

LEASE NO. GS-10P-LOR07464

Succeeding/Superseding Lease
GSA FORM L202 (September 2014)

This Lease is made and entered into between

Southtowne Commerce Center LLC

(Lessor), whose principal place of business is 2795 Anderson Avenue, Suite 101, Klamath Falls, Oregon 97603-7898, 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

Southtowne Commerce Center, 2795 Anderson Avenue, Klamath Falls, Oregon 97603

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 June 8, 2015 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 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 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: MANAGING MEMBER
Date: 6/22/2015

FOR THE GOVERNMENT:
[Redacted Signature]

Lease Contracting Officer
General Services Administration, Public Buildings Service
Date: 7/7/2015

[Redacted Signature]

Title: OPI of Oregon Inc. office Mgr.
Date: 6-22-15

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 (SUCCEEDING) (SEP 2013)

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: 8,913 rentable square feet (RSF), yielding 8,788 ANSI/BOMA Office Area (ABOA) square feet (SF) of office, warehouse and related Space broken down as follows and depicted on the floor plan(s) attached hereto as Exhibit N.

Office/General (Unit 106) =	5,114 RSF	5,042.28 ABOA SF
Warehouse/Storage Space =	3,799 RSF	3,745.72 ABOA SF
Total	8,913 RSF	8,788 ABOA SF

B. Common Area Factor: The Common Area Factor (CAF) is established as .0142 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 (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. Parking: Lessor shall provide 15,000 square feet of fenced wareyard adjacent to Suite 106 and 20 surface/outside parking spaces, as depicted on the plan attached hereto as Exhibit O, reserved for the exclusive use of the Government. 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: (1) Space located on the roof of the Building sufficient in size for the installation and placement of telecommunications equipment, (2) the right to access the roof of the Building, and (3) use of all Building areas (e.g., chases, plenums, etc.) necessary for the use, operation, and maintenance of such telecommunications equipment at all times during the term of this Lease.

1.03 RENT AND OTHER CONSIDERATIONS (SEP 2013)

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

	FIRM TERM	NON-FIRM TERM
	ANNUAL RENT	ANNUAL RENT
SHELL RENT	\$57,756.15	\$57,947.50
TENANT IMPROVEMENTS RENT ¹	\$4,522.85	\$0.00
OPERATING COSTS	\$8,900.00	\$8,900.00
PARKING ²	\$0	\$0
FENCED WAREYARD ³	\$6,000.00	\$6,000.00
TOTAL ANNUAL RENT	\$77,179.00	\$72,847.50

¹The Tenant Improvement Allowance of \$19,732.00 is amortized at a rate of 5.5 percent per annum over 5 years.
²Parking costs described under sub-paragraph H below
³Wareyard is provided at a rate of \$6,000.00/year

- B. Subparagraph Intentionally Deleted
- C. Subparagraph Intentionally Deleted
- D. Subparagraph Intentionally Deleted

E. 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.

F. 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), now the System for Award Management (SAM). If the payee is different from the Lessor, both payee and Lessor must be registered in SAM.

G. 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 (with the exclusion of janitorial, electricity and natural gas), maintenance required for the proper operation of the Property, the Building, and the Leased 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. The Government shall be responsible for paying the cost of janitorial, electricity and natural gas directly to the utility provider. The Lessor shall ensure that such utilities are separately metered. The Lessor shall provide and install as part of shell rent, separate meters for utilities. Sub-meters are not acceptable. The Lessor shall furnish in writing to the LCO, prior to occupancy by the Government, a record of the meter numbers and verification that the meters measure Government usage only. Proration is not permissible. In addition, an automatic control system shall be provided to assure compliance with heating, ventilation, and air conditioning requirements.

H. Parking shall be provided at a rate of \$0.00 (no charge) per parking space per month (surface/outside).

1.04 BROKER COMMISSION AND COMMISSION CREDIT (JUN 2012)

A. CBRE, Inc. (Broker) is the authorized real estate Broker representing GSA in connection with this Lease transaction. The total amount of the Commission is [REDACTED] and is earned upon Lease execution, payable according to the Commission Agreement signed between the two parties. Only [REDACTED] of the Commission, will be payable to CBRE, Inc. with the remaining [REDACTED], 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 1 Rental Payment \$6,431.58 minus prorated Commission Credit [REDACTED] equals [REDACTED] adjusted 1st Month's Rent.*

*Subject to change based on adjustments outlined under the paragraph "Rent and Other Consideration."

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 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 (SEP 2013)

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 #1		OPTION TERM #2	
	ANNUAL RENT	ANNUAL RATE / RSF	ANNUAL RENT	ANNUAL RATE / RSF
SHELL RENTAL RATE	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
OPERATING COSTS	OPERATING COST BASIS SHALL CONTINUE FROM THE EFFECTIVE YEAR OF THE LEASE.		OPERATING COST BASIS SHALL CONTINUE FROM THE EFFECTIVE YEAR OF THE LEASE.	

provided notice is given to the Lessor at least 120 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 full force and effect during any renewal term.

1.07 DOCUMENTS INCORPORATED IN THE LEASE (SEP 2013)

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

DOCUMENT NAME	NO. OF PAGES	EXHIBIT
LEGAL DESCRIPTION	1	A
SECURITY REQUIREMENTS	4	B
GSA FORM 3517B GENERAL CLAUSES	47	D
GSA FORM 3518 REPRESENTATIONS AND CERTIFICATIONS	10	G
SEISMIC FORM B - CERTIFICATE OF SEISMIC COMPLIANCE EXISTING BUILDING	1	I
CARPET REPLACEMENT/VULNERABLE DOOR PLAN	2	L
STORAGE UNIT 5 CUT SHEET- FAUCET	1	M
FLOOR PLANS	4	N
PARKING PLAN	1	O
LEASE AMENDMENT(S) ISSUED UNDER RLP AMENDMENT NO. 1	2	P
ADDITIONAL CONSIDERATIONS	1	Q

1.08 TENANT IMPROVEMENT RENTAL ADJUSTMENT (SUCCEEDING) (SEP 2013)

The Government may elect 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 TIs 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 TIs. If the Government elects to make a lump sum payment for the TIs 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.

1.09 INTENTIONALLY DELETED

1.10 INTENTIONALLY DELETED

1.11 INTENTIONALLY DELETED

1.12 INTENTIONALLY DELETED

1.13 INTENTIONALLY DELETED

1.14 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 \$0.53 per ABOA SF of Space vacated by the Government.

1.15 INTENTIONALLY DELETED

1.16 INTENTIONALLY DELETED

1.17 BUILDING IMPROVEMENTS (SEP 2012)

Before the Government accepts the Space, the Lessor shall complete the following additional Building improvements prior to acceptance of the Space:

- A. As part of the shell costs, replace all Exterior Windows in Government leased space, in accordance with Lease Paragraph 3.21.
- B. As part of the shell costs, replace [REDACTED] as depicted on [REDACTED], with [REDACTED], in accordance with Lease Paragraph 3.19.
- C. Within thirty (30) working days of lease award, the Lessor shall complete all work as required in the Lease.