

US GOVERNMENT  
LEASE FOR REAL PROPERTY

DATE OF LEASE

OCT 5 2010

LEASE NO.

GS-10B-07199

Bldg.# OR6586

THIS LEASE, made and entered into this date between **Aspen Mallory Holdings, LLC**

whose address is: 729 SW 15<sup>th</sup> Ave  
Portland, OR 97205-1906

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:  
13,020 rentable square feet (RSF.), yielding approximately 12,779 ANSI/BOMA Office Area square feet and related space located on the first floor of the Mallory Park building located at 1538 SW Yamhill, Portland, OR 97205-1824, to be used for SUCH PURPOSES AS DETERMINED BY THE GENERAL SERVICES ADMINISTRATION.
- TO HAVE AND TO HOLD the said Premises with their appurtenances for the term beginning October 22, 2010 and continuing through October 21, 2020, subject to renewal rights hereinafter set forth.
- RENTAL RATE:** The Government shall pay the Lessor annual rent per the table below, per month in arrears. Rent for a lesser period shall be prorated.

	Annual Rate	Monthly Rate	Annual Rate	Monthly Rate
Term	10/22/10-10/21/15	10/22/10-10/21/15	10/22/15-10/21/20	10/22/15-10/21/20
Shell Rate	\$154,938.00	\$12,911.50	\$177,592.80	\$14,799.40
Operating Rate	\$ 93,613.80	\$ 7,801.15	\$ 93,613.80	\$ 7,801.15
T1 Rate <sup>1</sup>	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
Building Specific Security <sup>2</sup>	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
Full Service Rate	\$248,551.80	\$20,712.65	\$271,206.60	\$22,600.55

<sup>1</sup> See Paragraph 15 of this SF2; <sup>2</sup> See Paragraph 16 of this SF2

Rent checks shall be payable to:

Aspen Mallory Holdings, LLC  
729 SW 15<sup>th</sup> Ave  
Portland, OR 97205-1994

- TERMINATION RIGHTS:** Paragraph intentionally deleted.

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

LESSOR AND

BY \_\_\_\_\_

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

(Signature)

President

(Title)  
420 NW 117<sup>th</sup> Ave., Suite 822  
Portland OR 97209

(Address)

UNITED STATES OF AMERICA

BY \_\_\_\_\_

LINDSEY D. SNOW Contracting Officer, General Services Administration  
CONTRACTING OFFICER (Official Title)

5. **RENEWAL OPTIONS:** The Government may renew this Lease for two (2) five (5) year option periods provided notice be given in writing to the Lessor at least one hundred eighty (180) days before the end of the lease term. Said notice shall be computed commencing with the day after the date of mailing. All other terms and conditions of this lease shall remain the same during any renewal term. The Government shall pay the Lessor shell rent for the renewal periods as outlined below, per month in arrears. Rent for a lesser period shall be prorated.

Renewal Option 1 (10/22/20-10/21/25) – Annual Shell Rental Rate \$190,873.20  
Renewal Option 2 (10/22/25-10/21/30) – Annual Shell Rental Rate \$221,209.80

The operating cost base for the option periods will be set at the time the option is exercised based on the Lessor's annual cost statement for the year prior to each renewal term. The annual rate for the option periods will be determined by the shell rate stated in this paragraph plus the operating rate at the time of renewal.

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

A. 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. All costs associated with services, utilities, maintenance, repair, replacement, inspections, improvements and other requirements as required by Solicitation For Offers (SFO) No. 8OR2145 and its attachments.

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 8OR2145 (pages 1-48) (all references to SFO shall also refer to any Special Requirements and Amendments);
- b) Special Requirements (pages 1-75);
- c) Amendment Number 1 (page 1);
- d) GSA Form 3517B (pages 1-33);
- e) GSA Form 3518 (pages 1-7);
- f) SF-2 and attached pages containing paragraphs 1-17 (pages 1-3);
- g) Site Plan (page 1);
- h) GSA Form 1364 (pages 1-2);
- i) GSA Form 1217 (pages 1-2);

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

Paragraph 4 of this STANDARD FORM 2 was deleted in its entirety. Paragraphs 9 through 17 have been added.

9. **TAX ADJUSTMENT:** Pursuant to Paragraph 4.2 of the SFO, "Tax Adjustment," for purposes of tax adjustment, the Government occupies 13,020/14,465 rentable square feet (90%) and the tax property ID number is R246766. The tax base for the Government-occupied space is established as \$10,640.00 and is included in the shell rent.

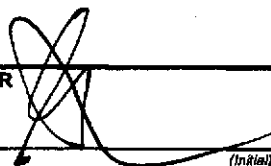
10. **OPERATING COSTS:** Pursuant to Paragraph 4.3 of the SFO, "Operating Costs," the base rate for the purposes of operating cost escalation is established at \$7.19 per rentable square foot per annum, and shall be adjusted according to CPI as specifically described in Paragraph 4.3 of the SFO.

11. **ADJUSTMENT FOR VACANT PREMISES:** Pursuant to Paragraph 4.4 of the SFO, "Adjustment for Vacant Premises," in the event of the Government vacating in whole or in part prior to lease expiration, the rental rate will be reduced by \$1.00 per ANSI/BOMA Office Area square foot per annum for operating expenses. The Adjustment for Vacant Premises rate shall be adjusted annually based upon Paragraph 4.3 of the SFO, "Operating Costs."

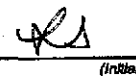
LESSOR

UNITED STATES OF AMERICA

BY

  
(Initial)

BY

  
(Initial)

12. **OVERTIME USAGE:** Pursuant to Paragraph 4.6 of the SFO, "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. – 6:00 p.m., Monday through Friday, and except Federal Holidays ("Normal Hours")), at a rate of \$40.00 per hour for the entire leased space. 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 to receive payment.
13. **24 HOUR ROOMS:** The Overtime Usage rate specified above shall not apply to any portion of 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 "Normal Hours."
14. **TENANT IMPROVEMENT ALLOWANCE:** The Tenant Improvement Allowance has been established by Paragraph 3.2 of the SFO, "Tenant Improvements Included in Offer," as amended in Amendment 1. The Tenant Improvement Allowance of \$20.00/ANSI BOMA sq. foot shall be amortized over the ten (10) year firm term of the lease term at an interest rate (amortization rate) of 5.4% per year ( $12,779 \text{ USF} \times \$20.00 = \$255,580.00$  amortized at 5.4% for 10 years = \$33,132.81 annually). Tenant Improvements have not been completed as of the effective date of this SF-2. The Government intends to pay Shell and Operating Rent per the table in Paragraph 3 effective October 22, 2010. Upon completion and acceptance by the Government of Tenant Improvements for the space, a Supplemental Lease Agreement will be issued to amortize the Tenant Improvement amount over the firm term and this amount will be added into the annual rental amount.
15. **TENANT IMPROVEMENT BUILD OUT:** The Premises are to be built out in accordance with the provisions hereinafter set forth in this lease. The actual amount of build-out will be determined by the Government approved layout. No deviation from this layout will be allowed except for those changes approved in writing by the General Services Administration Contracting Officer. Upon completion of the improvements to the Premises by the Lessor, and acceptance by the Government, the new annual rent, the Lease Commencement and Lease Expiration dates shall be established by Supplemental Lease Agreement (SLA).
16. **BUILDING SPECIFIC SECURITY:** Building Specific Security items in the amount of \$17,500.00 shall be amortized over the ten (10) year lease term at an interest rate (amortization rate) of 5.4% per year (\$2,268.66 annually). Building Specific Security items have not been completed as of the effective date of this SF-2. The Government intends to pay Shell and Operating Rent per the table in Paragraph 3 effective October 22, 2010. Upon completion and acceptance by the Government of the Building Specific Security items for the space, a Supplemental Lease Agreement will be issued to include the Building Specific Security amount listed in this paragraph over the firm term and this amount will be added into the annual rental amount.
17. 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."

LESSOR

UNITED STATES OF AMERICA

BY

(initial)



BY

(initial)

