

<b>GENERAL SERVICES ADMINISTRATION PUBLIC BUILDINGS SERVICE</b>  <b>LEASE AMENDMENT</b>	LEASE AMENDMENT No. 9
	TO LEASE NO. GS-10B-07163 BLDG NO. OR6732
ADDRESS OF PREMISES 4310 SW Macadam Avenue Portland, OR 97239-4222	PDN Number: PS0018192

**THIS AGREEMENT**, made and entered into this date by and between:  
Stuart Lindquist, who entered the lease dba Lindquist Homes

whose address is:

702 SE Powell Blvd., Portland, OR 97202-2625, with a mailing address of P.O. Box 42135, Portland, OR 97242,

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

**WHEREAS**, the parties hereto desire to amend the above Lease to establish beneficial occupancy; to reallocate the amount of square footage associated with Block A and Block B and apply the "Adjustment for Vacant Premises" credit to the Block B operating costs; and to order changes.

NOW THEREFORE, these parties for the considerations hereinafter mentioned covenant and agree that the said Lease is amended, effective September 26, 2013 as follows:

Paragraphs 1, 2, 3, 13 and 29 are hereby deleted in their entirety and replaced below.


**Paragraph 1. LEASED PREMISES:**

This Lease Amendment contains 7 pages, plus Exhibit F to Paragraph 29 (6 pages).

All other terms and conditions of the Lease shall remain in force and effect.

IN WITNESS WHEREOF, the parties subscribed their names as of the below date.

**FOR THE LESSOR:**


Signature:   
Name: Stuart Lindquist  
Title: Owner  
Entity Name: 4310 SW Macadam Avenue Lindquist Homes  
Date: 10/10/13

**FOR THE GOVERNMENT:**

**LINDSEY D. SNOW**  
**ACTING OFFICER**

Signature:   
Name: \_\_\_\_\_  
Title: Lease Contracting Officer  
GSA, Public Buildings Service, \_\_\_\_\_  
Date: OCT 10 2013

**WITNESSED**

Signature:   
Name: \_\_\_\_\_  
Title: WITNESS  
Date: 10/10/13

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

54,618 rentable square feet (RSF.), yielding 49,205 ANSI-BOMA Office Area (ABOA) square feet and related space located on the First (1st), Second (2nd), Third (3rd), and Fourth (4th) floors at 4310 SW Macadam Avenue, Portland, OR 97239-4222, together with one-hundred-two (102) secured, onsite parking spaces and four (4) surface parking spaces, provided at no cost to the Government, to be used for SUCH PURPOSES AS DETERMINED BY THE GENERAL SERVICES ADMINISTRATION (GSA). The space will be referred to as Block A and Block B as defined below. The parking spaces will be allocated to each tenant as determined by the GSA.

Block A<sup>1</sup>: 39,753 RSF, yielding 35,813 ABOA square feet.

Block B<sup>1</sup>: 14,865 RSF yielding 13,392 ABOA square feet.

<sup>1</sup>Block B space consists of the third floor of the garage building and an office on the first floor of the garage building. All remaining space is part of Block A.

**Paragraph 2. TERM:**

TO HAVE AND TO HOLD the said Premises with their appurtenances for the twenty (20) year term September 27, 2013 through September 26, 2033. Beneficial occupancy has been established based on the Lessor's receipt of a Temporary Certificate of Occupancy (TCO). Should the TCO lapse and the Government not be permitted to occupy the space, the Government will cease to pay rent.

**Paragraph 3. RENTAL RATE:**

A. Rental Rate: The Government shall pay the Lessor annual rent per the table below, per month in arrears. Rent for a lesser period shall be prorated.

**Block A: 39,753 RSF [redacted] occupied spaces)**

	Annual Rent Yrs 1-5	Annual Rent Yrs 6-10	Annual Rent Yrs 11-15	Annual Rent
Shell Rental Rate	\$1,230,355.35	\$1,309,861.35	\$1,393,342.65	[redacted]
TI Rental Rate <sup>1</sup>	\$213,909.29	\$213,909.29	\$213,909.29	[redacted]
Building Specific Amortized Capital (BSAC) <sup>2</sup>	\$32,852.75	\$32,852.75	\$32,852.75	[redacted]
Operating Cost Rate	\$174,118.14	\$174,118.14	\$174,118.14	[redacted]
<b>Full Service Rent</b>	<b>\$1,651,235.53</b>	<b>\$1,730,741.53</b>	<b>\$1,814,222.83</b>	[redacted]

INITIALS: [initials] LESSOR & [initials] GOVT

**Block B: 14,865 RSF (Future GSA Tenant – VACANT SPACE)**

	Annual Rent Yrs 1-5	Annual Rent Yrs 6-10	Annual Rent Yrs 11-15	Annual Rent
Shell Rental Rate	\$460,071.75	\$489,801.75	\$521,018.25	
TI Rental Rate	\$0.00	\$0.00	\$0.00	
Building Specific Amortized Capital (BSAC)	\$0.00	\$0.00	\$0.00	
Operating Cost Rate	\$39,986.85	\$39,986.85	\$39,986.85	
Operating Cost Adjustment for Vacant Premises <sup>3</sup>	(-\$12,040.65)	(-\$12,040.65)	(-\$12,040.65)	
<b>Full Service Rent, Adjusted for Vacancy</b>	<b>\$488,017.95</b>	<b>\$517,747.95</b>	<b>\$548,964.45</b>	

**Blocks A and B: 54,618 RSF (Total)**

	Annual Rent Yrs 1-5	Annual Rent Yrs 6-10	Annual Rent Yrs 11-15	Annual Rent
Shell Rental Rate	\$1,690,427.10	\$1,799,663.10	\$1,914,360.90	
TI Rental Rate <sup>1</sup>	\$213,909.29	\$213,909.29	\$213,909.29	
Building Specific Amortized Capital (BSAC) <sup>2</sup>	\$32,852.75	\$32,852.75	\$32,852.75	
Operating Cost Rate	\$214,104.99	\$214,104.99	\$214,104.99	
Operating Cost Adjustment for Vacant Premises <sup>3</sup>	(-\$12,040.65)	(-\$12,040.65)	(-\$12,040.65)	
<b>Full Service Rent, Adjusted for Vacancy</b>	<b>\$2,139,253.48</b>	<b>\$2,248,489.48</b>	<b>\$2,363,187.28</b>	

<sup>1</sup> Total TIs in the amount of \$2,112,416.90 are amortized over the first fifteen (15) years of the Lease at a rate of 6% per year.

<sup>2</sup> Total BSAC costs in the amount of \$324,430.50 are amortized over the first fifteen (15) years of the Lease at a rate of 6% per year.

<sup>3</sup> Pursuant to Paragraph 13 of the SF-2 of the Lease (and as hereby amended), "ADJUSTMENT FOR VACANT PREMISES", the operating costs of Block B will be reduced by \$.81 per rentable square foot, until the space is built-out and occupied by a GSA tenant.

INITIALS:     *J*     &     *RS*      
LESSOR & GOVT

B. The entire cost of the building's utilities consists of, utilities for Block A, Block B, and overtime utilities. The Government pays the utility costs for Block A and Block B in its monthly operating rent. If the building's utility expenses (described below), including the overtime utilities, exceed the operating rents paid for in Block A and Block B for the 12-month period beginning with the beneficial occupancy date and each successive 12-month period throughout the Lease term, the Lessor is entitled to the adjustment in that rent. The building utility costs represent 38.508% of the building's operating rent. This percentage will be used to determine the amount of the base utilities to be subtracted from the actual annual building utility costs.

The Government shall pay the building utility adjustment in a single annual lump sum payment to the Lessor. In order to receive such an adjustment, The Government requires written documentation within thirty (30) calendar days following each anniversary date of the Lease.

Building Utilities are currently estimated to be \$66,999.19. This figure is calculated as follows: \$89,500 or \$1.69/RSF on GSA Form 1217 dated 3/16/2010; \$1.69 multiplied by 54,618/RSF equals \$92,121.04 minus \$25,121.85 (\$1.69 multiplied by 14,865 RSF of Block B space). Due to the Block B space that is not being occupied and which is vacant under this LA, the base for utilities is reduced by a commiserate number of square feet and is set at \$66,999.19. In the event Block B, or any portion thereof is eventually occupied, the base for utilities will go up by \$1.69 per RSF that is occupied.

- Fuel – Line 9 of GSA Form 1217;
- Current for Light and Power (including elevators) – Line 11 of GSA Form 1217;
- Power for Special Equipment – Line 13 of GSA Form 1217;
- Water – Line 15 of GSA Form 1217;
- Utilities (include electricity, if not in C11) – Line 18 of GSA Form 1217;
- Trash and recycling – Line 26 of GSA Form 1217

Disclosure shall include all of the following:

- an invoice from Lessor;
- proof of payment;
- GSA Form 1217 filled out and signed;
- back-up documentation from each vendor.

The Lessor acknowledges that the Contracting Officer shall rely on the completeness and accuracy of these submissions in order to establish an annual adjustment.

In order to obtain a Building Utility Adjustment, the Lessor shall furnish the Contracting Officer with copies of all paid receipts, or other similar evidence of payment acceptable to the Contracting Officer, and a proper invoice (as described in GSA Form GOV'T 3517, General Clauses, 552.232-75, Prompt Payment) for the requested Building Utility Adjustment, including the calculation thereof. All such documents must be received by the Contracting Officer within 30 calendar days after the anniversary date of the Lease. FAILURE TO SUBMIT THE PROPER INVOICE AND EVIDENCE OF PAYMENT WITHIN SUCH TIME FRAME SHALL CONSTITUTE A WAIVER OF THE LESSOR'S RIGHT TO RECEIVE AN OPERATING COST ADJUSTMENT PURSUANT TO THIS CLAUSE FOR THE YEAR AFFECTED.

**Payment:**

Rent shall be payable to:

Lindquist Homes  
702 SE Powell Blvd.  
Portland, OR 97202-2625

INITIALS:  &   
LESSOR & GOVT

**Paragraph 13. ADJUSTMENT FOR VACANT PREMISES:**

Pursuant to Paragraph 4.4 of the SFO, "Adjustment for Vacant Premises," in the event of the Government vacating in whole or in part prior to lease expiration, the rental rate will be reduced by \$0.81 per Rentable Square Foot (RSF) per annum in addition to the utility base, for operating expenses. The utility base is currently calculated as \$1.69 per RSF, per Paragraph 3B of this LA. The Adjustment for Vacant Premises rate shall be escalated annually based upon Paragraph 4.3 of the SFO, "Operating Costs."

**Paragraph 29. TENANT IMPROVEMENTS EXCEEDING THE TENANT IMPROVEMENT ALLOWANCE/CHANGE ORDERS:**

- A. The Government hereby orders Tenant Improvements in excess of the Tenant Improvement Allowance (TIA) and changes per the table in subparagraph B. The approved prices for Change Orders 1-13 include all costs for labor, all materials, overhead, profit, applicable sales tax, permitting and A/E fees, and interest to complete the work. The approved prices for Change Orders 14-23 include all of the aforementioned costs and fees; however Lessor reserves its right to seek interest or increased financing costs. The total costs for change orders exceeds the TIA included in the Lease and will be paid via lump sum upon completion of the work by the Lessor and inspection and acceptance of the space by the Government per the invoicing instructions detailed in Paragraph 30 of LA 5.

Paragraph 29 is continued on Page 6.

INITIALS: J SM & KS  
LESSOR GOVT