

**LEASE NO. GS-10P-LWA07375  
Building #WA7689**

Succeeding/Superseding Lease  
GSA FORM L202 (October 2012)

This Lease is made and entered into between

**Loren And Cheryl Faris**

(Lessor), whose principal place of business is [REDACTED], and whose interest in the Property described herein is that of Fee Owner, and

The United States of America

(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:

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

**Jackson Building - 11103 East Montgomery Drive, Spokane Valley, WA 99206-4779**

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, to be used for such purposes as determined by GSA.

**LEASE TERM**

To Have and To Hold the said Premises with its appurtenances for the term beginning either upon March 1, 2014 or upon acceptance of the Premises as required by this Lease, whichever is later, and continuing for a period of

**10 Years, 5 Years Firm, with Two (2) 5 year options**

subject to termination and renewal rights as may be hereinafter set forth. The commencement date of this Lease, along with any applicable termination and renewal rights, shall be more specifically 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 [REDACTED] to be effective as of the date of delivery of the fully executed Lease to the Lessor.

[REDACTED]

Name: LOREN AND CHERYL FARIS

Title: OWNER

Date: 9/25/13

Name: [REDACTED]

Title: Lease Contracting Officer  
General Services Administration, Public Buildings Service

Date: 12/2/13

WI [REDACTED]

Name: CARLOS A. HERRERA

Title: PROPERTY MANAGER

Date: 9/25/13

**SECTION 1 THE PREMISES, RENT, AND OTHER TERMS**

**1.01 THE PREMISES (SUCCEEDING) (JUN 2012)**

Unless otherwise noted, the Government accepts the Premises and tenant improvements in their existing condition, except where specifications or standards are contained elsewhere in this Lease. These standards include security improvements, Fire Protection and Life Safety requirements, ABAAS compliance, as well as compliance with all local codes and ordinances. Such acceptance by the Government of existing Premises shall not relieve Lessor of 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:

A. Office and Related Space: 13,196 rentable square feet (RSF), yielding 9,145 ANSI/BOMA Office Area (ABOA) square feet (SF) of office, laboratory, and 2,915 (USF) warehouse together with 1,500 square feet of fenced wareyard related Space located on the 1 floor(s) and known as the Jackson Building, as depicted on the floor plan(s) attached hereto as Exhibit A

B. Common Area Factor: The Common Area Factor (CAF) is established as 1.0942 percent. This factor, which represents the conversion from ABOA to rentable square feet, rounded to the nearest whole percentage, shall be used for purposes of rental adjustments in accordance with the Payment Clause of the General Clauses.

**1.02 EXPRESS APPURTENANT RIGHTS (JUN 2012)**

The Government shall have the non-exclusive right to the use of Appurtenant Areas, and shall have the right to post Rules and Regulations Governing Conduct on Federal Property, Title 41 CFR, Part 102-74, Subpart C within such areas. The Government will coordinate with Lessor to ensure signage is consistent with Lessor's standards. Appurtenant to the Premises and included in the Lease are rights to use the following:

A. Parking: 37 parking spaces as depicted on the plan attached hereto as Exhibit B, reserved for the exclusive use of the Government, of which 8 shall be secured parking spaces, and 29 shall be surface/outside parking spaces. In addition, Lessor shall provide such additional parking spaces as required by the applicable code of the local government entity having jurisdiction over the Property. Although the parking is included in the rent the parking shall be valued at \$75.00 per space/month.

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.

**1.03 RENT AND OTHER CONSIDERATIONS (SEP 2012)**

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

	MARCH 1, 2014 – FEBRUARY 28, 2019	MARCH 1, 2019 – FEBRUARY 28, 2024
	ANNUAL RENT	ANNUAL RENT
SHELL RENT	\$174,165.04	\$169,612.71
OPERATING COSTS <sup>1</sup>	\$ 60,000.00	\$ 60,000.00
<b>TOTAL ANNUAL RENT</b>	<b>\$234,165.04</b>	<b>\$229,612.71</b>

<sup>1</sup>Subject to Annual CPI Adjustments

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 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 (CCR). If the payee is different from the Lessor, both payee and Lessor must be registered in CCR.

D. 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 the paragraph entitled "The Premises."

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 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 ~~BROKER COMMISSION AND COMMISSION CREDIT (JUN 2012)~~ INTENTIONALLY DELETED**

**1.05 TERMINATION RIGHTS (AUG 2011)**

The Government may terminate this Lease, in whole or in part, at any time effective after the Firm Term of this Lease, 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 (AUG 2011)**

This Lease may be renewed twice at the option of the Government for a term of [REDACTED] each at the following rental rate(s):

	OPTION TERM		OPTION TERM	
	ANNUAL RENT	ANNUAL RATE / RSF	ANNUAL RENT	ANNUAL RATE / RSF
SHELL RENTAL RATE <sup>1</sup>	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
OPERATING COSTS	OPERATING COST BASIS SHALL CONTINUE FROM THE PREVIOUS YEAR OF EXISTING LEASE TERM. OPTION TERM ARE 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 IN THE LEASE (JUN 2012)**

The following documents are attached to and made part of the Lease:

DOCUMENT NAME	NO. OF PAGES	EXHIBIT
FLOOR PLAN(S)	1	A
PARKING PLAN(S)	1	B
SECURITY REQUIREMENTS LEVEL II	5	C
GSA FORM 3517B GENERAL CLAUSES	47	
GSA FORM 3518, REPRESENTATIONS AND CERTIFICATIONS	10	

**1.08 ~~TENANT IMPROVEMENT RENTAL ADJUSTMENT (SUCCEEDING) (SEPT 2011)~~ INTENTIONALLY DELETED**

**1.09 ~~BUILDING SPECIFIC AMORTIZED CAPITAL (SEP 2012)~~ INTENTIONALLY DELETED**

**1.10 ~~BUILDING SPECIFIC AMORTIZED CAPITAL RENTAL ADJUSTMENT (SEP 2012)~~ INTENTIONALLY DELETED**

**1.11 PERCENTAGE OF OCCUPANCY FOR TAX ADJUSTMENT (JUN 2012)**

As of the Lease Award Date, the Government's Percentage of Occupancy, as defined in the "Real Estate Tax Adjustment" paragraph of this Lease is 100 percent. The Percentage of Occupancy is derived by dividing the total Government Space of 13,196 RSF by the total Building space of 13,196 RSF.

**1.12 ESTABLISHMENT OF TAX BASE (JUN 2012)**

The Real Estate Tax Base, as defined in the Real Estate Tax Adjustment paragraph of the Lease is \$11,834.16, parcel # 45092.9063

**1.13 OPERATING COST BASE (AUG 2011)**

The parties agree that for the purpose of applying the paragraph titled "Operating Costs Adjustment" that the Lessor's base rate for operating costs shall be \$4.546832 per RSF (\$60,000.00/annum).

**1.14 RATE FOR ADJUSTMENT FOR VACANT LEASED PREMISES (JUN 2012)**

In accordance with the paragraph 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 \$2.50 per ABOA SF of Space vacated by the Government.

**1.15 HOURLY OVERTIME HVAC RATES (AUG 2014) INTENTIONALLY DELETED**

**1.16 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 \$0.00 per ABOA SF. 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 in the Building at no additional charge.

**1.17 BUILDING IMPROVEMENTS (SEP 2012)**

The Lessor shall complete the following additional Building improvements prior to Lease effective date above:

- A. Emergency Egress Door Installed per GSA FLS Requirements
- B. Expand current Fire Alarm System per Code to cover entire building
- C. Install One (1) Eight (8) inch Fresh Air Supply to the building per GSA requirements

LESSOR:  GOVERNMENT: 