

LEASE NO. GS-10P-LWA07499
Bldg. No. WA7962

Global Lease
GSA FORM L100 (09/2015)

This Lease is made and entered into between

YESLER INVESTMENT COMPANY, L.L.C.

(Lessor), whose principal place of business is 1000 Second Avenue, Suite 1800, Seattle, WA 98101-3619, 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 the

Fifth & 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, 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 upon acceptance of the Premises as required by this Lease, and continuing for a period of

20 Years, 15 Years Firm

subject to termination rights as are 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 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.

FOR THE LESSOR
[Redacted Signature]
Name: Martin Selig
Title: Manager
Entity Name: Yesler Invest Co LLC
Date: 6/22/16

[Redacted Signature] **KRISTEN N. YEE**
CONTRACTING OFFICER
Name: Kristen N. Yee
Title: Lease Contracting Officer
General Services Administration, Public Buildings Service
Date: JUN 28 2016

WITNESSED FOR THE LESSOR BY:
[Redacted Signature]
Name: Theresa Howard
Title: _____
Date: 6/22/16

The information collection requirements contained in this Solicitation/Contract, that are not required by the regulation, have been approved by the Office of Management and Budget pursuant to the Paperwork Reduction Act and assigned the OMB Control No. 3090-0163.

SECTION 1 THE PREMISES, RENT, AND OTHER TERMS

1.01 THE PREMISES (SEP 2015)

The Premises are described as follows:

- A. **Office and Related Space:** 8,454 rentable square feet (RSF), yielding 6,893 ANSI/BOMA Office Area (ABOA) square feet (SF) of office and related Space located on the 7th floor and known as Suite X, of the 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 22.6461628% 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.
- C. INTENTIONALLY DELETED

1.02 EXPRESS APPURTENANT RIGHTS (SEP 2013)

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. INTENTIONALLY DELETED
- B. INTENTIONALLY DELETED

1.03 RENT AND OTHER CONSIDERATION (SEP 2015)

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

	YEARS 1-5	YEARS 6-10	YEARS 11-15	YEARS 16-20
	ANNUAL RENT	ANNUAL RENT	ANNUAL RENT	ANNUAL RENT
SHELL RENT	\$207,461.16	\$228,596.16	\$306,372.96	\$327,507.96
OPERATING COSTS	\$ 63,521.55	\$ 63,521.55	\$ 63,521.55	\$ 63,521.55
TENANT IMPROVEMENTS RENT ¹	\$ 53,936.52	\$ 53,936.52	\$ 0.00	\$ 0.00
BUILDING SPECIFIC AMORTIZED CAPITAL (BSAC) ²	\$ 2,705.28	\$ 2,705.28	\$ 0.00	\$ 0.00
TOTAL ANNUAL RENT	\$327,624.51³	\$348,759.51	\$369,894.51	\$391,029.51

¹Total Tenant Improvements of \$404,825.89 are amortized at a rate of 6.0% per annum over 120 months.
²Total Building Specific Amortized Capital (BSAC) of \$20,679.00 are amortized at a rate of 6.0% per annum over 120 months.
³Lessor's offered concession of \$30.00 per ABOA, for a total of \$206,790.00 (the "Credit"), will be applied against any and all lump sum Tenant Improvement costs in excess of the Tenant Improvement Allowance until exhausted. However, should the lump sum Tenant Improvement costs aggregate to less than \$206,790.00, the remaining Credit may be applied by the Government by withholding from each payment of the first 18 installments of monthly rent an amount equal to such remaining Credit divided by 18, until the Credit is fully exhausted; provided, that any amount so withheld from monthly rent shall not exceed the sum of the shell rent and operating costs due and payable in the relevant month.

- B. INTENTIONALLY DELETED
- C. INTENTIONALLY DELETED
- D. Rent is subject to adjustment based upon the final Tenant Improvement (TI) cost to be amortized in the rental rate, as agreed upon by the parties subsequent to the Lease Award Date.
- E. Rent is subject to adjustment based on the final Building Specific Amortized Capital (BSAC) cost to be amortized in the rental rate, as agreed upon by the parties subsequent to the Lease Award Date.
- F. 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.
- G. 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 by the Lessor in the System for Award Management (SAM). If the payee is different from the Lessor, both payee and Lessor must be registered and active in SAM.
- H. 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."

LESSOR:  GOVERNMENT: 

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.

I. INTENTIONALLY DELETED

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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 180 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 INTENTIONALLY DELETED

1.07 DOCUMENTS INCORPORATED IN THE LEASE (SEP 2015)

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

DOCUMENT NAME	NO. OF PAGES	EXHIBIT
FLOOR PLAN(S)	1	A
AGENCY SPECIFIC REQUIREMENTS – DATED APRIL 5, 2016	6	B
SECURITY REQUIREMENTS FOR LEVEL III	9	C
SEISMIC FORM A	1	D
GSA FORM 3517B GENERAL CLAUSES	15	E
GSA FORM 3518-SAM, ADDENDUM TO SYSTEM FOR AWARD MANAGEMENT (SAM) REPRESENTATIONS AND CERTIFICATIONS	2	F
RLP 6WA0452 AMENDMENT NO. 1	1	G

1.08 TENANT IMPROVEMENT RENTAL ADJUSTMENT (SEP 2015)

A. The Tenant Improvement Allowance (TIA) for purposes of this Lease is \$58.73 per ABOA SF. The TIA is the amount that the Lessor shall make available for the Government to be used for TIs. This amount is amortized in the rent over the Firm Term of this Lease at an annual interest rate of six percent (6.0%).

B. The Government, at its sole discretion, shall make all decisions as to the use of the TIA. The Government may use all or part of the TIA. The Government may return to the Lessor any unused portion of the TIA in exchange for a decrease in rent according to the agreed-upon amortization rate over the Firm Term.

C. The Government may elect to make lump sum payments for any or all work covered by the TIA. That part of the TIA amortized in the rent shall be reduced accordingly. At any time after occupancy and during the Firm Term of the Lease, the Government, at its sole discretion, may elect to pay lump sum for any part or all of the remaining unpaid amortized balance of the TIA. If the Government elects to make a lump sum payment for the TIA after occupancy, the payment of the TIA by the Government will result in a decrease in the rent according to the amortization rate over the Firm Term of the Lease.

D. If it is anticipated that the Government will spend more than the allowance identified above, the Government may elect to:

1. Reduce the TI requirements;
2. Pay lump sum for the overage upon substantial completion in accordance with the "Acceptance of Space and Certificate of Occupancy" paragraph;
3. Negotiate an increase in the rent.

1.09 TENANT IMPROVEMENT FEE SCHEDULE (JUN 2012)

For pricing TI costs, the following rates shall apply for the initial build-out of the Space.

	INITIAL BUILD-OUT
ARCHITECT/ENGINEER FEES (\$ PER ABOA SF)	\$2.00
LESSOR'S PROJECT MANAGEMENT FEE (% OF TI CONSTRUCTION COSTS)	15%

1.10 BUILDING SPECIFIC AMORTIZED CAPITAL (SEP 2012)

For purposes of this Lease, the Building Specific Amortized Capital (BSAC) is \$3.00 per ABOA SF. The Lessor will make the total BSAC amount available to the Government, which will use the funds for security related improvements. This amount is amortized in the rent over the Firm Term of this lease at an annual interest rate of six percent (6.0%).

1.11 BUILDING SPECIFIC AMORTIZED CAPITAL RENTAL ADJUSTMENT (SEP 2013)

A. The Government, at its sole discretion, shall make all decisions about the use of the Building Specific Amortized Capital (BSAC). The Government may use all or part of the BSAC. The Government may return to the Lessor any unused portion of the BSAC in exchange for a decrease in rent (where applicable) according to the agreed-upon amortization rate over the Firm Term.

B. The Government may elect to make lump-sum payments for any work covered by the BSAC. The part of the BSAC amortized in the rent shall be reduced accordingly. At any time after occupancy and during the Firm Term of the Lease, the Government, at its sole discretion, may elect to pay a lump sum for any part or all of the remaining unpaid amortized balance of the BSAC. If the Government elects to make a lump-sum payment for the BSAC after occupancy, the payment of the BSAC by the Government will result in a decrease in the rent according to the amortization rate over the Firm Term of the Lease.

C. If it is anticipated that the Government will spend more than the BSAC identified above, the Government may elect to:

1. Reduce the security countermeasure requirements;
2. Pay a lump sum for the amount overage upon substantial completion in accordance with the "Acceptance of Space and Certificate of Occupancy" paragraph; or
3. Negotiate an increase in the rent.

1.12 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 3.01629 percent. The Percentage of Occupancy is derived by dividing the total Government Space of 8,454 RSF by the total Building space of 280,371 RSF.

1.13 REAL ESTATE TAX BASE (SEP 2013)

The Real Estate Tax Base, as defined in the "Real Estate Tax Adjustment" paragraph of the Lease is \$25,711.26 per annum for the space. Tax adjustments shall not occur until the tax year following lease commencement has passed. The tax parcel number is 094200-1155-02.

1.14 OPERATING COST BASE (SEP 2013)

The parties agree, for the purpose of applying the paragraph titled "Operating Costs Adjustment," that the Lessor's base rate for operating costs shall be \$63,521.55 per annum for the space.

1.16 RATE FOR ADJUSTMENT FOR VACANT LEASED PREMISES (SEP 2013)

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 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 \$1.00 per ABOA SF of Space vacated by the Government.

1.16 HOURLY OVERTIME HVAC RATES (AUG 2011)

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

- \$0.00 per hour for the entire Space.

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