

**LEASE NO. GS-10P-LWA07488**  
**Bldg No. WA8070**

Global Lease  
GSA FORM L100 (03/2016)

This Lease is made and entered into between

**1501 First Avenue South LP**

(Lessor), whose principal place of business is 270 S Hanford St Ste 100, Washington 98134-1838, 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

**Home Plate Center**  
**1521 1st Avenue South**  
**Seattle, Washington 98134-1464**

and more fully described in Section 1 and Exhibit A-1 and A-2, together with rights to the use of parking and other areas as set forth herein, to be used for such purposes as determined by GSA.

**LEASE TERM**

To Have and To Hold the said Premises with its appurtenances for the term beginning upon acceptance of the Premises as required by this Lease and continuing for a period of

**15 Years, 15 Years Firm.**

The commencement date of this Lease shall be more specifically set forth in a Lease Amendment upon substantial completion and acceptance of the Space by the Government.

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: Henry Lieberman  
Title: Managing General Partner  
Entity Name: 1501 1st Ave S. LP  
Date: 9/29/2016

**FOR THE GOVERNMENT:**

**LINDSEY D. SNOW**  
**CONTRACTING OFFICER**

Name: Lindsey D. Snow  
Title: Lease Contracting Officer  
General Services Administration, Public Buildings Service  
Date: OCT 3 2016

**WITNESSED FOR THE LESSOR BY:**

Name: Candia Ayres  
Title: Administrative Assistant  
Date: 9/29/2016

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.

## SECTION 1 THE PREMISES, RENT, AND OTHER TERMS

### 1.01 THE PREMISES (SEP 2015)

The Premises are described as follows:

- A. Office and Related Space: **29,693** rentable square feet (RSF), yielding **23,214** ANSI/BOMA Office Area (ABOA) square feet (SF) of office and related Space located on the **4th** floor and known as Suite **400** of the Building, as depicted on the floor plan attached hereto as Exhibit A-1.
- B. Common Area Factor: The Common Area Factor (CAF) is established as **27.91** percent. This factor, which represents the conversion from ABOA to rentable square feet, rounded to the nearest whole percentage, shall be used for purposes of rental adjustments in accordance with the Payment Clause of the General Clauses.
- C. INTENTIONALLY DELETED

### 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: **48** 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:

	YEARS 1-5	YEARS 6-10	YEARS 11-15
	ANNUAL RENT	ANNUAL RENT	ANNUAL RENT
SHELL RENT	\$1,093,593.19	\$1,228,993.27	\$1,381,912.22
TENANT IMPROVEMENTS RENT <sup>1</sup>	\$ 140,292.69	\$ 140,292.69	\$ 140,292.69
OPERATING COSTS	\$323,950.63	\$323,950.63	\$323,950.63
BUILDING SPECIFIC AMORTIZED CAPITAL (BSAC) <sup>2</sup>	\$8,441.36	\$8,441.36	\$8,441.36
PARKING <sup>3</sup>	\$242,213.76	\$274,037.76	\$274,037.76 <sup>3</sup>
TOTAL ANNUAL RENT	\$1,808,491.63	\$1,975,715.71	\$2,128,634.66

<sup>1</sup>Tenant Improvements of \$1,363,511.43 are amortized at a rate of 6.25 percent per annum over 15 years.

<sup>2</sup>Building Specific Amortized Capital (BSAC) costs of \$82,042.00 are amortized at a rate of 6.25 percent per annum over 15 years.

<sup>3</sup>Parking costs are further described under sub-paragraph I below.

<sup>4</sup>The Shell Rent will be reduced by \$257,438.31 over the first 3 months of the Lease, as further described under sub-paragraph J below.

- B. INTENTIONALLY DELETED
- C. Rent is subject to adjustment based upon a mutual on-site measurement of the Space upon acceptance, not to exceed **23,214** ABOA SF based upon the methodology outlined under the "Payment" clause of GSA Form 3517.
- D. 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.
- 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:

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 shall be provided at a starting rate of \$400.00 per space per month for 48 reserved, secured and structured parking spaces. The parking rate for years 1-10 shall escalate by 2.5% annually and have been escalated and averaged for the five year terms in the rent table above. The average rate for years 1-5 is \$420.51 per month per space, and \$475.76 per month per space for years 6-10. The parking rate for years 11-15 shall be renegotiated to the market rate in year 10, by the Government and Lessor in good faith, not less than 180 days prior to the end of year 10, provided that the parking rate shall not be less than the year 10 fully escalated rate of \$499.55 per space per month, assuming that rate can be supported by market data at the time.

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 **\$257,347.54**. 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 first 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 **\$150,707.64** minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted 4<sup>th</sup> Month's Rent.\*

\* Subject to change based on adjustments outlined under the paragraph "Rent and Other Consideration."

#### 1.05 INTENTIONALLY DELETED

#### 1.06 INTENTIONALLY DELETED

#### 1.07 DOCUMENTS INCORPORATED IN THE LEASE (SEP 2015)

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

DOCUMENT NAME	NO. OF PAGES	EXHIBIT
FLOOR PLAN	1	A-1
PARKING PLAN	1	A-2
Agency Specific Requirements – Dated April 12, 2016	54	B
SECURITY REQUIREMENTS FOR LEVEL II	6	C
GSA FORM 3518-SAM, ADDENDUM TO SYSTEM FOR AWARD MANAGEMENT (SAM) REPRESENTATIONS AND CERTIFICATIONS (ACQUISITIONS OF LEASEHOLD INTERESTS IN REAL PROPERTY)	2	D
SEISMIC FORM B – EXISTING BUILDING	1	E
GSA FORM 3517B GENERAL CLAUSES	15	F

#### 1.08 TENANT IMPROVEMENT RENTAL ADJUSTMENT (SEP 2015)

A. The Tenant Improvement Allowance (TIA) for purposes of this Lease is **\$58.7366** ABOA SF. 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 **6.25** percent.

B. 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.



C. 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.

D. 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.

#### 1.09 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 FEES ( \$ PER ABOA SF OR % OF TI CONSTRUCTION COSTS)	\$3.00 PER ABOA
LESSOR'S PROJECT MANAGEMENT FEE (% OF TI CONSTRUCTION COSTS)	5%

#### 1.10 INTENTIONALLY DELETED

#### 1.11 INTENTIONALLY DELETED

#### 1.12 PERCENTAGE OF OCCUPANCY FOR TAX ADJUSTMENT (JUN 2012)

As of the Lease Award Date, the Government's Percentage of Occupancy, as defined in Paragraph 2.07 "Real Estate Tax Adjustment" is **15.996659** percent. The Percentage of Occupancy is derived by dividing the total Government Space of **29,693** RSF by the total Building space of **185,620** RSF.

#### 1.13 REAL ESTATE TAX BASE (SEP 2013)

The Real Estate Tax Base, as defined in Paragraph 2.07 "Real Estate Tax Adjustment" is **\$64,203.05** per annum for the Premises. Tax adjustments shall not occur until the tax year following lease commencement. The tax parcel number is **766620-7075-01**.

#### 1.14 OPERATING COST BASE (SEP 2013)

The parties agree, for the purpose of applying the paragraph titled "Operating Costs Adjustment," that the Lessor's base rate for operating costs shall be **\$323,950.63** per annum.

#### 1.15 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. The Government shall receive its proportionate share of operating cost reductions to be memorialized in a lease amendment. the Government.

#### 1.16 HOURLY OVERTIME HVAC RATES (AUG 2011)

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

- \$36.59 per hour for the entire Space.

#### 1.17 INTENTIONALLY DELETED

#### 1.18 INTENTIONALLY DELETED

#### 1.19 INTENTIONALLY DELETED