

<p align="center">GENERAL SERVICES ADMINISTRATION PUBLIC BUILDINGS SERVICE</p> <p align="center">LEASE AMENDMENT</p>	<p>LEASE AMENDMENT No. 3</p>
<p>ADDRESS OF PREMISES Home Plate Center 1521 1st Avenue South Seattle, WA 98134-1464</p>	<p>TO LEASE NO. GS-10P-LWA07488 Building No.: WA8070</p> <p>PDN Number: PS0038319</p>

THIS AMENDMENT is made and entered into between **1501 First Avenue South LP**

whose mailing address is: 270 S Hanford Street, Suite 100, Seattle, Washington 98134-1838

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, modify parking requirements, revise the commission and commission credit, order changes, and accept BSAC improvements.

NOW THEREFORE, these parties for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, covenant and agree that the said Lease is amended, effective January 29, 2018, as follows: the Lease Term paragraph and paragraphs 1.02, 1.03, and 1.04, 7.04, and 7.05 are hereby deleted and replaced. Lease Exhibit A-2 is hereby deleted and replaced.

This Lease Amendment contains 4 pages, plus exhibits A-2 (1 page), 3-1 (2 pages), 3-2 (2 pages), 3-3 (2 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: _____

Title: _____

Entity Name: _____

Date: _____


Harry Lieberman
Chief Executive Officer
1501 1st Ave, LP
February 14, 2018

FOR THE GOVERNMENT:

Signature: _____


Name: _____

Title: _____

GSA, Public Buildings Service

Date: _____

LINDSEY D. SNOW
CONTRACTING OFFICER


Lindsey Snow
Lease Contracting Officer
2/14/18


WITNESSED FOR THE LESSOR BY:

Signature: _____

Name: _____

Title: _____

Date: _____


Candice Ayers
Service Center Representative
February 14, 2018

LEASE TERM

To Have and To Hold the said Premises with its appurtenances for the term January 29, 2018-January 28, 2033.

1.02 EXPRESS APPURTENANT RIGHTS (SEP 2013)

The Government shall have the non-exclusive right to the use of Appurtenant Areas, and shall have the right to post Rules and Regulations Governing Conduct on Federal Property, Title 41, CFR, Part 102-74, Subpart C within such areas. The Government will coordinate with Lessor to ensure signage is consistent with Lessor's standards. Appurtenant to the Premises and included in the Lease are rights to use the following:

A. Parking: 50 secured, structured/inside parking spaces as depicted on the plan attached hereto as Exhibit A-2, reserved for the exclusive use of the Government.

B. Antennas, Satellite Dishes, and Related Transmission Devices: (1) Space located on the roof of the Building sufficient in size for the installation and placement of telecommunications equipment, (2) the right to access the roof of the Building, and (3) use of all Building areas (e.g., chases, plenums, etc.) necessary for the use, operation, and maintenance of such telecommunications equipment at all times during the term of this Lease.

1.03 RENT AND OTHER CONSIDERATION (SEP 2015)

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

	1/29/18-1/28/2023	1/29/2023-1/28/2028	1/29/2028-1/28/2033
	Annual Rent	Annual Rent	Annual Rent
Shell Rent	\$1,093,593.19 ¹	\$1,228,993.27	\$1,381,912.22
Tenant Improvement Rent ²	\$140,292.71	\$140,292.71	\$140,292.71
Operating Costs	\$323,950.63	\$323,950.63	\$323,950.63
Building Specific Amortized Capital (BSAC) ³	\$7,061.59	\$7,061.59	\$7,061.59
Parking ⁴	\$242,213.76	\$274,037.76	\$274,037.76
TOTAL ANNUAL RENT	\$1,807,111.88	\$1,974,335.96	\$2,127,254.91

¹ The Shell component includes three months of free shell rent, net of real estate taxes. The free rent is equivalent to \$85,782.51 per month for a total of \$257,347.53, as further described under sub-paragraph J below.

² Tenant Improvements of \$1,363,511.43 are amortized at a rate of 6.25% per annum over 15 years.

³ Building Specific Amortized Capital (BSAC) costs of \$68,631.95 are amortized at a rate of 6.25% per annum over 15 years.

⁴ Parking costs are further described under sub-paragraph I below and are to be escalated at a rate of 2.5% per annum over 15 years.

B - E. INTENTIONALLY DELETED

F. 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.

G. 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 by the Lessor in the System for Award Management (SAM). If the payee is different from the Lessor, both payee and Lessor must be registered and active in SAM.

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

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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.

I. Parking is provided at a starting rate of \$400.00 per space per month for 48 reserved, secured and structured parking spaces; two reserved, secured, and structured parking spaces are included in the Lease free of charge, for a total of 50 parking spaces. The parking rate for 48 spaces for years 1-10 has been escalated by 2.5% annually and such escalation has been averaged for each of the five year terms shown in the rent table above. The average rate for Years 1-5 is \$420.51 per month per space; and the average rate for Years 6-10 is \$475.76 per month per space. The parking rate for Years 11-15 shall be renegotiated to the market rate by the Government and Lessor in good faith in Year 10 of the Lease, provided that such renegotiation (1) shall occur at the initiation of the Lessor, (2) shall conclude not less than 180 days prior to the end of Year 10, and (3) the parking rate shall be not less than the Year 10 fully escalated rate of \$499.55 per space per month. Should the Lessor not initiate parking rate renegotiation per these terms, further parking escalations will be waived.

J. In accordance with the Lease negotiations, the Lessor has offered free base rent (shell rent excluding real estate taxes) to the Government for the first three (3) months of the Lease for a total of \$257,347.53. Therefore, the first three (3) months of the Lease shall be provided at a reduced rate to the Government.

1.04 BROKER COMMISSION AND COMMISSION CREDIT (SEP 2015)

A. CBRE, Inc. (Broker) is the authorized real estate Broker representing GSA in connection with this Lease transaction. The total amount of the Commission is [REDACTED] and is earned upon Lease execution, payable according to the Commission Agreement signed between the two parties. Only [REDACTED] of the Commission will be payable to CBRE, Inc. with the remaining [REDACTED] which is the Commission Credit, to be credited to the shell rental portion of the annual rental payments due and owing to fully recapture this Commission Credit. The reduction in shell rent shall commence with the fourth month of the rental payments and continue until the credit has been fully recaptured in equal monthly installments over the shortest time practicable.

B. Notwithstanding the "Rent and Other Consideration" paragraph of this Lease, the shell rental payments due *and* owing under this Lease shall be reduced to recapture fully 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:

Month 4 Rental Payment \$150,592.66 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted 4th Month's Rent.

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7.04 TENANT IMPROVEMENTS

The total Tenant Improvement Allowance (TIA) of \$1,363,511.43 is set forth in Paragraph 1.08. Per the table below and Exhibit 2-A, the Government has reviewed the Lessor's TI pricing and determined it to be fair and reasonable. Said pricing includes all costs for labor, materials, fees, overhead, profit, and any other costs required to complete this work. Upon inspection and acceptance by the Government, a lump sum payment in the amount identified in the table below shall be issued to the lessor per the instructions outlined Paragraph 7.06 below. This LA serves as the Lessor's notice to proceed (Notice to Proceed) with the TIs as outlined in the table below and on the referenced exhibits.

			APPROVED VIA LA#	WORK ACCEPTED	EXHIBIT
Approved TI Costs as of NTP		\$2,635,888.04	2	YES	2-A
TI Allowance to be Amortized		\$1,363,511.43	N/A	N/A	N/A
Remaining TI to be paid Lump Sum (TI Overage)		\$1,272,376.61	N/A	N/A	N/A
CHANGE ORDER	DESCRIPTION	AMOUNT	APPROVED VIA LA#	ACCEPTED	EXHIBIT
CO 1	Training Room upgrades	██████████	3	YES	3-1
CO 2	Misc. Modifications	██████████	3	YES	3-2
CO 3	Misc. Modifications	██████████	3	NO	3-3
Change Orders approved		██████████		N/A	N/A
Total Lump Sum Payment including TI Overages and Change Orders		\$1,464,994.50			

At the time of space acceptance, the Government confirms that the work included in the TI Overage and Change Orders 1-2, in the amount of \$1,357,100.76, have been completed and accepted. The Lessor may now submit an invoice in the amount of \$1,357,100.76, per the invoicing instructions in Paragraph 7.06. Upon completion of Change Order 3, and acceptance thereof by the Government, the Lessor may submit a second invoice in the amount of \$107,893.74.

7.05 BUILDING SPECIFIC AMORTIZED CAPITAL IMPROVEMENTS

The Government has accepted BSAC improvements in the amount of \$68,631.95 as outlined on Exhibit 2-8 (1 page). Paragraph 1.03 (Rent), above, has been revised to memorialize the reduction to the total BSAC costs from \$82,042.00 to the final cost of \$68,631.95.

ALL OTHER TERMS AND CONDITIONS OF THE LEASE SHALL REMAIN IN FULL FORCE AND EFFECT.

INITIALS:

LESSOR

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