

# US GOVERNMENT LEASE FOR REAL PROPERTY

DATE OF LEASE	DEC 17 2010	LEASE NO.	BUILDING NO.
		GS-10B-07160	WA7995

THIS LEASE, made and entered into this date by and between 400 MILL PLAIN CENTER, LLC

Whose address is 400 EAST MILL PLAIN BLVD., SUITE 500  
VANCOUVER, WA 98660-3244

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:

- The Lessor hereby leases to the Government the following described premises:

A total of 3,906 rentable square feet (RSF) of office and related space, which yields 3,356 ANSI/BOMA Office Area square feet (ABOA) of space on the third floor at 400 Mill Plain Center, 400 East Mill Plain Boulevard, Vancouver, WA 98660-3244, 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 13 reserved, on-site parking spaces for exclusive use of Government.

- TO HAVE AND TO HOLD the said premises with their appurtenances for the term beginning upon beneficial occupancy and continuing for fifteen years, subject to termination and renewal rights as may be hereinafter set forth.

- The Government shall pay the Lessor annual rent per the table below.

Rent Period	Shell Rent <sup>1</sup>	Operating Rent <sup>2</sup>	Amortized TIs <sup>3</sup>	Amortized Building Specific Security <sup>4</sup>	Annual Rent <sup>5</sup>
Years 1-5	\$66,675.16	\$9,257.22	\$19,319.86	\$2,383.93	\$97,636.17
Years 6-10	\$81,322.66	\$9,257.22	\$19,319.86	\$2,383.93	\$112,283.67
Years 11-15	\$90,814.50	\$9,257.22	\$0	\$0	\$100,071.72

<sup>1</sup> The Shell Rent amount includes the base year tax amount as shown in Paragraph 12 of this SF2.

<sup>2</sup> Operating Rent base shall be adjusted per Paragraph 14 of this SF2.

<sup>3</sup> See Paragraph 9 of this SF2.

<sup>4</sup> See Paragraph 11 of this SF2.

<sup>5</sup> The shell and annual rent owed for the first year of the lease will be adjusted per Paragraphs 18 and 19 of this SF2.

The Government is entitled to two (2) months shell rent abatement that will be received in the first and second months of occupancy. Adjusted monthly rent payments for the first and second months of occupancy are listed in Paragraph 18.

Rent shall be paid monthly in arrears. Rent for a lesser period shall be prorated. Rent checks shall be made payable to:

400 Mill Plain Center, LLC  
c/o The AN Angelo Co.

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

LESSOR

[Redacted Signature]

MANAGING MEMBER  
(Title)

[Redacted Signature]

400 East Mill Plain Blvd, St. 500  
(Address)

UNITED STATES OF AMERICA

[Redacted Signature]

ANDSEY D. SNOW  
CONTRACTING OFFICER

Contracting Officer, General Services Administration  
(Official Title)

400 MILL PLAIN CENTER, LLC  
400 EAST MILL PLAIN BLVD., SUITE 500  
VANCOUVER, WA 98660-3244

4. The Government may terminate this lease in whole or in part at any time on or after the last day of the tenth lease year by giving at least 120 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.
5. The Government is entitled to one 5 year renewal option provided notice is given in writing to the Lessor at least 120 days before the end of the original lease term. The agreed upon annual shell renewal rental rate is \$107,922.78. All other terms and conditions of the lease shall remain the same during the renewal term. Said notice shall be computed commencing with the day after the date of the mailing.
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 8WA2436 dated June 24, 2010, as amended.
  - B. The thirteen (13) surface parking spaces described in Paragraph 1 at no cost to the Government, and parking spaces required by local code. The market value of each parking space is \$80.00 monthly.
  - C. Build out in accordance with standards set forth in SFO 8WA2436 dated June 24, 2010, as amended, and the Government's design intent drawings. Government space plans shall be developed subsequent to award.
  - D. Deviations to the approved design intent drawings will not be permitted unless prior written authorization is obtained from the GSA Contracting Officer.
7. All terms, conditions, and obligations of the Lessor and the Government are set forth in the following:
  - A. Standard Form 2 (pages 1-4)
  - B. Solicitation for Offers 8WA2436 dated 6/24/2010 (pages 1-53) and Amendment 1 dated 9/3/2010 (1 page)
  - C. Agency Special Requirements (pages 1-39)
  - D. GSA Form 3517B (pages 1-33) entitled GENERAL CLAUSES (Rev. [6/08])
  - E. GSA Form 3518A entitled REPRESENTATIONS AND CERTIFICATIONS (Rev. [1/07]) (pages 1-4)
  - F. Site Plan (1 page)
  - G. GSA Form 1217 (2 pages)
  - F. Security Unit Price List (3 pages)
8. The following paragraphs 9 through 23 of this Standard Form 2 have been added to this lease prior to its execution.
9. In accordance with the SFO paragraph 3.2 entitled *Tenant Improvements Included in Offer*, Tenant Improvements in the amount of \$151,791.88 shall be amortized through the rent for 10 years at the rate of 5%, at which point the TIs will have been fully paid and will be reduced from the rent. The total annual cost of Tenant Improvements during the amortization period shall be \$19,319.86.
10. Tenant Improvement Fee Schedule: The Lessor's tenant improvement fee schedule is outlined as follows:
  - A. The General conditions will not exceed 12.0% of the total subcontractor's costs.
  - B. The General Contractor's fee will not exceed 8.0% of the total subcontractor's costs and General Conditions.
  - C. The Architectural/Engineering fees will not exceed 10.0% of General Contractor's Total Cost.
  - D. The Lessor's Project Management fee will not exceed 0% of the total of General Contractor's Total Cost.
11. Building Specific Security Costs in the amount of \$18,730.00 shall be amortized through the rent for 10 years at the rate of 5%, at which point the Building Specific Security Costs will have been fully paid and will be reduced from the rent. The total annual Building Specific Security costs during the amortization period shall be \$2,383.93.

LESSOR

UNITED STATES OF AMERICA

BY



(Initial)

BY



(Initial)

12. In accordance with the SFO paragraph 4.2, entitled *Tax Adjustment*, the tax base for the Government-occupied space is established at \$8,165.60 and the parcel numbers are 40000000 and 40005000.
13. In accordance with the SFO paragraph 4.2 (B) 9 the percentage of Government occupancy is established as 6.9276% (3,906 RSF/56,383 RSF).
14. In accordance with the SFO paragraph 4.3 entitled *Operating Costs*, the escalation base is established as \$9,257.22/annum.
15. In accordance with the SFO paragraph 4.1 (C) entitled *Common Area Factor*, the common area factor is established as 1.1639 (3,906 RSF/3,356 ABOA).
16. In accordance with the SFO paragraph 4.4 entitled *Adjustment for Vacant Premises*, the adjustment is established as \$2.50/ABOA of vacant space (rental reduction).
17. In accordance with the SFO paragraph 4.6 entitled *Overtime Usage*, the rate for overtime usage is established as \$0.00 per hour for the entire building or any portion thereof.
18. Adjusted monthly rent payment (application of shell rent abatement):  
The shell rent abatement shall be applied in the first and second months of the lease term. The monthly rent adjusted for the shell rent abatement is as follows:

Rent Period	Scheduled Monthly Rent	Scheduled Monthly Shell Rent	Shell Rent Abatement	Adjusted Monthly Rent
Month 1	\$8,136.35	\$5,556.26	\$5,556.26	\$2,580.09
Month 2	\$8,136.35	\$5,556.26	\$5,556.26	\$2,580.09

19. 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 Section 2.5 B. of the SFO. The commission credit shall begin in month three (3) of the Lease. The monthly rent is \$8,136.35. The monthly shell rent is \$5,556.26. The commission credit is calculated as follows:

TOTAL RENT: Years 1-5: [REDACTED]  
Less Shell Rent Abatement [REDACTED]  
Years 6-10: [REDACTED]  
TOTAL FIRM TERM: [REDACTED]  
Total Commission: [REDACTED]  
GSA Credit: [REDACTED]  
Jones Lang LaSalle [REDACTED]

The monthly rent adjusted for the total GSA commission credit of \$12,357.99 is as follows:

Rent Period	Scheduled Monthly Rent	Scheduled Monthly Shell Rent	Commission Credit	Commission Credit Remaining	Adjusted Monthly Rent
Month 3	\$8,136.35	\$5,556.26	[REDACTED]	[REDACTED]	[REDACTED]
Month 4	\$8,136.35	\$5,556.26	[REDACTED]	[REDACTED]	[REDACTED]
Month 5	\$8,136.35	\$5,556.26	[REDACTED]	[REDACTED]	[REDACTED]
Month 6	\$8,136.35	\$5,556.26	\$0	\$0	\$8,136.35

The Lessor agrees that the commission of [REDACTED] is due and payable to Jones Lang LaSalle pursuant to that certain Broker Commission Agreement dated June 24, 2010.

LESSOR

UNITED STATES OF AMERICA

BY  
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BY  
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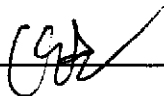
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20. The Lessor hereby waives and forever relinquishes any right to make a claim against the Government for waste, damages or restoration arising from or related to any alteration or removal of any alteration by the Government during the term of this Lease or any extensions. Alterations may be completed by either the Government and/or the Lessor including the initial buildout of the leased space and/or any subsequent modifications required during the lease period. At the Government's sole discretion, property remaining in leased space after termination of the lease contract will become the property of the Lessor.
21. 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.
22. Wherever the words "Offeror", "Lessor" or "successful offeror" appear in this Lease, they shall be deemed to mean "Lessor"; wherever the words "solicitation", "Solicitation for Offers", or "SFO" appear in this lease, they shall be deemed to mean "this Lease"; where the words "space offered for lease" appear in this Lease, they shall be deemed to mean "Premises".
23. 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 \_\_\_\_\_  
(Initial)



BY \_\_\_\_\_  
(Initial)

