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| GENERAL SERVICES ADMINISTRATION<br>PUBLIC BUILDINGS SERVICE<br><br>LEASE AMENDMENT | LEASE AMENDMENT No. 1                  |
|  | TO LEASE NO. GS-10P-07418 Bldg. WA8052 |
| ADDRESS OF PREMISES: 3700 150 <sup>th</sup> Ave Ct E<br>Sumner, WA 98390           | PDN Number: n/a                        |

THIS AMENDMENT is made and entered into between IIT Sumner DC LLC,

whose address is: 518 Seventeenth St., Ste 1700, Denver, CO 80202

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 incorporate construction change orders, which exceed the tenant improvement allowance

NOW THEREFORE, these parties for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, covenant and agree that the said Lease is amended, effective January 31, 2015 as follows:


Lease Amendment #1 is drafted to pay City of Sumner fees associated with constructing the tenant improvements, document the final cost of the tenant improvements and to set the terms of their amortization over the term of the Lease. Paragraphs 1.03.A, 1.03.C and 1.08 are deleted in their entirety and replaced with the following:

(Continued on page 2:

This Lease Amendment contains 4 pages.

All other terms and conditions of the lease shall remain in force and effect.  
IN WITNESS WHEREOF, the parties subscribed their names as of the below date.

FOR THE LESSOR:

Signature: 


Name: Grace Boomer

Title: Vice President

Entity Name: IIT Sumner DC LLC

Date: 1-5-15

FOR THE


Signature: 

Name: James A. Chappell

Title: Lease Contracting Officer  
GSA, Public Buildings Service

Date: 1/12/15

WITNESSED FOR THE LESSOR BY:

Signature: 

Name: Teresca D. Lewis

Title: Notary Public

Date: 01/05/2015

SEE CALIFORNIA  
ACKNOWLEDGMENT  
DATE 01/05/15 INTL TOP

(Continued from Page 1):

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

|  | FIRM TERM: FEB. 1, 2014 –<br>JAN 31, 2019 | NON FIRM TERM: FEB 1, 2019 –<br>JAN 31, 2024 |
|--|---|--|
|  | ANNUAL RENT                               | ANNUAL RENT                                  |
| SHELL RENT <sup>1</sup>                          | \$1,878,416.64                            | \$2,151,300.51                               |
| RESERVE FOR MAINTENANCE AND REPAIRS <sup>2</sup> | \$22,907.52                               | \$22,907.52                                  |
| TENANT IMPROVEMENTS RENT <sup>3</sup>            | \$ 301,862.83                             | \$301,862.83                                 |
| OPERATING COSTS <sup>4</sup>                     | \$ 426,385.31                             | \$ 426,385.31                                |
| REAL ESTATE TAXES AND INSURANCE <sup>5</sup>     | \$ 244,723.20                             | \$ 244,723.20                                |
| <b>TOTAL ANNUAL RENT<sup>6</sup></b>             | <b>\$2,874,295.50</b>                     | <b>\$3,147,179.37</b>                        |

<sup>1</sup> Exclusive of property taxes, capital maintenance and repairs, and building insurance. Shell rent shall be subject to 2.75% annual step increases each year during the firm and non-firm term. In consideration of the shell rent, lessor grants the Government a concession of \$400,000 toward construction of the tenant improvements.

<sup>2</sup> Lessor to hold and accumulate for necessary capital maintenance, replacement and repairs. Application of this reserve is subject to Government review which shall not be unreasonably withheld or delayed, and expenditures in excess of reserve amounts, if any, will be paid by the Government in a lump sum on presentation of a bill. Unexpended reserves, if any, will be rebated to the Government prior to lease termination in the form of equal monthly rent credits.

<sup>3</sup> The Tenant Improvement expenditures of \$2,615,383.84 (less the \$400,000 Lessor concession for construction of TIs) are amortized at a rate of 6.5 percent per annum over 120 months.

<sup>4</sup> Operating Costs are subject to annual adjustment as described elsewhere in the Lease.

<sup>5</sup> Real estate taxes are established at \$0.60/RSF. Real estate taxes and insurance are subject to annual adjustment as described elsewhere in the lease.

<sup>6</sup> A total of \$469,604.16 of rent shall be abated, distributed as monthly abatements of \$156,534.72 taken in each of the first three months of occupancy.

1.03.C Effective January 31, 2015, a one-time reduction of \$68,603.49 will be credited against the rent payment to adjust for overpayment of tenant improvement rent during the period February, 2014 through January, 2015.

**1.08 TENANT IMPROVEMENT ALLOWANCE (AUG 2011)**

The Tenant Improvement expenditures for this Lease total \$2,615,383.84, per the Change Order Summary and the City Permit Fee bill (\$86,895.00, plus Lessor fees of 3%), both attached. The Lessor is providing a TI concession of \$400,000.00 in consideration of the shell rent. The net amount of \$2,215,383.84 will be amortized in the rent over the 120 month term of this Lease at an annual interest rate of 6.5 percent.

INITIALS:           CFO           &           AM            
LESSOR & GOVT