

Kirtland AFB Enhanced Use Lease
Round Two - Questions and Answers
February, 2007

No.	Question & Answer	
1.	Q:	How specific does the initial proposal need to be with respect the proposer's initial vision, the expected phasing, the intended uses, the FMV and the lease payments? (It is recognized that the successful offeror will also be selected based on their overall qualifications.)
	A:	The Air Force expects the initial vision, phasing, uses, FMV and lease payments to be realistic and reasonable. Proposals will be evaluated according to the standards set forth in the RFQ considering the associated feasibility and risk of the proposal. Proposals should be as specific as possible in identifying all key underlying assumptions that drive the proposed square footage, lease payments and phasing.
2.	Q:	Once an offeror is selected, to what degree will the AF require the lease document to exactly reflect the key proposed elements?
	A:	The lease document will reflect the terms that are negotiated after HRO selection, as well as the standard terms and conditions set forth in the Model lease.
3.	Q:	To what degree can additional information obtained after proposal submission allow the developer to change its plans as reflected in the ground lease?
	A:	The Air Force understands and expects that additional information will be obtained after HRO selection, prior to closing. Such information may be considered in finalizing the ground lease.
4.	Q:	After signing and closing, will the ground lease be flexible with respect to opportunities which may arise? For example, based on market feedback from prospective corporate tenants, there may be a greater or lower than expected build-out of the phases. There may also be another use (e.g. a build to suit laboratory) that was not initially conceived. Can the ground lease be amended? Can the lease payments be adjusted?
	A:	All lease terms and covenants will be negotiated for all phases following HRO selection. In the event of unforeseen circumstances, the Air Force will evaluate and consider amending the lease on a case by case basis.
5.	Q:	Can lease payments be laddered upward as phases are put into place?
	A:	Yes. Such terms may be proposed and negotiated prior to signing the ground lease.
6.	Q:	To what degree are the developer and lender at risk if, for example, phase I is operational, but phase 2 is delayed or needs restructuring due to unforeseen complications? Will the whole lease be terminated and will the developer/lender lose its interest in the other phases?
	A:	The Air Force may permit the ground lease to allow for phased financing so that a delay in subsequent phases will not impact the debt service for a completed phase. The Air Force will determine the impact on the lease on a case by case basis.

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7.	Q:	Do all facilities on site require adherence to Antiterrorism / Force Protection setbacks?
	A:	Not necessarily. Development must comply with the Department of Defense Antiterrorism Standards for Buildings (Unified Facilities Criteria ("UFC") 4-010-01), however, the standards only apply where DoD personnel occupy leased or assigned space constituting at least 25% of the net interior useable area, and they only apply to that portion of the building that is occupied by DoD personnel (25% or more DoD tenants). Refer to Section 1-6.4 the UFC for applicability.