

US GOVERNMENT LEASE FOR REAL PROPERTY

DATE OF LEASE

October 21, 2009

LEASE NO.

GS-10B-07072

BUILDING NO.

WA7976

THIS LEASE, made and entered into this date by and between I & G Bellevue, L.L.C., a Delaware limited liability company

Whose address is 200 East Randolph St., Chicago, IL 60601-0000

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 11,812 rentable square feet (RSF) of office and related space, which yields 10,010 ANSI/BOMA Office Area square feet (USF) of space at Bellevue Pacific Center, 188 106th Ave NE, Bellevue, WA 98004, to be used for such purposes as determined by the General Services Administration. In addition, Lessor leases to the Government five (5) reserved, structured parking spaces.

2. TO HAVE AND TO HOLD the said premises with their appurtenances for the term beginning on May 21, 2010 and continuing through May 20, 2020, subject to termination and renewal rights as may be hereinafter set forth.

3. The Government shall pay the Lessor annual rent of \$430,059.29 at the rate of \$35,838.33 per month in arrears. In addition to rent, the Government shall pay Lessor a rate of \$75.00 per month/per space for five (5) spaces, or an annual amount of \$4,500.00, for years 1 - 2 and 95% of the market rate for years 3 - 10. The Lessor will be responsible for providing timely notification of the change in parking rates for years 3 - 10.

Rent for a lesser period shall be prorated. Rent checks shall be made payable to:

I & G Bellevue, L.L.C.
c/o LaSalle Investment Management
I & G Bellevue Lockbox Account [REDACTED]
200 East Randolph
Chicago, IL 60601-6436

4. The Government may terminate this lease in whole or in part at any time on or after May 21, 2015 by giving at least 180 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.

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

LESSOR

I & G BELLEVUE, L.L.C.

[REDACTED], ITS MANAGING MEMBER

Vice President

(Title)

200 E. Randolph, Chicago, IL 60601

(Address)

Contracting Officer, General Services Administration

(Official Title)

5. ~~This lease may be renewed at the option of the Government, for the following terms and at the following rentals:~~

~~provided notice be given in writing to the Lessor at least XX 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. Paragraph intentionally removed.~~

6. The Lessor shall furnish to the Government, as part to the rental consideration, the following:
- A. Those facilities, services, supplies, utilities, and maintenance in accordance with SFO 8WA2026 dated December 19, 2008, as amended.
 - B. Build out in accordance with standards set forth in SFO 8WA2026 dated December 19, 2008, as amended, 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.
 - C. Deviations to the approved design intent drawings will not be permitted unless prior written authorization is obtained from the GSA Contracting Officer.

7. The following are attached and made a part hereof:
- A. Solicitation for Offers 8WA2026 dated December 19, 2008 (49 of pages)
 - B. Amendments 1 dated January 15, 2009 (one page), Amendment 2 dated January 30, 2009 (one page) and Amendment 3 dated May 15, 2009 (one page).
 - C. GSA Form 3517B entitled GENERAL CLAUSES (Rev. [11/05], 33 pages)
 - D. GSA Form 3518 entitled REPRESENTATIONS AND CERTIFICATIONS (Rev. [1/07], 7 pages)

8. In accordance with the SFO paragraph entitled *Tenant Improvement Rental Adjustment*, Tenant Improvements in the total amount of \$417,917.50 (10,010 USF x \$41.75) shall be amortized through the rent for five (5) years at the rate of 8%. The total annual cost of Tenant Improvements for the amortization period shall be \$101,686.32.

9. In accordance with the SFO paragraph 4.2 entitled *Tax Adjustment*, and pursuant to GSA Form 1217 Lessor's Annual Cost Statement, Base Real Estate Taxes shall be formally established at \$2.24 per RSF. Base Real Estate Taxes will be adjusted in accordance with the SFO paragraph 4.2.

10. In accordance with the SFO subparagraph 4.2 B.9 entitled *Percentage of Occupancy*, the percentage of Government occupancy is established as 10.799%.

11. In accordance with the SFO paragraph entitled 4.3 *Operating Costs Base*, the escalation base is established as \$6.76/RSF (\$79,849.12/annum). Base Operating Costs will be adjusted in accordance with the SFO paragraph 4.3.

12. In accordance with the SFO subparagraph 4.1 C entitled *Common Area Factor*, the common area factor is established as 1.18 (11,812 RSF/10,010 USF).

13. In accordance with the SFO paragraph 4.4 entitled *Adjustment for Vacant Premises*, the adjustment is established as \$0.00/USF for vacant space (rental reduction). In the event the Government fails to occupy any portion of the leased premises or vacates the premises in whole or in part prior to expiration of the firm term of the lease, no adjustment in the rental rate will be made.

14. In accordance with the SFO paragraph entitled 4.6 *Overtime Usage*, there is no charge for overtime usage on weekdays; the rate for overtime usage on Saturdays and Sundays only is established as \$20.00 per hour for the entire building or any portion thereof. The charge for 24/7 heating/cooling of the LAN room, if necessary, will be provided at actual cost with no mark-up.

15. Security costs in the total amount of \$0.00 shall be amortized through the rent for 0 months at the rate of 0%.

LESSOR

UNITED STATES OF AMERICA

BY

(Initial)

BY

(Initial)

16. Pursuant to paragraph 3 of the Lease, *Amount of Annual Rent and Rate per Month*, payable on 11,812 ANSI/BOMA Rentable area is as follows:

Rent Period ¹	Shell Rent ²	Operating Rent ³	Amortized TIs ⁴	Annual Rent	Monthly Rent
05/21/10-05/20/15	\$248,524.48	\$79,849.12	\$101,686.32	\$430,059.92	\$35,838.33
05/21/15-05/20/16	\$335,342.68	\$79,849.12	\$00.00	\$415,191.80	\$34,599.32
05/21/16-05/20/17	\$347,154.68	\$79,849.12	\$00.00	\$427,003.80	\$35,583.65
05/21/17-05/20/18	\$359,966.68	\$79,849.12	\$00.00	\$438,815.80	\$36,567.98
05/21/18-05/20/19	\$370,778.68	\$79,849.12	\$00.00	\$450,627.80	\$37,552.32
05/21/19-05/20/20	\$382,590.68	\$79,849.12	\$00.00	\$462,439.80	\$38,536.65

- ¹ Rent for the period of 05/21/10 through 07/20/10 is adjusted pursuant to paragraph 17 below.
- ² Shell Rent at \$21.04 per Rentable SF for years 1-5; and \$28.39 (year 6), \$29.39 (year 7), \$30.39 (year 8), \$31.39 (year 9) and \$32.39 (year 10) per Rentable SF (these rates reflect the Base Real Estate Tax of \$2.24 per Rentable SF).
- ³ Base Operating Rent at \$6.76 per Rentable SF for years 1-10, subject to adjustments in accordance with the SFO paragraph 4.3.
- ⁴ Amortized TIs calculated at \$41.75 per Usable SF @ 8% for 5 years.

17. Adjusted monthly rent payments (application of commission credit):
 The commission credit shall be applied in equal monthly amounts against the shell rental payments over the minimum number of months that will not exceed the monthly shell rental per SFO subparagraph 2.4 B. The monthly rent is \$35,838.33. The monthly shell rent is \$20,710.37. The commission credit is [REDACTED] and is calculated as follows:

Years 1-5: [REDACTED]
 GSA Credit: [REDACTED]
 Studley, Inc./LaBonde Land, Inc. Commission: [REDACTED]

The monthly rent adjusted for the commission credit is as follows:

Rent Period	Scheduled Monthly Rent	Scheduled Mo. Shell Rent	Commission Credit	Commission Credit Remaining	Adjusted Monthly Rent Payment
05/21/10 - 06/20/10	\$35,838.33	\$20,710.37	[REDACTED]	[REDACTED]	[REDACTED]
06/21/10 - 07/20/10	\$35,838.33	\$20,710.37	[REDACTED]	[REDACTED]	[REDACTED]
07/21/10 - 08/20/10	\$35,838.33	\$20,710.37	[REDACTED]	[REDACTED]	[REDACTED]

18. The Government reserves the right to adjust the final square footage after receipt and approval of CAD drawings and final site acceptance of the premises. Any adjustments, including those for agreed upon square footage and annual rent, shall be documented by Supplemental Lease Agreement.

19. 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.

LESSOR

UNITED STATES OF AMERICA

BY [Signature]
 (Initial)

BY [Signature]
 (Initial)