

**U.S. GOVERNMENT LEASE FOR REAL PROPERTY**

DATE OF LEASE

**JUL 14 2011**

LEASE NO. GS-10B-07269

BUILDING NO. WA8031

THIS LEASE, made and entered into this date by and between **RICHARD S. COULTER**

Whose address is [REDACTED]

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 4,030 rentable square feet (RSF) of office and related space, which yields 3,909 ANSI/BOMA Office Area (ABOA) square feet of space in a building to be constructed on Assessor Parcel Number 350-725-522-315, more commonly known as 900 N.E. Rose Street, College Place, Washington 99324-2042, 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 the date the Government accepts the premises as substantially complete and continuing for fifteen (15) years, ten (10) years firm, subject to termination and renewal rights as may be hereinafter set forth.

3. The Government shall pay the Lessor monthly in arrears in accordance with the following table:

Months	Annualized			Total Annual Rent	Total Monthly Rent
	Shell	Operating Expenses	Tenant Improvement Allowance		
1-60	\$ 81,607.50	\$ 26,195.00	\$ 22,245.60	\$ 130,048.10	\$ 10,837.34
61-120	\$ 89,667.50	\$ 26,195.00	\$ 22,245.60	\$ 138,108.10	\$ 11,509.01
121-180	\$ 118,885.00	\$ 26,195.00	\$ -	\$ 145,080.00	\$ 12,090.00

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

**RICHARD S. COULTER**  
[REDACTED]

4. The Government may terminate this lease in whole or in part at any time on or after the tenth (10<sup>th</sup>) lease year 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 LEFT BLANK"

**LESSOR**

SIGNATURE

[REDACTED]

NAME OF SIGNER

**Richard S. Coulter**

SIGNATURE

NAME OF SIGNER

IN THE

[REDACTED]

NAME OF SIGNER

*Camilla Coulter*

**UNITED STATES OF AMERICA**

NAME OF SIGNER

**Hilda Gonzalez**

OFFICIAL TITLE OF SIGNER

**CONTRACTING OFFICER**

*[Handwritten Signature]*

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 6WA0385 dated March 4, 2010, as amended by Amendment Number 1, dated October 1, 2010; Amendment Number 2, dated October 22, 2010; Amendment Number 3, dated March 22, 2011; and as further amended by Amendment Number 4, dated May 17, 2011.
  - B. Build out in accordance with standards set forth in SFO 6WA0385 dated March 4, 2010, as amended by Amendment Number 1 dated October 1, 2010, Amendment Number 2 dated October 22, 2010, Amendment Number 3 dated March 22, 2011 and as further amended by Amendment Number 4 dated May 17, 2011 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 6WA0385 dated March 4, 2010 (pages 1-54); Amendment Number 1, dated October 1, 2010 (1 page); Amendment Number 2, dated October 22, 2010 (1 page); Amendment Number 3, dated March 22, 2011 (1 page); and Amendment Number 4, dated May 17, 2011 (pages 1-3).
  - B. [REDACTED] Special Requirements (pages 1-91)
  - 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 1-7)
  - E. Exhibit A – Base Plans (1 page)
  - F. Exhibit B – Legal Description (1 page)
  - G. ~~Commission Agreement (pages 1-3)~~ <sup>HC</sup>
8. In accordance with the SFO Paragraph 3.3 entitled *Tenant Improvement Rental Adjustment*, Tenant Improvements in the total amount of \$163,200.75 (3,909 ABOA Square feet x \$41.75) shall be amortized through the rent for ten (10) years at the rate of 6.5%. The total annual cost of Tenant Improvements for the amortization period shall be \$22,245.60.
9. In accordance with the SFO Paragraph 4.2, entitled *Tax Adjustment*, the real estate tax base is \$8,500.00 and the Property consists of tax parcel 350-725-522-315. The Property is not yet fully assessed.
10. In accordance with the SFO Paragraph 4.2.B.9 entitled *Percentage of Occupancy*, the percentage of Government occupancy is established as 100%.
11. In accordance with the SFO Paragraph 4.3 entitled *Operating Costs*, the escalation base is established as \$6.50/RSF (\$26,195.00/annum).
12. In accordance with the SFO Paragraph 4.1.C entitled *Common Area Factor*, the common area factor is established as 1.031 (4,030 RSF/3,909 ABOA SF).
13. In accordance with the SFO Paragraph 4.4 entitled *Adjustment for Vacant Premises*, the adjustment is established as \$4.35/USF for vacant space (rental reduction).
14. In accordance with the SFO Paragraph 4.6 entitled *Overtime Usage*, the rate for overtime usage is established as \$20.00 per hour for the entire building or any portion thereof beyond the normal hours of operation of 7:00 AM to 5:00 PM Monday through Friday. Lessor will provide areas requiring 24/7 HVAC (LAN, etc.) at the rate of \$00.00 per square foot. The Lessor will not charge the Government if Lessor otherwise provides these services to other building tenants during the Government's overtime hours.

INITIALS:  LESSOR &  GOVT


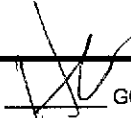
15. "INTENTIONALLY LEFT BLANK".
16. All information submitted by the Lessor during negotiations, including but not limited to plans, renderings, specifications, etc., are incorporated by reference.
17. The Lessor hereby forever and unconditionally waives any right to make a claim against the Government for restoration arising from alteration or removal of any alteration by the Government during the term of this Lease or any extensions. Alterations completed by either the Government or Lessor including initial build out of the Lease space and/or any subsequent modifications required during the Lease period. At the Government's sole discretion, alterations will remain in the leased space after termination of the Lease contract and will become property of the Lessor.
18. All questions pertaining to this Lease shall be referred in writing to the General Services Administration Contracting Officer or their designee. The Government occupant is not authorized to administer this lease, and GSA assumes no responsibility for any cost incurred by the Lessor except as provided by the terms of this Lease or authorized in writing by Contracting Officer or their designee. The Lessor will not be reimbursed for any services not provided for in this lease, including but not limited to: repairs, alterations and overtime services. Additionally, rental will not be paid for occupancy in whole or in part except for the term specified herein.
19. Wherever the words "offeror" 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 "Leased premises."
20. This Lease, upon execution by the Government, contains the entire agreement of the parties and no prior written or oral agreement, expressed or implied, shall be admissible to contradict the provisions of this Lease. Wherever there is a conflict between the SF-2 and the SFO, the SF-2 shall take precedence.
21. In accordance with SFO Paragraph 2.3, *Broker Commission and Commission Credit*, CB Richard Ellis, Inc. ("CBRE") is the authorized real estate broker representing GSA in connection with this Lease transaction. The Lessor and CBRE have agreed to a Lease commission of [REDACTED] of the Aggregate Lease Value for lease years 1-5 and [REDACTED] of the Aggregate Lease Value for lease years 6-10 ("Commission"). The total amount of the Commission is [REDACTED]. This Commission is earned upon Lease execution and payable (i) one-half (1/2) when the Lease is awarded and (ii) one-half (1/2) upon the earlier of Tenant's occupancy of the premises leased pursuant to the Lease or the commencement date of the Lease. Due to the Commission Credit described in Paragraph 2.3, only [REDACTED], which is [REDACTED] of the Commission, will be payable to CBRE when the Lease is awarded. The remaining [REDACTED], which is [REDACTED] of the Commission ("Commission Credit"), shall be credited to the shell rental portion of the annual rental payments due and owing to fully recapture this Commission Credit. The reduction in shell rent shall commence with the first month of the rental payments and continue until the credit has been fully recaptured.

First month's rental payment of \$10,837.34 minus the prorated commission credit of [REDACTED] equals [REDACTED] (adjusted first month's rent).

Second month's rental payment of \$10,837.34 minus the prorated commission credit of [REDACTED] equals [REDACTED] (adjusted second month's rent).

Third month's rental payment of \$10,837.34 minus the prorated commission credit of [REDACTED] equals [REDACTED] (adjusted third month's rent).

Fourth month's rental payment of \$10,837.34 minus the prorated commission credit of [REDACTED] equals [REDACTED] (adjusted fourth month's rent).

INITIALS:  LESSOR &  GOV'T

22. Offeror's Tenant Improvement Fee Schedule: Pursuant to the offer dated May 25, 2011, the Offeror's Tenant Improvement Fee Schedule shall be applicable to Tenant Improvements, any Building-Specific Security, and change orders during initial construction arising under this Lease. The applicable fees are:
- a. General Conditions will be 10.00% of Total Subcontractors Costs.
  - b. General Contractor's fee will be 8.00% of Total Subcontractors Costs.
  - c. Architectural/Engineering fees will be \$3.50 per useable square foot.
  - d. Lessor's Project Management fee will be 5.00% of Total Subcontractors Costs.

INITIALS:   *Q*   LESSOR &   *HS*   GOV'T