## **GENERAL SERVICES ADMINISTRATION**

PUBLIC BUILDINGS SERVICE

SUPPLEMENTAL AGREEMENT

DATE

OCT 1 2 2010

NO. 1

SUPPLEMENTAL LEASE AGREEMENT

TO LEASE NO. LWA07156

ADDRESS OF PREMISES:

2<sup>nd</sup> Floor at Sea Tac Office Center Located at 18000 International Blvd.

SeaTac, WA 98188-4253

THIS AGREEMENT, made and entered into this date by and between SAC Associates, LLC Marina Square Partners, LLC and JFIC-SAC LLC c/o Scanlan **Kemperbard Companies** 

Whose address is 1211 SW FIFTH AVENUE

**SUITE 2600** Portland, OR 97204

hereinafter called the Lessor, and the UNITED STATES OF AMERICA, hereafter called the Government:

WHEREAS, the parties hereto desire to amend the above Lease.

NOW THEREFORE, these parties for the considerations hereinafter mentioned covenant and agree that the said Lease is amended, effective upon execution by the Government, as follows:

The purpose of this Supplemental Lease Agreement (SLA) 1 is to increase the square footage, revise the estimated lease beginning date, revise the rent schedule, revise the date for termination rights, revise the tenant improvement allowance, revise the percentage of occupancy, revise the operating cost base, revise the common area factor, and revise the broker commission. Therefore, Paragraphs 1, 2, 3, 4, 8, 9, 10, 11, and 14 are deleted in their entirety and the following is substituted in lieu thereof:

1. The Lessor hereby leases to the Government the following described premises:

A total of 18,247 rentable square feet (RSF) of office and related space, which yields 17,544 ANSI/BOMA Office Area square feet (USF) of space on the 2nd Floor at Sea Tac Office Center, 18000 International Blvd. SeaTac, WA 98188-4253, to be used for such purposes as determined by the General Services Administration. Included in the rent at no additional cost to the Government are fifteen 50 (40 surface and 10 structured) parking spaces for exclusive use of Government employees and patrons." (Parking is valued at \$200 per month).

- 2. TO HAVE AND TO HOLD the said premises with their appurtenances for the term beginning approximately December 15, 2010 continuing through December 14, 2020, subject to termination and renewal rights as may be hereinafter set forth, subject to beneficial occupancy. Lease term is ten (10) years, five (5) years firm, with lease effective term to be determined following completion of tenant improvement and Government's acceptance of space.
- 3. The Government shall pay the Lessor annual rent of \$494,974.49 and stepped per the table below.

Rent Period	Shell Rent	Operating Rent	Amortized TIs	Annual Rent
Year 1	\$218,564.13	\$119,882.79	\$156,527.57	\$494,974.49
Year 2	\$232,249.38	\$119,882.79 plus CPI	\$156,527.57	\$508,659.74
Year 3	\$245,934.63	\$119,882.79 plus CPI	\$156,527.57	\$522,344.99
Year 4	\$259,619.88	\$119,882.79 plus CPI	\$156,527.57	\$536,030.24
Year 5	\$273,305.13	\$119,882.79 plus CPI	\$156,527.57	\$549,715.49
Year 6	\$370,596.57	\$119,882.79 plus CPI	\$0.00	\$490,479.36
Year 7	\$384,281.82	\$119,882.79 plus CPI	\$0.00	\$504,164.61
Year 8	\$397,967.07	\$119,882.79 plus CPI	\$0.00	\$517,849.86
Үеаг 9	\$411,652.32	\$119,882.79 plus CPI	\$0.00	\$531,535.11
Year 10	\$425,337.57	\$119,882.79 plus CPI	\$0.00	\$545,220.36

- 1) Months 1 through 4, free rent.
- The shell rent amount includes the base year tax as shown in paragraph 9 of the SLA.
- 3) Operating rent base shall be adjusted per paragraph 10.
- 4) See Paragraph 8 of this SLA.
- The annual rent owed for the first year of the lease will be adjusted per paragraph 14 and after the 4 months of free rent.

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

Scanlan Kemperbard Companies 1211 SW Fifth Avenue, Suite 2600 Portland, OR 97204

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ed their names as of the above date. ARTNERS, LLC AND JFIC-SAC,LLC C/O SCANLAN KEMPERBARD COMPANIES SENIOR UP, ASSET MANAGEMENT 1211 FIFTH AUE, STE2600 PORTLAND, OR 97204 IN PRESENCE O RACTING OFFICER GENERAL SERVICES ADMINISTRATION

## Page 2 of SLA 1 to Lease LWA07156.

- 4. The Government may terminate this lease in whole or in part at any time on or after December 15, 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.
- 8. In accordance with the SFO paragraph entitled Tenant Improvement Rental Adjustment, Tenant Improvements in the total Amount of \$782,637.84 (17,544 USF x \$44.61) shall be amortized through the rent for 5 years at a rate of 0%. The total annual cost of the Tenant Improvements for the amortized period shall be \$156,527.57.
- 9. In accordance with the SFO paragraph entitled Percentage of Occupancy, the percentage of Government Occupancy is established at 8.693% (18,247 RSF/209,904 RSF). Tax adjustment based on the percentage of occupancy for the Tax Parcel # 3323049001 is established at 3.427% (18,247/532,430 RSF). The tax base is established at \$1.59/RSF/year.
- 10. In accordance with SFO paragraph entitled Operating Costs Base, the escalation base is established at \$6.57 per RSF (\$6.57 x 18,247 RSF = \$119,882.79 per annum).
- 11. In accordance with the SFO paragraph entitled common area factor, the common area factor is established as 1.04 (18,247 RSF/17,544 USF).

Commission and Commission Credit
The Lessor and the Broker have agreed to a cooperating lease commission of per rentable square foot per year for the
firm term of this Lease". The total amount of the commission is the Lessor shall pay the Broker no additional
commissions associated with this lease transaction. In accordance with the "Broker Commission and Commission Credit
paragraph, the broker has agreed to forego of the commission that it is entitled to receive in connection with this lease
ransaction ("Commission Credit"). The commission credit is the Lessor agrees to pay the commission less the
commission credit to the Broker in accordance with the "Broker Commission and Commission Credit" paragraph in the SFO attached to and forming part of this lease.

Notwithstanding Paragraph 3 of this Standard SLA, the shell rental payments due and owing under this lease shall be reduced to fully capture the 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:

Fifth Month Rental Payment \$41,247.87 minus prorated commission credit of equals adjusted Fifth's Month's Rent.

GSA Form 276 (Jul. 67)

INITIALS:

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