

**U.S. GOVERNMENT
LEASE FOR REAL PROPERTY**

DATE OF LEASE: **JUN 05 2009**

LEASE No. GS-10B-07038

Building No. WA7321

THIS LEASE, made and entered into this date between **Transwestern Park Place Seattle, LLC**

whose address is: 150 N. Wacker Drive
Chicago, IL 60606

and whose interest in the property hereinafter described is that of OWNER, hereinafter called the LESSOR, and the UNITED STATES OF AMERICA, hereinafter called the GOVERNMENT:

WITNESSETH: The parties hereto for the considerations hereinafter mentioned, covenant and agree as follows:

- The Lessor hereby leases to the Government the following described premises:
172,320 rentable square feet (r.s.f.), yielding approximately 155,738 ANSI/BOMA Office Area square feet and related space located on floors One (1), Seven (7) through Seventeen (17), with additional space located in the loading area and level P-1 of the parking garage (Final configuration of the Government leased space shall be identified on the Proposed Stack Plan (to be attached)), at the Park Place Building, 1200 Sixth Avenue, Seattle, Washington 98101-5300, together with twenty-seven (27) onsite, interior, secured parking spaces and bicycle parking for forty (40) bicycles as depicted on the Proposed Stack Plan, at no cost to the Government and with no escalation over the term of the lease (to be attached) (the "Premises"), to be used for SUCH PURPOSES AS DETERMINED BY THE GENERAL SERVICES ADMINISTRATION that are consistent with uses currently located in the Building or those which are consistent with uses found in other first class office buildings in downtown Seattle.
- TO HAVE AND TO HOLD the said Premises with their appurtenances for the term beginning on July 1, 2010 through June 30, 2020, subject to termination and renewal rights as may be hereinafter set forth. Lease commencement date will be determined based upon the timely and successful completion of Tenant Improvements and will be finalized by the Acceptance of Space at Beneficial Occupancy, upon which rental payments will begin.
- The Government shall pay the Lessor annual rent at the rate evidenced in the table below, per month in arrears. Rent for a lesser period shall be prorated.

	Annual Rent (yrs 1-2)	Monthly (yrs 1-2)	Annual Rent (yrs 3-5)	Monthly (yrs 3-5)	Annual Rent (yrs 6-7)	Monthly (yrs 6-7)	Annual Rent (yrs 8-10)	Monthly (yrs 8-10)
Shell Rental Rate	\$737,913.98	\$61,492.83	\$5,562,489.60	\$463,540.80	\$5,734,809.60	\$477,900.80	\$5,907,129.60	\$492,260.80
TI Rental Rate	\$752,526.02	\$62,710.50	\$752,526.02	\$62,710.50	\$752,526.02	\$62,710.50	\$752,526.02	\$62,710.50
Base Operating Cost Rate	\$1,266,680.00	\$105,556.67	\$1,266,680.00	\$105,556.67	\$1,266,680.00	\$105,556.67	\$1,266,680.00	\$105,556.67
Full Service Rent	\$2,757,120.00	\$229,760.00	\$7,581,695.62	\$631,807.97	\$7,754,015.62	\$646,167.97	\$7,926,335.62	\$660,527.97

Rent checks shall be payable to:

Transwestern Park Place Seattle, LLC
Dept #34167
PO Box 39000
San Francisco, CA 94139

~~4. The Government may terminate this lease at any time by giving at least _____ days' prior notice in writing to the Lessor. No rental shall accrue after the effective date of termination. Said notice shall be computed commencing with the day after the date of mailing.~~

~~5. This lease may be renewed at the option of the Government, for the following terms and at the following rentals:~~

~~Provided notice be given in writing to the Lessor at least _____ days before the end of the original lease term or any renewal term; all other terms and conditions of this lease shall remain the same during any renewal term. Said notice shall be computed commencing with the day after the date of mailing.~~

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Lessor Government

6. The Lessor shall furnish to the Government as part of the rental consideration, the following:
- A. The twenty-seven (27) onsite, interior, secured parking spaces and bicycle parking for forty (40) bicycles described in Paragraph 1 at no cost to the Government and with no escalation over the term of the Lease, and such parking spaces as required by local code.
 - B. All labor, materials, equipment, design, professional fees, permit fees, inspection fees, utilities, construction drawings (including, without limitation, plans and specifications), construction costs and services and all other similar costs and expenses associated with making the space (subject to the Tenant Improvement Allowance set forth in Section 19 below), common areas, and related facilities ready for occupancy in accordance with the requirements of this Lease and the Government's final construction drawings; provided that the Government shall make payments for lump sum items identified in Paragraph 3.3 of the attachment sheets in the amounts specified therein. Rent is subject to adjustment in accordance with Paragraph 1.12, "Tenant Improvement Rental Adjustment" of the SFO. All costs associated with services, utilities, maintenance, repair, replacement, inspections, improvements and other requirements as required by the Solicitation For Offers No. 7WA2041 and its attachments.
 - C. Adequate space for telecommunications antennae and transmission devices in accordance with Paragraph entitled, "Telecommunications: Local Exchange Access," of the Solicitation for Offers.
 - D. Service, utilities, maintenance and repair as specified in the attached SFO including but not limited to, all building services from 7 a.m. to 7 p.m. daily, except Saturdays, Sundays, and federal holidays.

7. The following are attached and made a part hereof:

All terms, conditions, and obligations of the Lessor and the Government as set forth in the following:

- a) The Solicitation For Offers Number 7WA2041 (pages 1-71) (all references to SFO shall also refer to any Special Requirements and Amendments);
- b) [Redacted] Program of Requirements (Pages 1-85 as broken down in "C" below);
- c) Attachment B (Pages 1-52), Appendix A (Pages 1-7), Appendix B (Pages 1-26);
- d) Amendment 1 (1/25/09);
- e) R10 SFO: Responses to Questions From Offerors (1-9);
- f) Unique Requirements Clarification (7/25/08) (page 1);
- g) GSA Form 3517B (pages 1-33);
- h) GSA Form 3518 (pages 1-7);
- i) Sheet no. 1-4 containing Paragraphs 9-29;
- j) First generation plans (in hard copy, CAD, and PDF) of the space offered, scaled at 1/8" = 1'-0" (Exhibit "A");
- k) Site Plan (Exhibit "B");
- l) The following are incorporated in full into the lease by reference: 1) The Technical Proposal (which includes the LEED® Scorecard) dated July 31, 2008; 2) The Response to Clarifications Items dated November 6, 2008; and 3) The Final Revised Technical Proposal (including proposed stacking plan) dated and sent electronically January 23, 2009.

8. The following changes were made in this lease prior to its execution:

Paragraphs 4 and 5 of this STANDARD FORM 2 were deleted in their entirety. Paragraphs 9 through 27 have been added.

IN WITNESS WHEREOF, the parties hereto have hereunto subscribed their names as of the date first above written.

LESSOR

BY

(Signature)

(Signature)

Senior Vice President

Brandt Wall
Administrative Associate

150 N. Wacker Drive, Suite 800 Chicago, IL 60606
(Address)

ADMINISTRATION, Public Buildings Service:

SHEET NUMBER 1 ATTACHED TO AND FORMING A PART OF LEASE NO. GS-10B-07038

9. All terms and conditions of this Lease as expressly contained herein represent the total obligations of the Lessor and the Government. Any agreements, written or oral, between the parties prior to the execution of this Lease are not applicable or binding. This agreement may be amended only by written instrument executed by the Lessor and the Government.
10. The Lessor and Government shall agree upon a delivery date(s) for the project taking into consideration the construction schedule. All items specified in Lease Agreement and as delineated on the Government Approved Design Intent Drawings shall be provided by the Lessor.
11. Wherever the words "Offeror", "Lessor" or "successful offeror" appear in this Lease, they shall be deemed to mean "Lessor"; wherever the words "solicitation", "Solicitation for Offers", or "SFO" appear in this Lease, they shall be deemed to mean "this Lease"; wherever the words "space offered for lease" appear in this Lease, they shall be deemed to mean "Premises".
12. The Government reserves the right to adjust the final square footage after receipt and approval of CAD drawings and final site acceptance of the Premises. Any adjustments, including those for agreed upon square footage and annual rent shall be documented by a Supplemental Lease Agreement.
13. The Lessor hereby waives and forever relinquishes any right to make a claim against the Government for waste, damages or restoration arising from or related to any alteration or removal of any alteration by the Government during the term of this Lease or any extensions. Alterations may be completed by either the Government and/or the Lessor including the initial buildout of the leased space and/or any subsequent modifications required during the lease period. The Government shall remove its personal property at the termination of the Lease. At the Government's sole discretion, improvements remaining in leased space after termination of the lease contract will become the property of the Lessor.
14. **TAX ADJUSTMENT:** Pursuant to Paragraph 3.5, "Tax Adjustment GSAM 552.270-24," for purposes of tax escalation, the Government occupies 172,320/314,594 rentable square feet (54.7754%). For the purposes of this lease the negotiated fully-assessed tax base is hereby established as \$380,827.20 (\$2.21/RSF).
15. **OPERATING COST:** Pursuant to Paragraph 3.7, "Operating Cost", the base rate for purposes of operating cost escalation is established at \$1,266,680.00 per annum.
16. **ADJUSTMENT FOR VACANT PREMISES:** Pursuant to Paragraph 3.15, "Adjustment for Vacant Premises", in the event of the Government vacating in whole or in part prior to lease expiration, the rent will be reduced by \$1.50 per ANSI/BOMA Office Area square foot per annum. The Adjustment for Vacant Premises rate shall be escalated annually based upon Paragraph 3.7, "Operating Costs."
17. **OVERTIME USAGE:** Pursuant to Paragraph 7.3, "Overtime Usage", upon request by the GSA Field Office Manager, the Lessor shall provide heating, ventilation, and air-conditioning (HVAC) at any time beyond normal service hours (7:00 a.m. - 7:00 p.m., Monday through Friday, and except Federal Holidays ("Normal Hours"), at a rate of \$35.00 per hour. The Lessor will not charge the Government if Lessor otherwise provides these services to other building tenants during the Government's overtime hours. The Lessor must submit a proper invoice quarterly to GSA Building Manager or designee located at: U.S. General Services Administration, 915 2nd Avenue, Room 390, Seattle, WA 98174-1058, to receive payment.
18. **24 HOUR ROOMS:** The "Overtime Usage" Rate specified above shall not apply to any portion of the Premises that is required in the Program of Requirements to have heating and cooling 24 hours per day as specified by the Lease. The charges for heating and cooling of these areas shall be provided at the rate of \$00.00 per hour after "Normal Hours."
19. **TENANT IMPROVEMENT ALLOWANCE:** The maximum Tenant Improvement Allowance has been established by Paragraph 1.11, "TENANT IMPROVEMENTS INCLUDED IN OFFER." The Tenant Improvement Allowance of \$48.32 per ANSI/BOMA Office Area square foot shall be amortized over the ten (10) year firm term of the Lease at an interest rate (amortization rate) of 0% per year. Any additional amount over the maximum Tenant Improvement Allowance shall be amortized at a rate of 9.5% up to the Prospectus Limitation. Any unused Tenant Improvement Allowance shall be credited to the Government in the form of free rent.
20. **BUDGET AND PRICE PROPOSALS/CONSTRUCTION SCHEDULE**
 - A. Budget and Price Proposals for Tenant Improvements
 - (1) The Lessor shall submit to the Government a tenant improvement budget proposal with the Government Approved Design Intent Drawings which shall meet the requirements of the Lease Agreement. The cost estimate must be submitted in Construction Specification Institute (CSI) Format.
 - (2) The price proposal referenced therein shall be a price proposal based on the Tenant Improvements and associated work shown on the Working Drawings/Construction Drawings. Lessor shall submit the price proposal together with the Working Drawings/Construction Drawings.

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