

LEASE NO. GS-10P-LOR07453
BLDG NO. OR6485

Standard Lease
GSA FORM L201C (October 2012)

This Lease is made and entered into between

RUBICON GSA II DUNCAN PLAZA PORTLAND, LLC (Lessor), whose principal place of business is 30 W. Monroe Street, Suite 1700, Chicago, Illinois 60603-2417, and whose interest in the Property described herein is that of Fee Owner, and

The United States of America

(Government), acting by and through the designated representative of the General Services Administration (GSA), upon the terms and conditions set forth herein.

Witnesseth: The parties hereto, for the consideration hereinafter mentioned, covenant and agree as follows:

Lessor hereby leases to the Government the Premises described herein, being all or a portion of the Property located at

333 SW First Ave, Portland, OR 97204


and more fully described in Section 1 and Exhibit A(1), together with rights to the use of parking and other areas as set forth herein, to be used for a Child Care Center, or office, and related purposes as determined by GSA.

LEASE TERM

To Have and To Hold the said Premises with its appurtenances for the term September 18, 2016 through September 17, 2031; subject to renewal rights as are hereinafter set forth.


In Witness Whereof, the parties to this Lease evidence their agreement to all terms and conditions set forth herein by their signatures below, to be effective as of the date of delivery of the fully executed Lease to the Lessor.

FOR THE LESSOR:




Name: Rubicon GSA II Duncan Plaza Portland, LLC
By: Rubicon US REIT, Inc., Manager
By: Sam Fuchs
Title: Authorized Signatory
Date: 3/5/15

FOR THE GOVERNMENT:



Name: LINDSEY D. SNOW
Title: CONTRACTING OFFICER
General Services Administration, Public Buildings Service
Date: MAR 10 2015

WITNESSED FOR THE LESSOR BY:



Name: Alan Lagunov
Title: Associate
Date: 3/5/15

The information collection requirements contained in this Solicitation/Contract, that are not required by the regulation, have been approved by the Office of Management and Budget pursuant to the Paperwork Reduction Act and assigned the OMB Control No. 3090-0163.

1.03 RENT AND OTHER CONSIDERATION (SEP 2012)

A. The Government shall pay the Lessor annual rent, payable in monthly installments in arrears, at the following rates:

	9/18/16 - 9/17/21	9/18/21 - 9/17/26	9/18/26 - 9/17/31
	ANNUAL RENT	ANNUAL RENT	ANNUAL RENT
SHELL RENT	\$311,067.57	\$344,979.00	\$378,876.00
TENANT IMPROVEMENTS RENT ¹	\$136,240.51	\$136,240.51	\$136,240.51
OPERATING COSTS ²	\$84,383.00	\$84,383.00	\$84,383.00
TOTAL ANNUAL RENT²	\$531,691.08	\$565,602.51	\$599,499.51

¹ The Tenant Improvement Allowance of \$1,188,024.00 is amortized at a rate of eight (8) percent per annum over 15 years and is subject to adjustment per Paragraph 1.09.

² The "Operating Costs" number of \$84,383.00, is the operating costs base rate. The "Operating Costs" rent component of the "Total Annual Rent" on any date of the lease is the current adjusted operating rent amount as adjusted annually per Paragraph 2.09, and these adjustments will continue through the entire term of the lease, including any option periods. The "Total Annual Rent" numbers shown above will be adjusted to include those increases in operating costs.

B. Subparagraph Intentionally Deleted

C. Rent is subject to adjustment based upon the final Tenant Improvement (TI) cost to be amortized in the rental rate, as agreed upon by the parties subsequent to the Lease Award Date.

D. Subparagraph Intentionally Deleted

E. If the Government occupies the Premises for less than a full calendar month, then rent shall be prorated based on the actual number of days of occupancy for that month.

F. Rent shall be paid to Lessor by electronic funds transfer in accordance with the provisions of the General Clauses. Rent shall be payable to the Payee designated in the Government's System for Award Management (SAM). If the payee is different from the Lessor, both payee and Lessor must be registered in SAM.

G. Lessor shall provide to the Government, in exchange for the payment of rental and other specified consideration, the following:

1. The leasehold interest in the Property described in the paragraph entitled "The Premises."

2. All costs, expenses and fees to perform the work required for acceptance of the Premises in accordance with this Lease, including all costs for labor, materials, and equipment, professional fees, contractor fees, attorney fees, permit fees, inspection fees, and similar such fees, and all related expenses;

3. Performance or satisfaction of all other obligations set forth in this Lease; and all services, utilities, and maintenance required for the proper operation of the Property, the Building, and the Premises in accordance with the terms of the Lease, including, but not limited to, all inspections, modifications, repairs, replacements, and improvements required to be made thereto to meet the requirements of this Lease.

H. Subparagraph Intentionally Deleted

I. 1. Notwithstanding the language in Paragraph 1.03 A. of this Lease, if the tenant improvements initially required under this Lease ("Tenant Improvements") are not substantially complete in accordance with the Lessor's obligations under this Lease before September 18, 2016, and the Lessor caused the delay, then starting on September 18, 2016 the rent as shown for the "Tenant Improvements Rent¹" in Paragraph 1.03 A., \$136,240.51 as it may be adjusted pursuant to this Lease, shall be withheld from the rental payments to the Lessor until the Government's acceptance of the Tenant Improvements as substantially complete, which acceptance shall not be unreasonably withheld, at which time the total amount of "Tenant Improvements Rent¹" withheld from the Lessor shall be paid to the Lessor, and the "Total Annual Rent" in accordance with Paragraph 1.03 A. shall be paid to the Lessor going forward and throughout the Lease term.

2. The Government acknowledges and agrees that the Lessor's construction of the Tenant Improvements ("Work") will be done by the Lessor in the Space during the Government's occupancy, including during the Government's occupancy under Lease No. GS-10B-07301, and that such Work shall not affect the Government's obligation to pay the rent under this Lease except as stated in Paragraph 1.03 I. 1., and shall not affect the Government's obligation to pay the rent under Lease No. GS-10B-07301. The Government hereby grants the Lessor access to the Space to perform such Work in accordance with this Lease, under this Lease and during Lease No. GS-10B-07301."

1.04 INTENTIONALLY DELETED

1.05 INTENTIONALLY DELETED

1.06 RENEWAL RIGHTS (SEP 2013)

This Lease may be renewed at the option of the Government for a term of 5 YEARS at the following rental rate(s):

OPTION TERM, YEARS 9/18/2031 – 9/17/2036	
ANNUAL RENT	
SHELL RENTAL RATE	\$424,072.00
OPERATING COSTS ¹	\$84,383.00
* TOTAL ANNUAL RENT ¹	\$508,455.00

¹ The "Operating Costs" number of \$84,383.00, is the operating costs base rate. The "Operating Costs" rent component of the "Total Annual Rent" on any date of the lease is the current adjusted operating rent amount as adjusted annually per Paragraph 2.09, and these adjustments will continue through the entire term of the lease, including any option periods. The "Total Annual Rent" numbers shown above will be adjusted to include those increases in operating costs.

provided notice is given to the Lessor at least 180 days before the end of the original Lease term, all other terms and conditions of this Lease, as same may have been amended, shall remain in full force and effect during any renewal term.

1.07 DOCUMENTS INCORPORATED IN THE LEASE (SEP 2012)

The following documents are attached to and made part of the Lease:

DOCUMENT NAME	NO. OF PAGES	EXHIBIT
FLOOR PLANS		A(1)
PARKING PLANS		A(2)
AGENCY SPECIFIC REQUIREMENTS	12	B
SECURITY REQUIREMENTS	9	C
GSA FORM 3517B GENERAL CLAUSES	47	D
GSA FORM 3518, REPRESENTATIONS AND CERTIFICATIONS	11	E
CERTIFICATE OF SEISMIC COMPLIANCE	1	F
SMALL BUSINESS SUBCONTRACTING PLAN	8	G
JANITORIAL SERVICES	6	H

1.08 TENANT IMPROVEMENT ALLOWANCE (AUG 2011)

The Tenant Improvement Allowance (TIA) for purposes of this Lease is \$118.00 per ABOA SF (\$118.00 x 10,068 ABOA = \$1,188,024.00 total). The TIA is the amount that the Lessor shall make available for the Government to be used for TIs. This amount is amortized in the rent over the Firm Term of this Lease at an annual interest rate of eight (8) percent for a total annual rate of \$136,240.51.

1.09 TENANT IMPROVEMENT RENTAL ADJUSTMENT (AUG 2013)

A. The Government, at its sole discretion, shall make all decisions as to the use of the TIA. The Government may use all or part of the TIA. The Government may return to the Lessor any unused portion of the TIA in exchange for a decrease in rent according to the agreed-upon amortization rate over the Firm Term.

B. The Government may elect to make lump sum payments for any or all work covered by the TIA. That part of the TIA amortized in the rent shall be reduced accordingly. At any time after occupancy and during the Firm Term of the Lease, the Government, at its sole discretion, may elect to pay lump sum for any part or all of the remaining unpaid amortized balance of the TIA. If the Government elects to make a lump sum payment for the TIA after occupancy, the payment of the TIA by the Government will result in a decrease in the rent according to the amortization rate over the Firm Term of the Lease.

C. If it is anticipated that the Government will spend more than the allowance identified above, the Government may elect to:

1. Reduce the TI requirements;
2. Pay lump sum for the overage upon substantial completion in accordance with the "Acceptance of Space and Certificate of Occupancy" paragraph;
3. Negotiate an increase in the rent.

1.10 TENANT IMPROVEMENT FEE SCHEDULE (JUN 2012)

For pricing TI costs, the following rates shall apply for the initial build-out of the Space.

	INITIAL BUILD-OUT
ARCHITECT/ENGINEER ("A/E") FEES (% OF TI CONSTRUCTION COSTS)	\$ACTUAL COSTS FOR THE A/E FEES, NOT TO EXCEED 15% OF THE TOTAL TI CONSTRUCTION COSTS
LESSOR'S PROJECT MANAGEMENT FEE (% OF TI COSTS)	10%

1.11 INTENTIONALLY DELETED

1.12 INTENTIONALLY DELETED

1.13 PERCENTAGE OF OCCUPANCY FOR TAX ADJUSTMENT (JUN 2012)

As of the Lease Award Date, the Government's Percentage of Occupancy, as defined in the "Real Estate Tax Adjustment" paragraph of this Lease is 3.123131 percent. The Percentage of Occupancy is derived by dividing the total Government Space of 11,299 RSF by the total Building space of 361,784 RSF.

1.14 REAL ESTATE TAX BASE (SEP 2013)

The Real Estate Tax Base, as defined in the "Real Estate Tax Adjustment" paragraph of the Lease is \$1,101,342.70, for the property tax parcel numbers R246060 and R246061, for the entire building. Tax adjustments shall not occur until the tax year following lease commencement has passed.

1.15 OPERATING COST BASE (SEP 2013)

The parties agree, for the purpose of applying the paragraph titled "Operating Costs Adjustment" that the Lessor's base number for operating costs shall be \$84,383.00/annum.

1.16 RATE FOR ADJUSTMENT FOR VACANT LEASED PREMISES (SEP 2013)

In accordance with the paragraph entitled "Adjustment for Vacant Premises," if the Government fails to occupy or vacates the entire or any portion of the Premises prior to expiration of the term of the Lease, the operating costs paid by the Government as part of the rent shall be reduced by \$2.20 per ABOA SF of Space vacated by the Government.

1.17 HOURLY OVERTIME HVAC RATES (AUG 2011)

The following rates shall apply in the application of the paragraph titled "Overtime HVAC Usage:"

- \$37.19 per hour for this Space.

1.18 INTENTIONALLY DELETED

1.19 INTENTIONALLY DELETED

1.20 INTENTIONALLY DELETED