

LEASE NO. GS-10P-LWA07439
Building No. WA7962

Streamlined Lease
GSA FORM L201B (October 2012)

This Lease is made and entered into between

YESLER INVESTMENT CO, LLC

(Lessor), whose principal place of business is 1000 Second Ave, Ste 1800, Seattle, WA 98104-3619, 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

Fifth & Yesler, 300 Fifth Avenue, Suite 100, Seattle, WA 98104-2398

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

Ten (10) Years, Five (5) Years Firm (plus one [redacted] option)

subject to termination and renewal rights are hereinafter set forth. The commencement date of this Lease (is estimated to be 75 working days after lease award), along with any applicable 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

[Redacted signature area]

FOR THE GOVERNMENT: LINDSEY D. SNOW
CONTRACTING OFFICER

[Redacted signature]

Name: _____

Title: Lease Contracting Officer
General Services Administration, Public Buildings Service

Date: JAN 15 2015

Title: Attorney in Fact
Entity Name: Yesler Investment Co LLC
Date: 1/12/15

WITNESSED FOR THE LESSOR BY:

[Redacted signature area]

Name: [Signature]

Title: _____

Date: 1/12/15

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:** 1,602 rentable square feet (RSF), yielding 1,496 ANSI/BOMA Office Area (ABOA) square feet (SF) of office and related Space located on the first floor and known as Suite 100, of the Building, as depicted on the floor plan(s) attached hereto as Exhibit F.
- B. **Common Area Factor:** The Common Area Factor (CAF) is established as 7.08 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 (JUN 2012)

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:** 1 unreserved indoor/structured parking space for the exclusive use of the Government, which shall be located at 315 Fifth Avenue South, Seattle, WA 98104. Should parking become available at 300 Fifth Avenue, Seattle, WA 98104, the Government shall have the right to transfer the location of the parking in this lease. The Government shall have the right to terminate the parking from the lease at any time, with 30 days written notice to the Lessor. 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.

1.03 RENT AND OTHER CONSIDERATION (SEP 2012)

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

	YEARS 1-5 ⁵	YEARS 6-10
	ANNUAL RENT	ANNUAL RENT
FULL-SERVICE RENT ¹	\$57,672.00	\$61,324.56
PARKING ²	\$3,600.00	\$4,200.00
TENANT IMPROVEMENTS RENT ³	\$19,735.60	\$0.00
BUILDING SPECIFIC AMORTIZED CAPITAL ⁴	\$2,184.01	\$0.00
TOTAL ANNUAL RENT	\$83,191.61	\$65,524.56

¹Firm Term Calculation: \$36.00 per RSF multiplied by 1,602 RSF. Non-Firm Term Calculation: \$38.28 per RSF multiplied by 1,603 RSF. Full-service rent includes proportionate share of real estate taxes and operating costs.
²Parking rent calculation: \$300.00 per space per month for the Firm Term; \$350.00 per space per month for the Non-Firm Term.
³The Tenant Improvement Allowance of \$81,110.73 is amortized at a rate of 8 percent per annum over 5 years.
⁴Building Specific Amortized Capital (BSAC) of \$8,976.00 is amortized at a rate of 8 percent per annum over 5 years
⁵Concession of \$40.00 per RSF, for a total of \$64,080.00, will be applied toward the initial rental payments of full-service rent, parking, TI, and BSAC until exhausted. Concession will not be amortized over the term of the lease in order to reduce the rental rate per RSF.

- B. Rent is subject to adjustment based upon a mutual on-site measurement of the Space upon acceptance, not to exceed 1,496 ABOA SF based upon the methodology outlined under the "Payment" clause of GSA Form 3517.
- 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. 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.
- 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). If the payee is different from the Lessor, both payee and Lessor must be registered in CCR.
- 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. This lease shall have no adjustments for Real Estate Taxes or Operating Costs.

1.04 BROKER COMMISSION AND COMMISSION CREDIT (JUN 2012)

A. **JONES LANG LASALLE 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. Only [REDACTED] of the Commission, will be payable to the Broker 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 capture 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 captured 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 \$6,932.63 minus prorated Commission Credit of [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 (AUG 2011)

This Lease may be renewed at the option(s) of the Government for one term of [REDACTED] at the following rental rate:

RENEWAL OPTION	
[REDACTED]	
ANNUAL RENT	
FULL SERVICE RENTAL RATE	[REDACTED]
PARKING	[REDACTED]
TOTAL	[REDACTED]

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 force and effect during any renewal term.

1.07 DOCUMENTS INCORPORATED IN THE LEASE (SEP 2012)

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

DOCUMENT NAME	NO. OF PAGES	EXHIBIT
STREAMLINED LEASE PROPOSAL (GSA FORM 1364-B)	4	A
AGENCY SPECIFIC REQUIREMENTS (ASR) DATED 12/10/2014	17	B
SECURITY REQUIREMENTS	7	C
GSA FORM 3517B GENERAL CLAUSES	47	D
GSA FORM 3518, REPRESENTATIONS AND CERTIFICATIONS	10	E
FLOOR PLAN DELINEATING THE PREMISES	1	F

1.08 TENANT IMPROVEMENTS AND PRICING (STREAMLINED) (SEPT 2011)

The Tenant Improvement Allowance (TIA) for purposes of this Lease is \$54,218,400 per ABOA SF. The TIA is the amount that the Lessor shall make available for the Government to be used for the TIs. This amount is amortized in the rent over the Firm Term of this Lease at an annual interest rate of 8 percent. The Government shall have the right to make lump sum payments for any or all TI work.

1.09 TENANT IMPROVEMENT RENTAL ADJUSTMENT (AUG 2011)

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 shall have the right to either:
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)	\$0.00
Lessor's Project Management Fee (% of TI Construction Costs)	15%

1.11 BUILDING SPECIFIC AMORTIZED CAPITAL (SEP 2012)

For purposes of this Lease, the Building Specific Amortized Capital (BSAC) is \$6.00 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 8 percent.

1.12 BUILDING SPECIFIC AMORTIZED CAPITAL RENTAL ADJUSTMENT (SEP 2012)

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 shall have the right to either:
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.

1.13 INTENTIONALLY DELETED

1.14 INTENTIONALLY DELETED

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1.16 RATE FOR ADJUSTMENT FOR VACANT LEASED PREMISES (JUN 2012)

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 leased 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:"

\$50.00 per hour for the entire Space.

1.18 24-HOUR HVAC REQUIREMENT (APR 2011)

The hourly overtime HVAC rate specified above shall not apply to any portion of the Premises that is required to have heating and cooling 24 hours per day. If 24-hour HVAC is required by the Government for any designated rooms or areas of the Premises, such services shall be provided by the Lessor at an annual rate of \$0.00 per ABOA SF of the area receiving the 24-hour HVAC. Notwithstanding the foregoing, Lessor shall provide this service at no additional cost to the Government if the Lessor provides this service to other tenants in the Building at no additional charge.

1.19 INTENTIONALLY DELETED

1.20 INTENTIONALLY DELETED