

# US GOVERNMENT LEASE FOR REAL PROPERTY

DATE OF LEASE **AUG 12 2009**

LEASE NO.  
GS-10B-07051

BUILDING NO.  
WA7971

THIS LEASE, made and entered into this date by and between G&I IV KIRKLAND, LLC

Whose address is 220 EAST 42<sup>ND</sup> STREET, 27<sup>TH</sup> FLOOR  
NEW YORK, NY 10017-5819

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:

1. The Lessor hereby leases to the Government the following described premises:

A total of 2,924 rentable square feet (RSF) of office and related space, which yields 2,339 ANSI/BOMA Office Area square feet (USF) of space at Kirkland 124, 11411 NE 124<sup>th</sup> Street, Kirkland, WA 98034-4314, to be used for such purposes as determined by the General Services Administration. Included in the rent at no additional cost to the Government are Three (3) parking spaces for exclusive use of Government employees and patrons.

2. **TO HAVE AND TO HOLD** the said premises with their appurtenances for the term beginning on April 19, 2010 and continuing through April 18, 2020, subject to termination and renewal rights as may be hereinafter set forth. Lease commencement date is estimated and shall begin upon substantial completion and beneficial occupancy of the space by the Government.

3. The Government shall pay the Lessor annual rent of \$143,988.28 at the rate of \$11,999.02 per month in arrears. **See Paragraph 15.**

Rent for a lesser period shall be prorated. Rent checks shall be made payable to:

G&I IV KIRKLAND, LLC  
220 EAST 42<sup>ND</sup> STREET, 27<sup>TH</sup> FLOOR  
NEW YORK, NY 10017-5806

4. The Government may terminate this lease in whole or in part at any time on or after April 18, 2015 by giving at least 120 days' notice in writing to the Lessor and 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**  
G&I IV KIRKLAND, LLC

BY  \_\_\_\_\_

*Senior Asset Manager*  
\_\_\_\_\_  
(Title)

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

*PO New Montgomery #401, SF, CA, 94105*  
\_\_\_\_\_  
(Address)

BY  \_\_\_\_\_  
(Signature)

Contracting Officer, General Services Administration  
(Official Title)

15. Pursuant to Paragraph 3 of the Lease, *Amount of Annual Rent and Rate per Month*, payable on 2,924 ANSI/BOMA Rentable area is as follows:

<u>Rent Period<sup>1</sup></u>	<u>Shell Rent<sup>2</sup></u>	<u>Operating Rent<sup>3</sup></u>	<u>Amortized TIs<sup>4</sup></u>	<u>Annual Rent</u>	<u>Monthly Rent</u>
04/19/10-04/18/15	\$92,544.60	\$19,444.60	\$31,999.08	\$143,988.28	\$11,999.02
04/19/15-04/18/20	\$90,848.68	\$23,655.16	\$00.00	\$114,503.88	\$9,541.99

<sup>1</sup> Rent for the period of 04/19/10 through 07/18/10 is adjusted pursuant to Section 16 below.

<sup>2</sup> Shell Rent at \$31.65 per Rentable SF for years 1-5; and \$31.07 per Rentable SF for years 6-10.

<sup>3</sup> Operating Rent at \$6.65 per Rentable SF for years 1-5; and \$8.09 per Rentable SF for years 6-10; not subject to annual CPI adjustments.

<sup>4</sup> Amortized TIs calculated at \$53.65 per USF @ 10% for 5 years.

16. Adjusted monthly rent payments (application of commission credit):

The commission credit shall be applied in equal monthly amounts against the shell rental payments over the minimum number of months that will not exceed the monthly shell rental per Section 2.3 B. of the SFO. The monthly rent is [REDACTED]. The monthly shell rent is \$7,712.05. The commission credit is [REDACTED] and is calculated as follows:

Years 1-5      \$143,988.28 X 5 = [REDACTED] X [REDACTED] = [REDACTED]  
 GSA Credit: \$35,997.07 X [REDACTED] = [REDACTED]  
 Studley, Inc./LaBonde Land, Inc. Commission: [REDACTED]

The monthly rent adjusted for the commission credit is as follows:

<u>Rent Period</u>	<u>Scheduled Monthly Rent</u>	<u>Scheduled Mo. Shell Rent</u>	<u>Commission Credit</u>	<u>Commission Credit Remaining</u>	<u>Adjusted Monthly Rent Payment</u>
04/19/10 - 05/18/10	\$11,999.02	\$7,712.05	[REDACTED]	[REDACTED]	[REDACTED]
05/19/10 - 06/18/10	\$11,999.02	\$7,712.05	[REDACTED]	[REDACTED]	[REDACTED]
06/19/10 - 07/18/10	\$11,999.02	\$7,712.05	[REDACTED]	\$-0-	[REDACTED]
07/19/10 - 08/18/10	\$11,999.02	\$7,712.05	\$-0-	\$-0-	\$11,999.02

17. 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 Supplemental Lease Agreement.

18. 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.

LESSOR

UNITED STATES OF AMERICA

BY 

BY 

(Initial)

(Initial)

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 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. Paragraph intentionally removed.~~

- 6. 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 8WA2063 dated October 1, 2008, as amended.
  - B. Build out in accordance with standards set forth in SFO 8WA2063 dated October 1, 2008, as amended, 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.
  - D. The Lessor hereby waives restoration.

- 7. The following are attached and made a part hereof:
  - A. Solicitation for Offers 8WA2063 dated October 1, 2008, and Amendment 1, dated December 9, 2008, and Amendment 2, dated December 19, 2008.
  - B. GSA Form 3517 entitled GENERAL CLAUSES (Rev. [11/05])
  - C. GSA Form 3518 entitled REPRESENTATIONS AND CERTIFICATIONS (Rev. [1/07])

8. In accordance with the SFO paragraph entitled *Tenant Improvement Rental Adjustment*, Tenant Improvements in the total amount of \$125,503.95 (2,339 x \$53.65) shall be amortized through the rent for Five (5) years at the rate of 10%. The total annual cost of Tenant Improvements for the amortization period shall be \$31,999.08.

9. In accordance with the SFO paragraph entitled *Percentage of Occupancy*, the percentage of Government occupancy is established as 7.35%.

~~10. In accordance with the SFO paragraph entitled *Operating Costs Base*, the escalation base is established as \$X.XX/RSF (\$XXX,XXX.XX/annum). Paragraph intentionally removed.~~

11. In accordance with the SFO paragraph entitled *Common Area Factor*, the common area factor is established as 25% (2,924 RSF/2,339 USF).

12. In accordance with the SFO paragraph entitled *Adjustment for Vacant Premises*, the adjustment is established as \$0.00/USF for vacant space (rental reduction).

13. In accordance with the SFO Paragraph entitled *Overtime Usage*, The rate for overtime usage is established as \$40.00 per hour for the entire building or any portion thereof.

14. Security costs in the total amount of \$0.00 shall be amortized through the rent for 0 months at the rate of 0%.

LESSOR

UNITED STATES OF AMERICA

BY



(initial)

BY



(initial)