

US GOVERNMENT LEASE FOR REAL PROPERTY

DATE OF LEASE

OCT 23 2012

LEASE NO.

GS-10B-07273

BUILDING NO.

OR6741

THIS LEASE, made and entered into this date by and between PORT OF ASTORIA

Whose address is 422 Gateway Ave., Suite 100
ASTORIA, OR 97103-6311

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 1,265 rentable square feet (RSF) of office and related space, which yields 1,213 ANS/BOMA Office Area square feet (USF) of space at Pier One Building, 10 Pier One, Astoria, OR 97103-6311, together with 4 onsite parking spaces. Two of these spaces are to be reserved parking spaces, to be used for such purposes as determined by the General Services Administration, and 2 of these spaces for employee/visitor use.

2. TO HAVE AND TO HOLD the said premises with their appurtenances for the 5 year term beginning upon Government beneficial occupancy, subject to termination and renewal rights as may be hereinafter set forth.
3. The Government shall pay the Lessor annual rent per the following table.

<u>Rent Period</u>	<u>Shell Rent</u>	<u>Operating Rent¹</u>	<u>Amortized TI's</u>	<u>Building Specific Security</u>	<u>Annual Rent</u>
Years 1-5	\$23,377.20	\$4,225.10	\$6,756.06	\$1,336.43	\$35,694.79

¹ Operating Rent base shall be adjusted per Paragraph 12 of this SF2.

Rent shall be paid monthly, in arrears. Rent for a lesser period shall be prorated. Rent checks shall be made payable to:

PORT OF ASTORIA
422 GATEWAY AVENUE, SUITE 100
ASTORIA, OR 97103-6311

IN WITNESS WHEREOF, the parties hereto have hereunto subscribed their names as of the date first above written.

LESSOR
PORT O

BY

CEO
(Title)

No. 10 Pier One, Suite 308 - Astoria, OR 97103
(Address)

Contracting Officer, General Services Administration

4. The Government may terminate this lease in whole at any time after year 5, by giving at least 120 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.
5. This lease may be renewed at the option of the Government, for the following terms and at the following rentals:

<u>Rent Period</u>	<u>Shell Rent</u>	<u>Operating Rent¹</u>	<u>Amortized TI's</u>	<u>Building Specific Security</u>	<u>Annual Rent</u>
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

¹ Operating Rent base shall be adjusted per Paragraph 12 of this SF2.

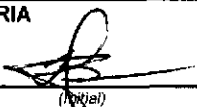
provided notice be given in writing to the Lessor at least 90 days before the end of the original lease term or any renewal term; all other terms and conditions of this lease shall remain the same during any renewal term. Said notice shall be computed commencing with the day after the date of mailing.

6. The Lessor shall furnish to the Government, as part to the rental consideration, the following:
 - A. Of the 4 parking spaces described in Paragraph 1 of this SF2, 2 reserved parking spaces are valued at \$20.00 per space per month, and 2 surface parking spaces are valued at \$00.00 per space per month.
 - B. Those facilities, services, supplies, utilities, and maintenance in accordance with SFO 8OR2066 dated February 24, 2011, as amended.
 - C. Build out in accordance with standards set forth in SFO 8OR2066 dated February 24, 2011, 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.
 - D. Deviations to the approved design intent drawings will not be permitted unless prior written authorization is obtained from the GSA Contracting Officer.
7. All terms, conditions, and obligations of the Lessor and the Government are set forth in the following:
 - A. Standard Form 2 (pages 1-3);
 - B. Solicitation for Offers 8OR2066 dated February 24, 2011 (pages 1-48); Amendment #1 to SFO 8OR2066 dated September 7, 2011 (1 page);
 - C. Space Requirements for [REDACTED] Facilities (pages 1-7);
 - D. GSA Form 3517B (pages 1-33) entitled GENERAL CLAUSES (Rev. [06/08]);
 - E. GSA Form 3518 (pages 1-7) entitled REPRESENTATIONS AND CERTIFICATIONS (Rev. [1/07]);
 - F. Floor Plan (1 page)
8. The following paragraphs 9 through 23 of this Standard Form 2 have been added to this lease prior to its execution.
9. This paragraph has been intentionally omitted. In accordance with the SFO paragraph entitled Tenant Improvement Rental Adjustment, Tenant Improvements in the total amount of \$53,080.88 (1,213 USF x \$43.76) shall be amortized through the rent for 10 years at the rate of 5.00%. The total annual cost of Tenant Improvements for the amortization period shall be \$6,755.10.
10. In accordance with the SFO paragraph 4.2, entitled *Tax Adjustment*, the tax base for the Government-occupied space is established at \$00.00.
11. In accordance with the SFO paragraph 4.2 (B) 9 entitled *Percentage of Occupancy*, the percentage of Government occupancy is established as 8.04% (1,265/15,740).
12. In accordance with the SFO paragraph 4.3 entitled *Operating Costs*, the escalation base is established as \$3.34/RSF (\$4,225.10/annum).
13. In accordance with the SFO paragraph 4.1 (C) entitled *Common Area Factor*, the common area factor is established as 1.04 (1,265 RSF/1,213 USF).
14. In accordance with the SFO paragraph 4.4 entitled *Adjustment for Vacant Premises*, the adjustment is established as:
 1. Reduced by \$1.67 per Usable Square Foot of vacated premises

LESSOR: PORT OF ASTORIA

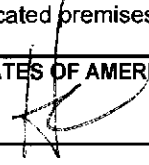
UNITED STATES OF AMERICA

BY _____



(Initial)

BY _____



(Initial)

15. Pursuant to Paragraph 4.6, "Overtime Usage", upon request by the GSA Field Office Manager, the Lessor shall provide heating, ventilation, and air-conditioning (HVAC) at any time beyond normal service hours (7:00 a.m. – 5:00 p.m., Monday through Friday, and except Federal Holidays ("Normal Hours")), at a rate of \$00.65 per hour. The Lessor will not charge the Government if Lessor otherwise provides these services to other building tenants during the Government's overtime hours.
16. **24 Hour Rooms:** The Overtime Usage rate specified above shall not apply to any portion of the Premises that is required to have heating and cooling 24 hours per day as specified by the Lease. The charges for heating and cooling of these areas shall be provided at the rate of \$00.25 per hour, per month after "Normal Hours".
17. Security costs in the total amount of \$10,500.00 shall be amortized through the rent for 120 months at the rate of 5.00%. The total annual cost of Building Specific Security for the amortization period shall be \$1,336.43.
18. Adjusted monthly rent payments (application of commission credit):

For the benefit of the Government, the Broker has agreed to forego [REDACTED] of the [REDACTED] commission that it is entitled to receive in connection with this lease transaction. The resulting total dollar value of the foregone commission (the Commission Credit) shall be applied in equal monthly amounts against shell rental payments due and owing under the Lease. The rental amount payable shall be reduced by the Commission Credit at the commencement of the Lease, over the minimum number of months that will not exceed the monthly shell rental, until the Commission Credit has been fully recaptured. The parties agree to execute a Supplemental Lease Agreement setting forth the full nature, extent, terms, and conditions of commissions paid to the Broker and the Commission Credit to be applied against the Government's rental payment obligations under the Lease.
19. Offeror's Tenant Improvement Fee Schedule: Pursuant to the offer received September 21, 2011, the Offeror's Tenant Improvement Fee Schedule shall be applicable to Tenant Improvements, any Building-Specific Security, and change orders during initial construction arising under this Lease. The applicable fees are:
 - a. General Conditions will be 5.0% of Total Subcontractors Costs estimated to be \$53,080.88.
 - b. General Contractor's fee will be 5.0% of Total Subcontractors Costs estimated to be \$53,080.88.
 - c. Architectural/Engineering fees will be \$2.00 per usable square foot. .
 - d. Lessor's Project Management fee will be 5.0% of Total Subcontractors Costs estimated to be \$53,080.88.
20. The Lessor hereby waives and forever relinquishes any right to make a claim against the Government for waste, damages or restoration arising from or related to any alteration or removal of any alteration by the Government during the term of this Lease or any extensions. Alterations may be completed by either the Government and/or the Lessor including the initial buildout of the leased space and/or any subsequent modifications required during the lease period. At the Government's sole discretion, property remaining in leased space after termination of the lease contract will become the property of the Lessor.
21. Wherever the words "Offeror", "Lessor" or "successful offeror" appear in this Lease, they shall be deemed to mean "Lessor"; wherever the words "solicitation", "Solicitation for Offers", or "SFO" appear in this lease, they shall be deemed to mean "this Lease"; where the words "space offered for lease" appear in this Lease, they shall be deemed to mean "Premises".
22. All terms and conditions of this lease as expressly contained herein represent the total obligations of the Lessor and the Government. Any agreements, written or oral, between the parties prior to the execution of this Lease are not applicable or binding. This agreement may be amended only by written instrument executed by the Lessor and the Government.
23. In instances where the Lessor amortizes either the TI or Building Specific Security for a period exceeding the Firm Term of the Lease, should the Government terminate the Lease after the Firm Term or does not otherwise renew or extend the term beyond the Firm Term, the Government shall not be liable for any unamortized costs beyond the Firm Term.

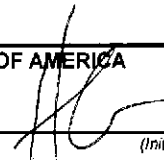
LESSOR: PORT OF ASTORIA

UNITED STATES OF AMERICA

BY _____


(Initial)

BY _____


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