

US GOVERNMENT LEASE FOR REAL PROPERTY

DATE OF LEASE **JUN 17 2010**

LEASE NO.
GS-10B-07156

THIS LEASE, made and entered into this date by and between **SAC ASSOCIATES, LLC MARINA SQUARE PARTNERS, LLC AND JFIC-SAC, LLC c/o Scanlan Kemperbard Companies**

Whose address is 1211 SW Fifth Avenue
Suite 2600
Portland, OR 97204

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 12,400 rentable square feet (RSF) of office and related space, which yields 11,183 ANSI/BOMA Office Area square feet (USF) of space on the second (2nd) Floor at SeaTac Office Center – South Tower, 18000 International Blvd., SeaTac, WA 98188-4253 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 50 (40 surface and 10 structured) parking spaces for exclusive use of Government employees and patrons. (parking is valued at \$200 per space per month)

2. TO HAVE AND TO HOLD the said premises with their appurtenances for the term beginning on approximately October 1, 2010 and continuing through September 30, 2020, subject to termination and renewal rights as may be hereinafter set forth, subject to beneficial occupancy. Lease term is ten (10) years, five (5) years firm, with lease effective term to be determined following completion of tenant improvements and Government's acceptance of space.

3. The Government shall pay the Lessor annual rent of \$336,344.36 and stepped per the table below.

Rent Period ¹	Shell Rent ²	Operating Rent ³	Amortized Tls ⁴	Annual Rent ⁵
Years 1	\$155,124.00	\$81,468.00	\$99,774.73	\$336,366.73
Year 2	\$164,424.00	\$81,468.00plus CPI	\$99,774.73	\$345,666.73
Year 3	\$173,724.00	\$81,468.00plus CPI	\$99,774.73	\$354,966.73
Year 4	\$183,024.00	\$81,468.00plus CPI	\$99,774.73	\$364,266.73
Year 5	\$192,324.00	\$81,468.00plus CPI	\$99,774.73	\$373,566.73
Year 6	\$251,844.00	\$81,468.00plus CPI	\$-0-	\$333,312.00
Year 7	\$261,144.00	\$81,468.00plus CPI	\$-0-	\$342,612.00
Year 8	\$270,444.00	\$81,468.00plus CPI	\$-0-	\$351,912.00
Year 9	\$279,744.00	\$81,468.00plus CPI	\$-0-	\$361,212.00
Year 10	\$289,044.00	\$81,468.00plus CPI	\$-0-	\$370,512.00

¹ Months 1 through 4, free rent.

² The Shell Rent amount includes the base year tax amount as shown in Paragraph 9 of this SF2.

³ Operating Rent base shall be adjusted per Paragraph 10 of this SF2.

⁴ See Paragraph 8 of this SF2.

⁵ The annual rent owed for the first year of the lease will be adjusted per Paragraph 14 of this SF2 and after the 4 months of free rent.

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

Scanlan Kemperbard Companies
1211 SW Fifth Avenue, Suite 2600
Portland, OR 97204

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

LESSOR
SAC ASSOCIATES, LLC
JFIC-SAC

BY AND

SENIOR VICE PRESIDENT
(Title)

IN PRESENCE

1211 SW 5th AVE., STE. 2600
(Address)

UNITED STATES OF AMERICA

PORTLAND, OR 97204

BY

Contracting Officer, General Services Administration
(Official Title)

4. The Government may terminate this lease in whole or in part at any time on or after January 31, 2015 by giving at least 180 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.

5. This lease has no renewal options.

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 7WA2088 dated June 10, 2009.
- B. Build out in accordance with standards set forth in SFO 7WA2088 dated June 10, 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.

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

- A. Solicitation for Offers 7WA2088 dated June 10, 2009. (Pages 1-52)
- B. Agency Program of Requirements (POR) dated July, 2005. (Pages 1-124) – Not attached; reference for space build out.
- C. GSA Form 3517 entitled GENERAL CLAUSES (Rev. [11/05]) (Pages 1-2)
- D. GSA Form 3518 entitled REPRESENTATIONS AND CERTIFICATIONS (Rev. [1/07]) (Pages 1-8)

8. In accordance with the SFO paragraph entitled *Tenant Improvement Rental Adjustment*, Tenant Improvements in the total amount of \$498,873.63 (11,183 USF x \$44.61) shall be amortized through the rent for 5 years at the rate of 0%. The total annual cost of Tenant Improvements for the amortization period shall be \$99,774.73.

9. In accordance with the SFO paragraph entitled *Percentage of Occupancy*, the percentage of Government occupancy is established as 5.907% of the building (12,400 RSF / 209,904 RSF). Tax Adjustment based on *Percentage of Occupancy*, for the entire Tax Parcel #3323049001, is established as .023289% (12,400 RSF / 532,430 RSF). The tax base is established at \$1.59/RSF/Year.

10. In accordance with the SFO paragraph entitled *Operating Costs Base*, the escalation base is established as \$6.57/RSF (\$81,468.00/annum).

11. In accordance with the SFO paragraph entitled *Common Area Factor*, the common area factor is established as 1.11 (12,400 RSF/11,183 USF).

12. In accordance with the SFO paragraph entitled *Adjustment for Vacant Premises*, the adjustment is established as \$1.00/USF for vacant space (rental reduction).

13. In accordance with the SFO Paragraph entitled *Overtime Usage*, the rate for overtime usage is established as \$50.00 per hour for the entire building or any portion thereof.

14. Commission and Commission Credit
The Lessor and the Broker have agreed to a cooperating lease commission of [redacted] per rentable square foot per year for the firm term 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 of the rental payments and continue as indicated in this schedule for adjusted Monthly Rent:

Fifth Month's Rental Payment \$28,028.70 minus prorated Commission Credit of [redacted] equals [redacted] adjusted Fifth Month's Rent

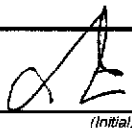
Sixth Month's Rental Payment \$28,028.70 minus prorated Commission Credit of [redacted] equals [redacted] adjusted Sixth Month's Rent

The Lessor hereby waives restoration.

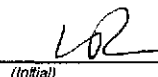
LESSOR

UNITED STATES OF AMERICA

BY


(Initial)

BY


(Initial)