 of this Lease.

- D. Reservation of Minerals. All oil, gas, coal, geothermal resources and minerals of whatever nature in or under the above described land are excluded from the Leased Premises and reserved to Lessor. Notwithstanding the foregoing, Lessee shall have the right, subject to the terms of this Lease, to use earth materials on or in the above described land to a depth not to exceed twenty (20) feet below the surface, and to move and recontour such materials on the Leased Premises. During the term of this Lease, Lessor shall not have the right to enter on the surface of the Leased Premises, without Lessee's prior consent, for the purpose of mining and/or extracting such oil, gas, coal, geothermal resources, or other minerals and shall not mine and/or extract the same by any means at a depth less than twenty five (25) feet below the surface of the Leased Premises. If Lessor mines and/or extracts such oil, gas, coal, geothermal resources, or other minerals, the mining and/or extraction shall not interfere with Lessee's business and activities on the Leased Premises, parking or access to the Leased Premises.
2. **USE.** Lessee shall use the Leased Premises for [enter description of use] and no other throughout the term of the Lease, other than for construction uses during construction of Lessee's Improvements. Any change in use will require prior written approval of Lessor.
3. **TERM OF LEASE.**
- A. Term. This Lease shall be for [TERM] (xx) months/years (the "Term") commencing on [DATE], and expiring [DATE], unless earlier terminated as provided in this Lease.
- B. Holdover. At the end of the Term, Lessee may hold over on a month-to-month basis, subject to all the terms, covenants and conditions of this Lease, except that rent for each holdover month or part thereof will be two hundred percent (200%) of the annual rental provided herein for the last year of the term of this Lease, in monthly installments, provided:
- i. Lessee gives the University a NINETY (90) day written notice before the end of the Term; and
  - ii. University agrees to the holdover period in writing. University shall provide a written response to Lessee's holdover request within THIRTY (30) days of receipt of the Lessee's written notice.
4. **RENT.**
- A. Base Rent. Lessee agrees to pay to the University the sum of [enter dollar amount] (\$\_\_\_\_\_) annually as rent, payable upon execution of this Lease with the first payment due [Month DD, Year] and on [Month DD] of each year thereafter, without deduction and without notice or demand. Payment shall be submitted to the University at the address listed on page 1 of this Lease or at such other place as the University may designate. In no event shall any adjustment in the Base Rent under the following conditions listed below in Section 3.B., 3.C. reduce the Base Rent below that which was payable hereunder prior to such adjustment.
- B. Consumer Price Index Adjustments.
- i.

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("CPI-U"), Urban Alaska, All Items, 1982-84=100, Not Seasonally Adjusted, published by the U.S. Bureau of Labor Statistics, issued in Month of each year. Each annual Rent increase shall be computed by multiplying the Current Base Rent times the percentage change in CPI.

The formula is expressed as:

Percentage Change in CPI = ((Current CPI-Previous CPI))/(Previous CPI) x100

Adjusted Rent = (Current Rent x Percentage Change in CPI)+Current Rent

- ii. If the index is discontinued or revised during the term of the lease, such other governmental indices or computations with which it is replaced shall be used in order to obtain substantially the same result as would be obtained if the index had not been discontinued or revised.
- C. Interest on Unpaid Rent, Late Charges. Rent shall be considered late if not received by the 5<sup>th</sup> day after the date due. A late fee in the amount of \_\_\_\_\_ shall be due and payable by Lessee to Lessor for any Rent payments received after such date. In addition to the Late Fee, all Rent and other amounts owing Lessor by Lessee pursuant to the provisions of this Lease and not paid within the applico the n32-6.19f14u-44Tw[(06ta2-1.14



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- G. Setback. Lessee shall observe all setback lines applicable to the Leased Premises and shall not construct or maintain any building or other structure whatever between any street boundary of the Leased Premises and any setback along such boundary, except for fences or walls approved by Lessor.
- H. Compliance with Laws. All Lessee site improvements and other Lessee improvements to the Leased Premises shall conform to all applicable federal, state, and local laws, ordinances, codes and regulations including but not limited to occupational health and safety regulations, prevailing wages as determined by the Alaska Department of Labor and Work Force Development and the Americans with Disabilities Act.
- I. Water Rights. All water rights applied for and secured during the Term of the Lease shall be in the name of Lessor and shall remain appurtenant to the property during the Term, and such water and water rights shall not be severed or transferred from the property or any part thereof without the prior written consent of Lessor which, at Lessor's sole discretion, may be withheld for any reason. Lessee shall assign all rights under any permit or certificate of appropriation to Lessor upon termination of this Lease.
- J. Alterations by Lessee. Except for construction of Lessee's Improvements in accordance with Exhibit B, Lessee shall not commence any material alterations, renovations, replacements, renewals, improvements or additions in or to the design of the exterior of the improvements upon the Leased Premises, including the

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- iv. **Personal Property.** If applicable, Lessee and its contractor and subcontractor(s) of any tier shall purchase insurance to cover personal property of Lessee and its contractor and subcontractor(s) of any tier. In no event shall Lessor be liable for any damage to or loss of personal property sustained by Lessee and its contractor and subcontractor(s) of any tier, even if such loss is caused by the negligence of Lessor, its Board of Regents, officers, employees, agents and representatives.
- v. **Professional Liability.** If available generally to members of the professions of Lessee and its contractor and subcontractor(s) of any tier, Lessee and its contractor and subcontractor(s) of any tier shall maintain

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- F. Binding Effect. The terms, conditions, covenants and agreements of this Lease shall be binding upon the successors and assigns of the Parties.
- G. Survival of Indemnities. The obligations of an indemnifying party and rights of each indemnified party under each and every defense, indemnification, and hold harmless provision contained in this Lease shall survive the expiration or earlier termination of this Lease.
- H. Attorney Fees. If by reason of any default by either party in the performance of the terms and conditions of this Lease, a party deems it necessary to employ an attorney, the prevailing party shall receive all costs, expenses, and attorney's fees expended or incurred by the prevailing party.

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regulation by any governmental or military authority; litigation; and non-availability of construction materials from suppliers.

- Q. Authority. Lessee and Lessor represent and warrant to each other that each is fully authorized to enter into this Lease without the joining of any other person or entity, and the person executing this Lease on behalf of such party has full authority to do so and any and all corporate, partnership, or limited liability company action required has been taken.

IN WITNESS WHEREOF, the parties hereto have executed this Lease.

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