

LEASE NO. GS-10P-LOR07470
Bldg. No OR6679

Standard Lease
GSA FORM L201C (September 2013)

This Lease is made and entered into between

Burrill Development Company, LLC

(Lessor), whose principal place of business is 3560 Excel Drive, Suite 101, Medford, Oregon 97504-9858, 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

3501 Excel Drive
Medford, Oregon 97504-8067

and more fully described in Section 1 and Exhibit A-1, 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

September 13, 2015 – September 12, 2020

subject to termination rights as are hereinafter set forth.

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
Entity Name: Burrill Development Co. LLC
Date: 8-31-15

[Redacted Signature]

FO
Name: _____
Title: _____
Date: September 4, 2015

EE
ER

[Redacted Signature]

Title: Member
Date: 8/31/15

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 (JUN 2012)

The Premises are described as follows:

A. Office and Related Space: 14,431 rentable square feet (RSF), yielding 13,479 ANSI/BOMA Office Area (ABOA) square feet (SF) of office and related Space located on the 1st and 2nd floors and known as Suites 101, 103, and 215, of the Building, as depicted on the floor plan(s) attached hereto as Exhibit A-1 and as broken out as follows:

Block	Agency	RSF	ABOA SF
Block A		12,659	11,824
Block B		1,772	1,655
TOTALS		14,431	13,479

B. Common Area Factor: The Common Area Factor (CAF) is established as 7.1 percent. This factor 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: 2 surface/outside parking spaces as depicted on the plan attached hereto as Exhibit A-2, 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 CONSIDERATION (APR 2015)

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

BLOCKS A & B	9/13/2015 – 9/12/2018	9/13/2018 - 9/12/2020
Shell Rent ¹	\$329,359.48	\$329,359.48
Operating Costs	\$99,564.00	\$99,564.00
Tenant Improvements ²	TBD	\$0.00
Total Annual Rent	\$428,923.48	\$428,923.48

¹ Parking is included in the Shell Rental Rate

² The Tenant Improvement Allowance of up to \$100,000.00 may be expended (of which up to \$87,720.88 is to be allocated toward Block A and up to \$12,279.12 is to be allocated toward Block B) will be amortized at a rate of 7.0 percent per annum over the remainder of the firm term after TIs are accepted.

B. SUB-PARAGRAPH INTENTIONALLY DELETED

C. 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.

D. SUB-PARAGRAPH 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 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 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, 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.

H. Parking is valued at a rate of \$50.00 per parking space per month (surface/outside), and is included in the Shell Rent.

1.04 BROKER COMMISSION AND COMMISSION CREDIT (JUN 2012)

A. DTZ AMERICAS, 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. The entirety of the Commission, [REDACTED], will be payable to DTZ AMERICAS, INC.

B. SUB-PARAGRAPH INTENTIONALLY DELETED

1.05 TERMINATION RIGHTS (AUG 2011)

The Government may terminate this Lease, in whole or in parts, at any time effective after September 12, 2018 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 INTENTIONALLY DELETED

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
FLOOR PLAN(S)	2	A-1
PARKING PLAN(S)	1	A-2
Agency's Special Requirements, [REDACTED] Dated 3/4/2014	132	A
Agency Specific Requirements - [REDACTED] Dated 4/1/2014	101	B
SECURITY REQUIREMENTS	6	C
GSA FORM 3517B GENERAL CLAUSES	47	D
GSA Form 3518-SAM, Addendum to System for Award Management (SAM) Representations and Certifications (Acquisitions of Leasehold Interests in Real Property)	2	E
SEISMIC FORM A	1	F

1.08 TENANT IMPROVEMENT ALLOWANCE (AUG 2011)

The Tenant Improvement Allowance (TIA) for purposes of this Lease is \$100,000.00. 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 7.0 percent.

1.09 TENANT IMPROVEMENT RENTAL ADJUSTMENT (SEP 2013)

A. 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.

B. 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.

- C. 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.

1.10 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 OR % OF TI CONSTRUCTION COSTS)	ACTUAL COSTS NOT TO EXCEED 12%
LESSOR'S PROJECT MANAGEMENT FEE (% OF TI CONSTRUCTION COSTS)	10%

1.11 INTENTIONALLY DELETED

1.12 INTENTIONALLY DELETED

1.13 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 54.06 percent. The Percentage of Occupancy is derived by dividing the total Government Space of 14,431 RSF by the total Building space of 26,693 RSF.

1.14 REAL ESTATE TAX BASE (SEP 2013)

The Real Estate Tax Base, as defined in the "Real Estate Tax Adjustment" paragraph of the Lease is \$20,103.29 for the leased space. Tax adjustments shall not occur until the tax year following lease commencement has passed. The tax account number is 10948435.

1.15 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 \$99,564.00/annum.

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.

1.17 HOURLY OVERTIME HVAC RATES (AUG 2011)

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

- \$ 20.00 per hour for the entire Space.

1.18 INTENTIONALLY DELETED

1.19 BUILDING IMPROVEMENTS (SEP 2012)

As part of the Tenant Improvements, the Lessor shall complete the following additional Building improvements:

- A. Addition of entrance to reception area to meet applicable Fire Protection and Life Safety Codes

1.20 INTENTIONALLY DELETED