

US GOVERNMENT LEASE FOR REAL PROPERTY

DATE OF LEASE

January 27, 2010

LEASE NO.

LOR07130

THIS LEASE, made and entered into this date by and between TWO MAIN DEVELOPMENT LLC, a Delaware limited liability company

Whose address is 235 MONTGOMERY STREET
15TH FLOOR
SAN FRANCISCO, CA 94104

and whose interest in the property hereinafter described is that of **OWNER**

hereinafter called the Lessor, and the **UNITED STATES OF AMERICA**, hereinafter called the Government:

WITNESSETH: The parties hereto for the considerations hereinafter mentioned, covenant and agree as follows:

1. The Lessor hereby leases to the Government the following described premises:

A total of 63,897 rentable square feet (RSF) of office and related space, which yields 58,620 ANSI/BOMA Office Area square feet (USF) of space at First and Main, 100 SW Main Street, Portland, OR 97204 to be used for such purposes as determined by the General Services Administration.

2. TO HAVE AND TO HOLD the said premises with their appurtenances for the term beginning on August 31, 2010 and continuing through August 30, 2020, subject to termination and renewal rights as may be hereinafter set forth.

3. The Government shall pay the Lessor annual rent of \$2,171,220.06 at the rate of \$180,935.01 per month in arrears for years 1 through 10. The rent commencement date shall be the date that space acceptance is made by the Government.

Rent for a lesser period shall be prorated. Rent checks shall be made payable to:

TWO MAIN DEVELOPMENT LLC
235 MONTGOMERY STREET
SAN FRANCISCO, CA 94104

4. The Government may terminate this lease at any time on or after August 30, 2017 by giving at least 90 days' notice in writing to the Lessor and no rental shall accrue after the effective date of termination. Said notice shall be computed commencing with the day after the date of mailing.

to have hereunto subscribed their names as of the date first above written.

LIMITED LIABILITY

Vice President

(Title)

(Address)

Contracting Officer, General Services Administration

(Official Title)

5. The Government has amended SFO 9OR2121 to withdraw the requirement for 5 year priced renewal option.

6. The Lessor shall furnish to the Government, as part to the rental consideration, the following:

A. Those facilities, services, supplies, utilities, and maintenance in accordance with SFO 9OR2121 dated November 17, 2009, as amended.

B. Build out in accordance with standards set forth in SFO 9OR2121 dated November 17, 2009, as amended, and the Government's design intent drawings. Government space plans shall be developed subsequent to award. All tenant alterations to be completed by the lease effective date identified under Paragraph 2 above. Lease term to be effective on date of occupancy, if different from the date identified in Paragraph 2. The Lessor hereby waives restoration.

C. Deviations to the approved design intent drawings will not be permitted unless prior written authorization is obtained from the GSA Contracting Officer.

7. The following are attached and made a part hereof:

A. Solicitation for Offers 9OR2121 dated November 17, 2009, and Amendment 1, dated December 17th, 2009, Amendment 2, dated December 22, 2009.

B. GSA Form 3517 entitled GENERAL CLAUSES (Rev. [6/08])

C. GSA Form 3518 entitled REPRESENTATIONS AND CERTIFICATIONS (Rev. [1/07])

8. All Tenant Improvements required by the Government for occupancy shall be performed by the successful Offeror and shall be paid lump sum by the Government, and all improvements shall meet the quality standards and requirements of this solicitation and its attachments.

9. In accordance with the SFO paragraph entitled *Percentage of Occupancy*, the percentage of Government occupancy is established as 17.4418% (63,897 RSF/366,345 RSF).

10. In accordance with the SFO paragraph entitled *Operating Costs Base*, the escalation base is established as \$7.30/RSF (\$466,448.10/annum).

11. In accordance with the SFO paragraph entitled *Common Area Factor*, the common area factor is established as 1.0900 (63,897 RSF/58,620 USF).

12. In accordance with the SFO paragraph entitled *Adjustment for Vacant Premises*, the adjustment is established as \$1.10/USF for vacant space (rental reduction).

13. In accordance with the SFO Paragraph entitled *Overtime Usage*, the rate for overtime usage is established as \$55.00 per hour for the entire building or any portion thereof.

[CONTINUED ON PAGE 3]

LESSOR

UNITED STATES OF AMERICA

BY _____

(initial)

BY _____

(initial)

14. Commission and Commission Credit:

The Lessor and the Broker have agreed to a cooperating lease commission of [REDACTED] of the value of the lease for the initial five year firm term (years 1 – 5) and [REDACTED] of the second five year firm term (years 6 – 7). The total amount of the commission is [REDACTED]. The Lessor shall pay the Broker no additional commissions associated with this lease transaction. In accordance with the "Broker Commission and Commission Credit" paragraph, the Broker has agreed to forego [REDACTED] of the commission that it is entitled to receive in connection with this lease transaction ("Commission Credit"). The Commission Credit is [REDACTED]. The Lessor agrees to pay the Commission less the Commission Credit to the Broker in accordance with the "Broker Commission and Commission Credit" paragraph in the SFO attached to and forming a part of this lease.

Notwithstanding Paragraph 3 of this Standard Form 2, the shell rental payments due and owing under this lease shall be reduced to fully recapture this Commission Credit. The reduction in shell rent shall commence with the first month of the rental payments and continue as indicated in this schedule for adjusted Monthly Rent:

First Month's Rental Payment \$180,935.01 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted First Month's Rent

Second Month's Rental Payment \$180,935.01 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted Second Month's Rent

15. Exceptions to Solicitations for Offer 9OR2121:

The following language has been added to SFO 9OR2121:

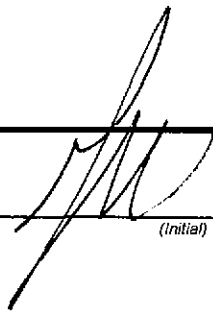
Paragraph 4.8 – Janitorial Services

Cleaning is required two times a day. [REDACTED] will assume the cost for the second cleaning that is outside the standard janitorial specifications. Lessor provided janitorial service for the building will be provided Sunday through Thursday after normal business hours defined in SFO 9OR2121.

The Lessor hereby waives restoration.

LESSOR

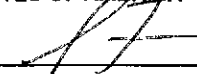
BY



(Initial)

UNITED STATES OF AMERICA

BY



(Initial)