

US GOVERNMENT LEASE FOR REAL PROPERTY

DATE OF LEASE

December 17, 2010

LEASE NO.

GS-10B-07225

BUILDING NO.

WA8025

THIS LEASE, made and entered into this date by and between 1531 UTAH AVENUE SOUTH LIMITED PARTNERSHIP

Whose address is 270 S. HANFORD STREET #100
SEATTLE, WA 98134 - 1838

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 10,125 rentable square feet (RSF) of office and related space, which yields 8,805 ANSI/BOMA Office Area square feet (USF) of space at Stadium Innovation Center, 1531 Utah Avenue South, Seattle, WA to be used for such purposes as determined by the General Services Administration.

2. TO HAVE AND TO HOLD the said premises with their appurtenances for the term beginning on July 1, 2012 and continuing through June 30, 2027, subject to termination and renewal rights as may be hereinafter set forth.

3. The Government shall pay the Lessor annual rent of \$389,002.50 at the rate of \$32,416.88 per month in arrears for years 1 – 5 and \$450,967.50 at the rate of \$37,580.53 per month arrears for years 6 – 10 and \$462,611.24 at the rate of \$38,550.94 per month arrears for years 11 – 15.

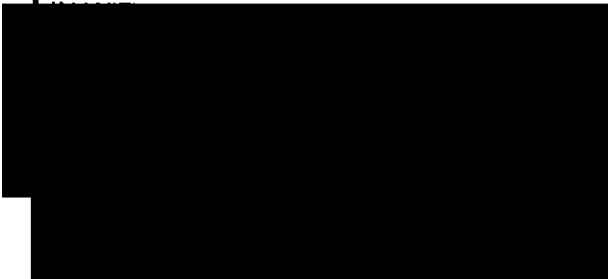
Rent for a lesser period shall be prorated. Rent checks shall be made payable to:

1531 UTAH AVENUE SOUTH LIMITED PARTNERSHIP
270 S. HANFORD STREET #100
SEATTLE, WA 98134 - 1838

4. The Government may terminate this lease in whole or in part at any time on or after July 1, 2022 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.

5. *Intentionally Deleted*

ve hereunto subscribed their names as of the date first above written.



Property Manager
(Title)

(Address)



(Signature)

Contracting Officer, General Services Administration

(Official Title)

DRAFT

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 9WA2299 dated June 21, 2010.
 - B. Build out in accordance with standards set forth in SFO 9WA2299 dated June 21, 2010, 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 9WA2299, dated June 21, 2010, (47 pages)
 - B. [REDACTED] - Special Space Specifications and Requirements, dated June 18, 2009, (13 pages)
 - C. [REDACTED] - IWS/LAN, dated March 17, 2009, (20 pages)
 - D. IWS/LAN Cable installation and General Notes, no date, (2 pages)
 - E. DCR LAN Rack, no date, (1 page)
 - F. [REDACTED], no date, (6 pages)
 - G. [REDACTED], no date (4 pages)
 - H. [REDACTED], no date (4 pages)
 - I. [REDACTED], no date, (1 page)
 - J. American National Standard for Power Assist and Low Energy Power Operated Doors, dated July 29, 1997, (9 pages)
 - K. Specifications for [REDACTED], dated March 22, 2010, (19 pages)
 - L. [REDACTED], no date, (4 pages)
 - M. Zephyr Fans, no date, (3 pages)
 - N. GSA Form 3517B entitled GENERAL CLAUSES, dated 11-05, (33 pages)
 - O. GSA Form 3518 entitled REPRESENTATIONS AND CERTIFICATIONS, dated June 21, 2010, (7 pages)

8. In accordance with the SFO paragraph entitled *Tenant Improvement Rental Adjustment*, Tenant Improvements in the total amount of \$392,791.05 (8,805 USF x \$44.61) shall be amortized through the rent for ten (10) years at the rate of 6.0%. The total annual cost of Tenant Improvements for the amortization period shall be \$52,329.43.

9. In accordance with the SFO paragraph entitled *Percentage of Occupancy*, the percentage of Government occupancy is established as 5.95%.

10. In accordance with the SFO paragraph entitled *Operating Costs Base*, the escalation base is established as \$6.00/RSF (\$60,750.00/annum).

11. In accordance with the SFO paragraph entitled *Common Area Factor*, the common area factor is established as 1.15 (10,125 RSF/8,805 USF).

12. In accordance with the SFO paragraph entitled *Adjustment for Vacant Premises*, the adjustment is established as \$1.50/USF for vacant space (rental reduction).

13. ***Intentionally Deleted***

14. ***Intentionally Deleted***

15. In accordance with the SFO paragraph entitled *Tax Adjustment*, the tax base for the Government-occupied space is established at \$8,432.75 and parcel no. 7666207045.

LESSOR

UNITED STATES OF AMERICA

BY

ORA
(Initial)

BY

JH
(Initial)

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 SFO subparagraph 2.3 B. The monthly rent is \$32,416.88. The monthly shell rent is \$23,000.63. The GSA commission credit is \$8,416.25 and is calculated as follows:

Total Commission: 10,125 RSF X \$8.31 = \$84,162.50
 GSA Rent Credit: \$75,937.50 X 5 = \$379,687.50
 Studley/LaBonde Credit: \$75,937.50 X 4 = \$303,750.00

The monthly rent payments adjusted for the commission credit are as follows:

Rent Period	Scheduled Monthly Rent	Scheduled Mo. Shell Rent	Commission Credit	Commission Credit Remaining	Adjusted Monthly Rent Payment
07/01/12 - 07/31/12	\$32,416.88	\$23,000.63	\$8,416.25	\$75,937.50	\$24,584.63
08/01/12 - 08/31/12	\$32,416.88	\$23,000.63	\$8,416.25	\$67,521.25	\$24,584.63
09/01/12 - 09/30/12	\$32,416.88	\$23,000.63	\$8,416.25	\$59,105.00	\$24,584.63

17. The Lessor hereby waives and forever relinquishes any right to make a claim against the Government for waste, damages or restoration arising from or related to any alteration or removal of any alteration by the Government during the term of this lease or any extensions. Alterations may be completed by either the Government and/or the Lessor including the initial build-out of the leased space and/or any subsequent modifications required during the lease period. At the Government's sole discretion, property remaining in leased space after termination of the lease contract will become the property of the Lessor.

18. 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.

19. 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"; where the words "space offered for lease" appear in this lease, they shall be deemed to mean "Premises".

20. 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.

The Lessor hereby waives restoration.

LESSOR

UNITED STATES OF AMERICA

BY

DRA
 (Initial)

BY

JA
 (Initial)