

**LEASE NO. GS-10B-07333**

**Succeeding/Superseding Lease  
GSA FORM L202 (September 2011)**

This Lease is made and entered into between

("the Lessor"), whose principal place of business is **1000 SECOND AVENUE, SUITE 1800, SEATTLE, WA 98104** 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

**FIFTH AND YESLER BUILDING, 300 FIFTH AVENUE, SEATTLE, WA 98104**

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 **BENEFICIAL OCCUPACY** and continuing through **10 YEARS FIRM**.

subject to termination and renewal rights as may be hereinafter set forth, to be used for such purposes as determined by GSA. ~~The commencement date of this Lease, along with any applicable termination and renewal rights, shall more specifically be set forth in a Lease Amendment upon substantial completion and acceptance of the space by the Government.~~

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

[Redacted Signature]

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**FOR THE GOVERNMENT:**

[Redacted Signature]

Lease Contracting Officer

Date: 7/18/2012

**WITN**

[Redacted Signature]

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: 12/30/11

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**SECTION 1 THE PREMISES, RENT, AND OTHER TERMS[L2]**

**1.01 THE PREMISES (SUCCEEDING) (AUG 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: 70,307 rentable square feet (RSF), yielding 63,276 ANSI/BOMA Office Area (ABOA) square feet of office and related space based upon a Common Area Factor of 1.11111%, located on the 13-16 floor(s) and known as Suite(s) TBD by Agency, of the Building, as depicted on the floor plan(s) attached hereto as Exhibit A.

**1.02 EXPRESS APPURTENANT RIGHTS (AUG 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: 170 parking spaces as depicted on the plan attached hereto as Exhibit B of which 170 shall be structured inside spaces reserved for the exclusive use of the Government, 170 shall be inside parking spaces, and 0 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. Antennas, Satellite Dishes, and Related Transmission Devices: Space located on the roof of the Building sufficient in size for the installation and placement of the telecommunications equipment as such may be described herein, together with the right to access the roof and use of, all building areas (e.g., chases, plenums) necessary for the use, operation and maintenance of such equipment at all times during the term of this Lease.

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

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

	Firm Term Beneficial Occupancy - 03/31/2015		Non-Firm Term 04/01/2015 - end of 10 year firm term	
	Annual Rent	Annual Rate/RSF	Annual Rent	Annual Rate/RSF
Shell Rent	\$1,876,553.85	\$26.69085	\$2,134,491.45	\$30.35959
Parking	\$255,000.00	\$3.61154	\$255,000.00	\$3.61154
Tenant Improvements rent <sup>1</sup>	\$ 0.00	\$0.00 <sup>3</sup>	\$ 0.00	\$0.00 <sup>3</sup>
Operating Costs <sup>4</sup>	\$500,508.55	\$7.11890	\$500,508.55	\$7.11890
Building Specific Security <sup>2</sup>	\$0.00	\$0.00 <sup>3</sup>	\$ 0.00	\$0.00 <sup>3</sup>
<b>Total Annual Rent</b>	<b>\$2,632,062.40</b>	<b>\$37.43670</b>	<b>\$2,890,000.00</b>	<b>\$41.10544</b>

<sup>1</sup>The Tenant Improvements of \$0.00 are amortized at a rate of 0 percent per annum over 0 years.

<sup>2</sup>Building Specific Security Costs are amortized at a rate of 0 percent per annum over 0 years.

<sup>3</sup>Rates may be rounded.

<sup>4</sup>Operating Cost subject to actual CPI escalations. Operating Cost Base shall be reset on April 1, 2015.

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.

E. Parking shall be provided at a rate of \$125.00 per parking space per month (Structure), and \$0.00 per parking space per month (Surface).

1.04 ~~BROKER COMMISSION AND COMMISSION CREDIT (AUG 2011) INTENTIONALLY DELETED~~

~~A. [NBC2 Broker Name] ("Broker") is the authorized real estate broker representing GSA in connection with this lease transaction. The total amount of the Commission is \$XX and is earned upon lease execution, payable according to the Commission Agreement signed between the two parties. Only \$XX of the Commission, will be payable to [NBC2 Broker Name] with the remaining \$XX, which is the "Commission Credit", to be credited to the shell rental portion of the annual rental payments due and owing to fully recapture this Commission Credit. The reduction in shell rent shall commence with the first month of the rental payments and continue until the credit has been fully recaptured in equal monthly installments over the shortest time practicable.~~

~~B. Notwithstanding the "Rent and Other Consideration" paragraph of this Lease, the shell rental payments due and owing under this lease shall be reduced to recapture fully this 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:~~

~~Month X Rental Payment \$XX,XXX minus prorated Commission Credit of \$XX,XXX equals \$XX,XXX adjusted X<sup>th</sup> Month's Rent.~~

~~Month X Rental Payment \$XX,XXX minus prorated Commission Credit of \$XX,XXX equals \$XX,XXX adjusted X<sup>th</sup> Month's Rent.~~

[Type text]

Month X Rental Payment \$XX,XXX minus prorated Commission Credit of \$XX,XXX equals \$XX,XXX adjusted X<sup>th</sup> Month's Rent.

**1.05 TERMINATION RIGHTS (SUCCEEDING) (AUG-SEP 2011)**

The Government may terminate this Lease, in whole or in parts, at any time effective after the firm term NOVEMBER 30, 2021 of this Lease by providing not less than 120 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 (AUG 2011)**

This Lease may be renewed at the option of the Government for a term of 5 YEARS at the following rental rate(s):

	OPTION TERM, YEARS 11-15	
	ANNUAL RENT	ANNUAL RATE / RSF
SHELL RENTAL RATE	\$2,486,026.69	\$35.35959
PARKING RATE**	\$255,000.00	\$3.61154
OPERATING COST*	OPERATING COST BASIS SHALL CONTINUE FROM YEAR 10 OF EXISTING LEASE TERM. OPTION TERM IS SUBJECT TO CONTINUING ANNUAL ADJUSTMENTS.	
TOTAL RENTAL RATE	\$3,241,152.70	\$46.10/RSF

\* To be calculated based upon escalated operating costs

\*\* Parking rate established at \$125/space/month for 170 parking spaces and will increase to market rate.

provided notice is given to the Lessor at least 180 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.

Lessor shall provide independent market data, three sources at a minimum, to substantiate the parking rate established for the option term. Lessor shall provide data to the government no less than 90 days prior to the commencement of the option term. Should the Lessor not provide data to the government by due date, the Lessor shall forego the right to adjust the parking rate for the option term.

**1.07 DOCUMENTS INCORPORATED BY REFERENCE (AUG 2011)**

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

DOCUMENT NAME	NO. OF PAGES	EXHIBIT
FLOOR PLAN(S)	4	A
PARKING PLAN(S)	4	B
ADDITIONAL SECURITY REQUIREMENTS	N/A	
GSA FORM 3517B GENERAL CLAUSES	33	
GSA FORM 3518, REPRESENTATIONS AND CERTIFICATIONS	7	
SMALL BUSINESS SUBCONTRACTING PLAN	N/A	
SECURITY UNIT PRICE LIST	N/A	
SPECIAL REQUIREMENTS	106	C

**1.08 INTENTIONALLY DELETED (SUCCEEDING)**

**1.09 TENANT IMPROVEMENT RENTAL ADJUSTMENT (SUCCEEDING) (AUG 2011)**

The Government shall have the right to make lump sum payments for any or all work covered by the Tenant Improvement (TI) scope. That portion of the rental payments attributable to amortization of the Tenant ImprovementsTIs shall be reduced accordingly. At any time after occupancy and during the firm term of the Lease, the Government, at its sole discretion, may choose to pay lump sum for any part or all of the remaining principal balance of the Tenant ImprovementsTIs. If the Government elects to make a lump sum payment for the Tenant ImprovementsTIs after occupancy, the payment by the Government will result in a decrease in the rent according to the amortization rate over the remaining firm term of the Lease.

**1.10 INTENTIONALLY DELETED (SUCCEEDING)**

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**1.11 PERCENTAGE OF OCCUPANCY FOR TAX ADJUSTMENT, ESTABLISHMENT OF TAX BASE (AUG 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 25.0476 percent. The percentage of occupancy is derived by dividing the total Government space of 70,307 RSF by the total building space of 280,371 rentable square feet.

The Real Estate Tax Base, as defined in the Real Estate Tax Adjustment clause of the Lease is \$663,814.00.

**1.12 OPERATING COST BASE (AUG 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 \$7.11890 per rentable sq. ft (\$500,508.88/annum). Operating Cost Base shall be reset on April 1, 2015.

**1.13 RATE FOR ADJUSTMENT FOR VACANT LEASED PREMISES (AUG 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 \$0.92 per ABOA sq. ft. of space vacated by the Government.

**1.14 HOURLY OVERTIME HVAC RATES (AUG 2011)**

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

\$0.00 per hour per zone

Number of zones: 0

\$ 0.00 per hour for the entire space.

**1.15 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 \$X.XX 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

**1.16 ADDITIONAL BUILDING IMPROVEMENTS (AUG 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:

- A. \_\_\_\_\_
- B. \_\_\_\_\_
- C. \_\_\_\_\_