

SUPPLEMENTAL LEASE AGREEMENT

SUPPLEMENTAL LEASE AGREEMENT NO. 7	TO LEASE NO. GS-10B-07236	DATE 8/17/12	PAGE 1 of 3
ADDRESS OF PREMISES Alderwood West Center, 18905 33 rd Avenue, Suite 200, Lynnwood, WA 98036			Bldg # WA7765ZZ

THIS AGREEMENT, made and entered into this date by and between J & J ALDERWOOD, LLC,

whose address is: 30500 SE 79th Street
Issaquah, WA 98027

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 document Beneficial Occupancy and acceptance of space, establish the commencement date, restate the rent structure and adjust the commission credit to the Government. Therefore, Paragraphs 2, 3, 8, 19 and 20 are deleted in their entirety and replaced with the same numbered paragraphs in lieu thereof.

NOW THEREFORE, these parties for the considerations hereinafter mentioned covenant and agree that the said Lease is amended, effective May 11, 2012, as follows:

2 TO HAVE AND TO HOLD the said premises with their appurtenances for the term beginning on November 11, 2011 through November 10, 2021, subject to termination and renewal rights as may be hereinafter set forth. Beneficial Occupancy and acceptance of tenant improvements occurred on May 11, 2012.

3. The Government shall pay the Lessor rent as follows:

Period	Base Shell Rent	*Operating Costs	*Taxes	Amortized Tls	Annual Rent	Monthly Rent
11/11/2011 – 5/10/2012	\$103,921.19	\$37,340.43	\$12,017.30	\$0	\$153,278.92	\$12,773.24
5/11/2012-11/10/2016	\$103,921.19	\$37,340.43	\$12,017.30	60,534.12	213,813.04	17,817.75
11/11/2016– 11/10/2021	\$127,182.70	\$37,340.43	\$12,017.30	N/A	\$176,540.43	\$14,711.70

*Operating Costs are subject to CPI adjustments. Real Estate Taxes are subject to adjustment.

Paragraph 3 continued on page 2

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

SIGNATURE	LESSOR	NAME OF SIGNER
		Jordan Cott

ADDRESS: 22835 SE Black Nugged Rd, Issaquah, WA 98029

SIGNATURE	IN PRESENCE OF	NAME OF SIGNER
		Mimi Grant

ADDRESS: 22835 SE Black Nugged Rd, Issaquah, WA 98029

SIGNATURE	UNITED STATES OF AMERICA	NAME OF SIGNER
		TERRIA HEINLEIN
		OFFICIAL TITLE OF SIGNER
		CONTRACTING OFFICER

Paragraph 3 continued

Rent for a lesser period shall be prorated. Rent checks shall be made payable to: J & J Alderwood LLC, 30500 SE 79th Street, Issaquah, WA 98027.

Effective August 1, 2012, the Government will pay annual rent in the amount of \$213,813.04 at the rate of \$17,817.75 per month. In addition, the Government will withhold a one time amount of [REDACTED] to reconcile the rent including the commission credit for the period of November 11, 2011 through July31, 2012 per the table below:

RENT RECONCILIATION 11/11/11-7/31/12					
PERIOD	AMOUNT PAID	AMOUNT DUE	OVERPAYMENT	TRACE NO.	DATE PAID
*Nov-11	\$ 3,705.50	\$ 8,515.49	\$ (4,809.99)	934699	12/1/2011
Dec-11	\$ 12,963.33	\$ 12,773.24	\$ 190.09	1036532	1/3/2012
Jan-12	\$ 18,548.40	\$ 12,773.24	\$ 5,775.16	1126097	2/1/2012
Feb-12	\$ 18,548.40	\$ 12,773.24	\$ 5,775.16	1216308	3/1/2012
Mar-12	\$ 18,548.40	\$ 12,773.24	\$ 5,775.16	109838	4/2/2012
Apr-12	\$ 18,548.40	\$ 12,773.24	\$ 5,775.16	110424	5/1/2012
**May-12	\$ 18,548.40	\$ 16,190.49	\$ 2,357.91	108458	6/1/2012
Jun-12	\$ 18,548.40	\$ 17,817.75	\$ 730.65	162963	7/2/2012
Jul-12	\$ -	\$ 17,817.75	\$ (17,817.75)		
COMMISSION CREDIT		[REDACTED]	[REDACTED]		
TOTAL OVERPAYMENT TO THE LESSOR			[REDACTED]		

***Monthly Rent for Novmber 2011**
 \$12,773.24 monthly rent for 11/11/11 through 11/30/11 divide by 30 times by 20 days equals \$ 8,515.49
Total monthly rent for November 2011 \$ 8,515.49

****Monthly Rent for May 2012**
 \$12,773.24 monthly rent for 5/1/12 through 5/10/12 divide by 31 times by 10 days equals \$ 4,120.40
 \$17,817.75 monthly rent for 5/11/12 through 5/31/12 divide by 31 times by 21 days equals \$ 12,070.09
Total monthly rent for May 2012 \$ 16,190.49

8. The Government shall pay the Lessor for the total cost of the Tenant Improvements as follows:

The Government and the Lessor have agreed that the total cost of the amortized Tenant Improvements shall be **\$ 238,208.60**. This is comprised of the approved amount in the Notice to Proceed dated February 2, 2012 of **\$215,330.58** and the 8 subsequent change orders totaling **\$22,878.02**). The Tenant Improvement cost includes all the Lessor's fees for general and administrative costs, profit and any and all other fees associated with the completion of the Tenant Improvements.

Tenant Improvement costs in the amount totaling **\$ 238,208.60**, shall be amortized over the remaining firm term of 54 months, starting from May 11, 2012 at an interest rate of six percent (6.00%) paid monthly in arrears. The annual cost of the amortized portion of the Tenant Improvement cost is \$60,534.12 paid monthly in arrears in the amount of \$5,044.51 and shall be part of the total monthly rental payment.

Paragraph 8 continued on page 3

INITIALS: JW LESSOR JH GOVT

Paragraph 8 continued

The total project costs and reimbursable amount is **\$ 238,208.60** as detailed below:

Tenant Improvements	\$ 215,330.58
Change Order No. 1	\$ 9,567.17
Change Order No. 2	\$ 651.28
Change Order No. 3	\$ 2,155.78
Change Order No. 4	\$ 448.13
Change Order No. 5	\$ 1,333.62
Change Order No. 6	\$ 1,304.94
Change Order No. 7	\$ 3,552.12
Change Order No. 8	\$ 3,864.98
Total Tenant Improvements	\$ 238,208.60

19. The Lessor and Broker have agreed to a cooperating lease commission of [REDACTED] of the Aggregate Lease Value for the initial firm term of the lease, or [REDACTED]. In accordance with the "Broker Commission and Commission Credit" paragraph, the Broker has agreed to forego [REDACTED] of the commission that it is entitled to receive in connection with this lease transaction ("Commission Credit"). The Commission Credit is [REDACTED]. The Lessor agrees to pay the Commission less the Commission Credit, or [REDACTED] to the Broker in accordance with the "Broker Commission and Commission Credit" paragraph in the SFO attached to and forming a part of this Lease.
20. The commission credit has been accounted for in the rent reconciliation table shown on page 2 of this Supplemental Lease Agreement.

The Lessor hereby waives restoration.

All other terms and considerations of the lease shall remain in full force and effect unless otherwise amended.

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INITIALS: *IN* LESSOR *JA* GOVT