

This Lease is made and entered into between

Lessor's Name Taylon Yakima, LLC

("the Lessor"), whose principal place of business is 11232 NE 15th ST STE 101, Bellevue, WA 98004-3739, and whose interest in the Property described herein is that of Fee Owner, and

The United States of America

("the 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:

The Lessor hereby leases to the Government the Premises described herein, being all or a portion of the Property located at

Minata Building, 415 North Third Street, Yakima, WA 98901-2331

and more fully described in Section 1 and Exhibit A, together with rights to the use of parking and other areas as set forth herein.

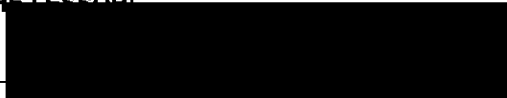
LEASE TERM

To Have and To Hold the said Premises with their appurtenances for the term beginning October 1, 2012 and continuing through September 30, 2022,

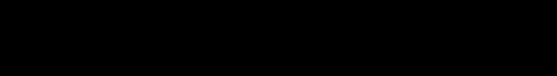
subject to termination and renewal rights as are hereinafter set forth, to be

In Witness Whereof, the parties to this Lease evidence their agreement to the terms and conditions set forth herein, and the terms and conditions set forth below, to be effective as of the date of delivery of the fully executed Lease to the Lessor.

FOR THE LESSOR:


Name: GERALD F. MOLITOR
Title: MANAGING MEMBER
Date: 4/30/12

WITNESSED BY:


Name: Ann Molitor, VP
Title: _____
Date: 4/30/12

SECTION 1 THE PREMISES, RENT, AND OTHER TERMS

1.01 THE PREMISES (SUCCEEDING) (SEPT 2011)

Unless otherwise noted, the Government accepts the leased premises and tenant improvements in their current existing condition, with the following exceptions further outlined more thoroughly in this lease. These exceptions include, but are not limited to, security improvements, Fire Protection and Life Safety requirements, ABAAS compliance, as well as compliance with all local codes and ordinances. The Lessor shall be responsible for continuing obligations for cleaning, janitorial, maintenance, repair, etc. as set forth in the lease paragraphs and attached General Clauses.

The Premises are described as follows:

Office and Related Space: 11,337 rentable square feet (RSF), yielding 11,337 ANSI/BOMA Office Area (ABOA) square feet of office and related space based upon a Common Area Factor of 1.00%, located on the first floor(s), of the Building, as depicted on the floor plan(s) attached hereto as Exhibit A.

1.02 EXPRESS APPURTENANT RIGHTS (SEPT 2011)

The Government shall have the non-exclusive right to the use of Appurtenant Areas, and shall have the right to post Government Rules and Regulations within such areas. The Government will coordinate with the Lessor to ensure signage is consistent with the Lessor's standards. Appurtenant to the Premises and included with the Lease are rights to use the following:

- A. **Parking:** 14 parking spaces of which 1 shall be a reserved space for the exclusive use of the Government, and 13 shall be surface parking spaces. In addition, the Lessor shall provide such additional parking spaces as required by the applicable code of the local government entity having jurisdiction over the Property.
- B. PARAGRAPH INTENTIONALLY DELETED

1.03 RENT AND OTHER CONSIDERATION (SUCCEEDING) (SEPT 2011)

A. The Government shall pay the Lessor annual rent, payable monthly in arrears, at the following rates:

	October 1, 2012-September 30, 2013		October 1, 2013-September 30, 2017	
	Annual Rent	Annual Rate/RSF	Annual Rent	Annual Rate/RSF
Shell Rent	\$181,287.00	\$15.99	\$187,450.00	\$16.53
Operating Costs	\$ 72,723.40	\$6.41	\$ 72,723.40	\$6.41 ¹
Total Annual Rent	\$254,010.40	\$22.40	\$260,173.40	\$22.94

	October 1, 2017-September 30, 2022	
	Annual Rent	Annual Rate/RSF
Shell Rent	\$184,794.00	\$16.30
Operating Costs	\$ 72,723.40	\$6.41 ¹
Total Annual Rent	\$257,517.40	\$22.71

¹Not inclusive of future CPI adjustments
Rates may be rounded.

- B. 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.
- C. Rent shall be paid to the Lessor by electronic funds transfer in accordance with the provisions of the General Clauses. Rent shall be payable to the Payee designated in the Lessor's Central Contractor Registration.
- D. The 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 "Paragraph 1.01 The Premises" created herein;
 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
4. 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.

1.04 PARAGRAPH INTENTIONALLY DELETED

1.05 TERMINATION RIGHTS (SUCCEEDING) (SEP 2011)

The Government may terminate this Lease, in whole or in parts, at any time effective after September 30, 2017 by providing not less than 90 days' prior written notice to the Lessor. The effective date of the termination shall be the day following the expiration of the required notice period or the termination date set forth in the notice, whichever is later. No rental shall accrue after the effective date of termination.

1.06 RENEWAL RIGHTS (SEPT 2011)

This Lease may be renewed at the option of the Government for one term of 5 YEARS at the following rental rate:

OPTION TERM, YEARS 10/1/2022-09/30/2027		
	ANNUAL RENT	ANNUAL RATE / RSF
SHELL RENTAL RATE	\$214,172.00	\$18.89
OPERATING COST	OPERATING COST BASIS SHALL CONTINUE FROM YEAR 10 OF EXISTING LEASE TERM. OPTION TERM IS SUBJECT TO CONTINUING ANNUAL ADJUSTMENTS.	

provided notice is given to the Lessor at least 90 days before the end of the original lease term, all other terms and conditions of this Lease, as same may have been amended, shall remain in force and effect during any renewal term.

1.07 DOCUMENTS INCORPORATED BY REFERENCE (SEPT 2011)

The following documents are incorporated by reference, as though fully set forth herein:

DOCUMENT NAME	NO. OF PAGES	EXHIBIT
FLOOR PLAN(S)	1	A
ADDITIONAL SECURITY REQUIREMENTS	1	B
GSA FORM 3517B GENERAL CLAUSES	33	
GSA FORM 3518, REPRESENTATIONS AND CERTIFICATIONS	4	
SECURITY UNIT PRICE LIST	1	
GSA FORM 1217 - LESSOR'S ANNUAL COST STATEMENT	1	

1.08 PARAGRAPH INTENTIONALLY DELETED

1.09 PERCENTAGE OF OCCUPANCY FOR TAX ADJUSTMENT, ESTABLISHMENT OF TAX BASE (SEPT 2011)

As of the Lease Award Date, the Government's Percentage of Occupancy, as defined in the Real Estate Tax Adjustment clause of this lease is 82.6% percent.

The Real Estate Tax Base, as defined in the Real Estate Tax Adjustment clause of the Lease is \$14,991.86, based on the following parcel numbers: 191318-33492, 191318-33490, 191318-33474, 191318-33473, and 191318-33472.

1.10 OPERATING COST BASE (SEPT 2011)

The parties agree that for the purpose of applying the clause titled "Operating Costs Adjustment" that the Lessor's base rate for operating costs shall be \$6.41 per rentable sq. ft (\$72,723.40/annum).

1.11 RATE FOR ADJUSTMENT FOR VACANT LEASED PREMISES (SEPT 2011)

In accordance with the section entitled "Adjustment for Vacant Premises" if the Government fails to occupy or vacates the entire or any portion of the Leased 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 by \$6.41 per ABOA sq. ft. of space vacated by the Government.

1.12 HOURLY OVERTIME HVAC RATES (SEPT 2011)

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

\$5.00 per hour per zone

Number of zones: 7

\$ 35.00 per hour for the entire space.

1.13 24-HOUR HVAC REQUIREMENT (APR 2011)

The Hourly Overtime HVAC rate specified above shall not apply to any portion of the Premises that is required to have heating and cooling 24 hours per day. If 24-hour HVAC is required by the Government for any designated rooms or areas of the Premises, such services shall be provided by the Lessor at an annual rate of \$15.84 per ABOA sq. ft. of the area receiving the 24-hour HVAC. Notwithstanding the foregoing, Lessor shall provide this service at no additional cost to the Government if the Lessor provides this service to other tenants at no additional charge.

1.14 ADDITIONAL BUILDING IMPROVEMENTS (SEPT 2011)

In addition to construction of the Tenant Improvements as required in this Lease, the Lessor shall be required to complete the following additional building improvements (e.g., Fire Protection and Life Safety, Seismic, and Energy Efficiency) prior to acceptance of the Space:

The Lessor shall correct the deficiencies indicated in the September 28, 2011 Tier 1 report by Lease Award.