

# US GOVERNMENT LEASE FOR REAL PROPERTY

DATE OF LEASE

SEP 30 2009

LEASE NO.

LOR07088

THIS LEASE, made and entered into this date between Lane Council of Governments

whose address is: Park Place Building (OR6726)  
859 Willamette Street, Suite 500  
Eugene, Oregon 97401

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:  
5,502 rentable square feet (rsf), yielding approximately 5,100 ANSI/BOMA Office Area square feet and related space located at the Park Place Building, 859 Willamette Street, Suite 200, Eugene, Oregon, together with 4 surface, onsite parking spaces, as depicted on the attached Site Plan (Exhibit A) (the "Premises"), to be used for SUCH PURPOSES AS DETERMINED BY THE GENERAL SERVICES ADMINISTRATION.

This offer included approximately 72 square feet of free rentable square feet of space and 67 square feet of free usable square feet of space at no additional costs to the Government. The Government shall not be responsible for any costs associated with the Tenant Improvement Allowance; Operating Expenses, Taxes or Shell Rent associated with the proposed free space.

- TO HAVE AND TO HOLD the said Premises with their appurtenances for the term beginning forty-five (45) working days from the receipt of the Government Issuance of Notice to Proceed for Construction of Tenant Improvements through June 4, 2010, subject to termination and renewal rights as may be hereinafter set forth. Lease Commencement date will be determined based upon completion of the Tenant Improvements and will be finalized by the acceptance of space at Beneficial Occupancy which will be memorialized in a Supplemental Lease Agreement (SLA).
- The Government shall pay the Lessor \$13,042.84 per month in years 1-5, for a total of \$156,514.06 for years 1-5; \$9,239.43 per month in years 6-10, for a total of \$110,873.10 for years 6-10. Rent for a lesser period shall be prorated.

	Annual (1-5)	Monthly (1-5)	Annual (6-10)	Monthly (6-10)
Shell Rental Rate	\$ 85,336.02	\$ 7,111.34	\$ 91,341.00	\$ 7,611.75
TI Rental Rate	\$ 51,645.94	\$ 4,303.83	\$ -	\$ -
Base Operating Cost	\$ 19,532.10	\$ 1,627.68	\$ 19,532.10	\$ 1,627.68
Full Service Rent	\$ 156,514.06	\$ 13,042.84	\$ 110,873.10	\$ 9,239.43

Rent checks shall be payable to:  
Lane Council of Governments  
859 Willamette Street, Suite 500  
Eugene, OR 97401

- The Government may terminate this lease in whole or in part effective at any time after the 5th year of this lease by giving at least ninety (90) 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.

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

LESSOR

BY \_\_\_\_\_  
IN PRESENCE \_\_\_\_\_

*Associate Director*  
(Title)  
*859 Willamette St, Suite 500*  
*Eugene, OR 97401*  
(Address)

UNITED STATES OF AMERICA

BY \_\_\_\_\_

Contracting Officer, General Services Administration  
(Official Title)

~~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.~~

6. The Lessor shall furnish to the Government as part of the rental consideration, the following:

- A. The 4 surface parking space(s) described in Paragraph 1 and parking spaces 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, common areas, and related facilities ready for occupancy in accordance with the requirements of this lease and the Government's final construction drawings. Rent is subject to adjustment in accordance with Paragraph 3.3, "Tenant Improvement Rental Adjustment" of the SFO. All cost associated with services, utilities, maintenance, repair, replacement, inspections, improvements and other requirements as required by the Solicitation For Offers No. 7OR2160 and its attachments.
- C. Adequate space for telecommunications antennae and transmission devises in accordance with Paragraph entitled, "Telecommunications: Local Exchange Access," of the Solicitation for Offers.

~~7. 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 XX 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.~~

8. The Lessor shall furnish to the Government, as part to the rental consideration, the following:

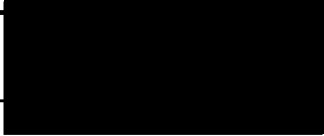
- A. Those facilities, services, supplies, utilities, and maintenance in accordance with SFO 7OR2160 dated April 24, 2009.
- B. Build out in accordance with standards set forth in SFO 7OR2160 dated April 24, 2009, and the Government's design intent drawings. Government space plans shall be developed subsequent to award. All tenant alterations to be completed by the lease effective date identified under Paragraph 2 above. Lease term to be effective on date of occupancy, if different from the date identified in Paragraph 2. The Lessor hereby waives restoration.
- C. Deviations to the approved design intent drawings will not be permitted unless prior written authorization is obtained from the GSA Contracting Officer.

9. 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 7OR2160 pages 1-51 (all references to SFO shall also refer to any Special Requirements and Amendments);
- B. Special Requirements (Pages 1-18);
- C. GSA Form 3517 (pages 1-2);
- D. GSA Form 3518 (pages 1-7);
- E. Sheet no. 1-4 containing Paragraphs 10-24;
- F. Site Plan (Exhibit "A").

LESSOR



UNITED STATES OF AMERICA

BY \_\_\_\_\_

BY *RAS*

(Initial)

10. The following changes were made in this lease prior to its execution:  
Paragraph 5 and 7 of this STANDARD FORM 2 was deleted in its entirety. Paragraphs 10 through 24 have been added.
11. The Lessor shall have forty-five (45) working days from the receipt of the Government Issuance of Notice to Proceed for Construction of Tenant Improvement to complete the build-out of the entire space. All items specified in Lease Agreement and as delineated on the Government Approved Design Intent Drawings shall be provided by the Lessor.
12. In accordance with SFO paragraph 3.3 entitled "Tenant Improvement Rental Adjustment," Tenant Improvements in the total amount of \$219,963.00 (5,100 USF x \$43.13) shall be amortized through the rent for 5 years at the rate of 6.50%. The total annual cost of Tenant Improvements for the amortization period shall be \$51,645.94. Upon completion and acceptance of construction of the Tenant Improvement, the gross rental rate and Tenant Improvement allowance shall be reconciled per SFO paragraph 3.3 entitled "Tenant Improvement Rental Adjustment."
13. In accordance with SFO paragraph 4.2.B.9 entitled "Percentage of Occupancy," the percentage of Government occupancy is established as 8.91%.
14. In accordance with SFO paragraph 4.1.C entitled "Common Area Factor," the common area factor is established as 7.88% (5,502 RSF/5,100 USF).
15. SFO paragraph 4.3 entitled "Operating Cost Base" is deleted, since there will be no escalation of operating expenses.
16. In accordance with SFO paragraph 4.4 entitled "Adjustment for Vacant Premises," the adjustment is established as \$2.54/USF for vacant space (rental reduction). The Adjustment for Vacant Premises rate shall be escalated annually based upon Paragraph 4.3, "Operating Costs."
17. In accordance with the SFO Paragraph 4.6 entitled "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 a.m.-5 p.m., Monday through Friday except Federal Holidays ("Normal Hours"). The rate for overtime usage is established as \$0.00 per hour for the entire building or any portion thereof. 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 HOURS ROOMS/COMPUTER ROOMS:** The "Overtime Usage" rate specified above shall not apply to any portion on the Premises that is required 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 \$0.00 per hour after 5:00pm.
19. SFO paragraph 4.2 entitled "Tax Adjustment GSAM 552.270-24" is deleted, since the property is tax exempt as defined per Lane County, Oregon tax exempt ordinance.
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.
  - B. Failure to submit the budget and price proposals referenced above will constitute Lessor delay. In the event that either the budget proposal or price proposal exceeds the Tenant Improvement Allowance specified in the Lease, then the construction schedule shall be revised to afford the Government sufficient time to review and resolve the difference.
  - C. The construction schedule shall also include adequate time for additional review by the Government of revised design intent drawings and Working Drawings/Construction Drawings. All references to "working days" shall not include the period from December 15 through January 1 of any calendar year.
  - D. Lessor shall provide to the Government the final total costs of the completed Tenant Improvements in a format meeting the requirements of Paragraph A(1) ten (10) working days prior to "Substantial Completion". Lessor acknowledges that the Government will not be responsible for the payment of any changes to the Tenant Improvements not approved in writing by the Contracting Officer in accordance with the terms of this Lease.

LESSOR

UNITED STATES OF AMERICA

BY \_\_\_\_\_

BY     RAS    

(Initial)

21. Inspection of Premises:

- A. The Lessor shall notify the Government ten (10) days in advance of the anticipated substantial completion date as defined in Paragraph 1 of the GSA Form 3517. Within ten (10) business days after the date the Lessor notifies the Government that the space is "substantially complete," the Government shall inspect the Premises and appurtenances. Within five (5) business days after the inspection, the Government shall notify the Lessor of any deficiencies in the Premises and appurtenances and the Lessor shall thereafter diligently pursue remedying any defects. If any subsequent Government inspection is required to confirm conformance with the results of a prior inspection, any such subsequent inspection and notification of the results of such inspection shall be made in accordance with the foregoing procedure and the time frames.
- B. The period during which rent shall be deemed to have commenced for the Premises shall be the date that the entire space is accepted for occupancy by the Government (or the date accepted for occupancy, subject to completion of a written punchlist of items not materially affecting beneficial occupancy which are yet to be finished.) The space will not be considered acceptable for occupancy until the Government receives the final tenant improvement cost. Any items to be completed or corrected that have been identified at the acceptance of the space as a punchlist item and which do not affect beneficial occupancy shall be completed by the Lessor within thirty (30) calendar days of acceptance.
- C. Neither the Government's acceptance of the Premises for occupancy or acceptance of related appurtenances, nor the Government's occupancy of the Premises, shall be construed as a waiver of any requirement or right of the Government under this lease, or as otherwise prejudicing the Government with respect to any such requirement or right, or as an acceptance of any latent defect or condition.

22. **UNAUTHORIZED IMPROVEMENTS:** All questions pertaining to this lease agreement shall be referred in writing to the General Service Administration Contracting Officer. This contract is between GSA and Northview Corporate Center, LLC. GSA assumes no financial responsibility for any cost incurred by the Lessor except as provided by the term of the lease agreement or authorized in writing by the GSA Contracting Officer. **If Lessor delivers space with improvements not authorized or requested in writing by the GSA Contracting Officer, then Lessor shall not be entitled to compensation if the improvements remain in place after the Government's acceptance of the space.**

23. 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".

24. **COMMISSION AND COMMISSION CREDIT:**

The Lessor and the Broker have agreed to a cooperating lease commission of [REDACTED] of the firm term value of this lease. The total amount of the commission is [REDACTED]. The Lessor shall pay the Broker no additional commissions associated with this lease transaction. In accordance with the "Broker Commission and Commission Credit" paragraph, the Broker has agreed to forego [REDACTED] of the commission that it is entitled to receive in connection with this lease transaction ("Commission Credit"). The Commission Credit is [REDACTED]. The Lessor agrees to pay the Commission less the Commission Credit to the Broker in accordance with the "Broker Commission and Commission Credit" paragraph in the SFO attached to and forming a part of this lease.

Notwithstanding Paragraph 3 of this Standard Form 2, the shell rental payments due and owing under this lease shall be reduced to fully recapture this Commission Credit. The reduction in shell rent shall commence with the first month's of the rental payments and continue as indicated in this schedule for adjusted Monthly Rent:

**Year 1:** First Months Rental Payment \$13,042.84 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted First Month's Rent.

**Year 1:** Second Month's Rental Payment \$13,042.84 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted Second Month's Rent.

LESSOR

UNITED STATES OF AMERICA

BY \_\_\_\_\_

BY     RAS    

(Initial)