

**SUPPLEMENTAL LEASE AGREEMENT**

|   |                              |                 |                |
|---|------------------------------|-----------------|----------------|
| SUPPLEMENTAL LEASE AGREEMENT NO.<br>2                       | TO LEASE NO.<br>GS-10B-07153 | DATE<br>9/27/10 | PAGE<br>1 of 3 |
| ADDRESS OF PREMISES<br>8510 W. Highway 2, Spokane, WA 99224 |                              | Bldg #: WA7993  |                |

**THIS AGREEMENT**, made and entered into this date by and between GJ LLC

whose address is 5312 N. VISTA CT  
SPOKANE, WA 99212-1639

hereinafter called the Lessor, and the **UNITED STATES OF AMERICA**, hereinafter called the Government:

**WHEREAS**, the parties hereto desire to amend the above Lease to order and pay lump sum for tenant improvements over and above those authorized and approved under the Lease; provide for an incentive payment to the Lessor for early completion of tenant improvements; adjust the start date of the lease and adjust the GSA commission credit.

**NOW THEREFORE**, these parties for the considerations hereinafter mentioned covenant and agree that the said Lease is amended effective September 1, 2010, by deleting paragraphs 2, 3, 4, 5, 8 and 16 of the Lease and replacing them in their entirety, and by adding Paragraph 15 and 19, as follows:

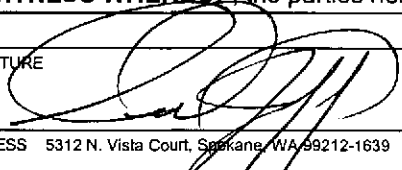
2. TO HAVE AND TO HOLD the said premises with their appurtenances for the term beginning on February 1, 2011 and continuing through January 31, 2026, subject to termination and renewal rights as may be hereinafter set forth. The commencement date of the Lease is subject to change, but in any event shall be no later than 150 working days after the Government's written approval of Design Intent Drawings, or Liquidated Damages will be assessed pursuant to section 5.8 of the SFO.

3. The Government shall pay the Lessor *Annual Rent* as detailed below and it shall be paid monthly in arrears. Parking for 73 stalls are included in the above rate at no additional cost to the Government.

| <u>Rent Period</u> <sup>1</sup> | <u>Shell Rent</u> <sup>2</sup> | <u>Operating Rent</u> <sup>3</sup> | <u>Annual Rent</u> |
|---------------------------------|--------------------------------|------------------------------------|--------------------|
| 02/01/11-01/31/26               | \$539,708.40                   | \$78,872.64                        | \$618,581.04       |

*Continued on Page 2*

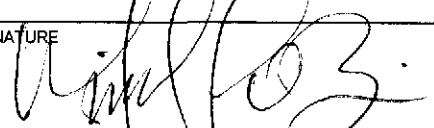
**IN WITNESS WHEREOF**, the parties hereto have hereunto subscribed their names as of the date first above written.

|  |  |
|--|--|
| <b>LESSOR - GJ LLC</b>   |  |
| SIGNATURE<br> | NAME OF SIGNER<br>Greg D. Jefferys<br>Jefferys |
| ADDRESS 5312 N. Vista Court, Spokane, WA 99212-1639  |  |

**IN PRESENCE OF**

|   |  |
|---|--|
| SIGNATURE<br> | NAME OF SIGNER<br>Kimberly R. Jefferys |
| ADDRESS<br>5312 N. Vista Court Spokane WA 99212   |  |

**UNITED STATES OF AMERICA**

|  |   |
|--|---|
| SIGNATURE<br> | NAME OF SIGNER<br>Michael J. O'Brien            |
|  | OFFICIAL TITLE OF SIGNER<br>Contracting officer |

<sup>1</sup> Rent will be adjusted for any change in rentable square footage not to exceed 20,328 RSF at time of Beneficial Occupancy.

<sup>2</sup> Shell Rent includes \$3.57 per RSF for real estate taxes.

<sup>3</sup> Operating costs are base plus accumulated CPI.

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

GJ LLC  
5312 N. VISTA CT  
SPOKANE, WA 99212 – 1639

4. The Government may terminate this lease in whole or in part at any time on or after January 31, 2026, 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. This lease may be renewed at the option of the Government, for the following terms and at the following rentals:

| <u>Rent Period</u>  | <u>Shell Rent</u> | <u>Operating<br/>Rent<sup>1</sup></u> | <u>Annual Rent</u> |
|---------------------|-------------------|---------------------------------------|--------------------|
| 02/01/26 - 01/31/31 | \$650,496.00      | \$78,872.64                           | \$729,368.64       |

<sup>1</sup> Subject to previously accumulated and continued accrued CPI escalations, provided notice is given in writing to the Lessor at least 120 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.

8. In accordance with the SFO paragraph 3.4 B f. and Amendment #2 paragraph 3, and the Lessor-provided TICS Table, upon completion, inspection and acceptance of the space, the Government shall reimburse the Lessor in a lump sum payment for Tenant Improvements in the amount of \$1,385,943.16 and Building Specific Security items in the amount of \$14,350.00. Additionally, based on a Proposal dated August 30, 2010, attached as Exhibit A from Baker Construction & Development, Inc., for installation of *MEPS Systems – Security, Access Control, Intrusion Detection, Cat 6 Cabling (attached)*, the Government shall reimburse the Lessor in a lump sum payment in the amount of \$454,783.30, for a total lump sum payment of \$1,855,076.46, including WA state sales tax.

Payment shall be made within 30 business days after receipt of an invoice.

The original invoice must be submitted directly to the GSA Finance Office at the following address:

General Services Administration  
FTS and PBS Payment Division (7BCP)  
P.O. Box 17181  
Fort Worth, TX 76102-0181

A copy of the invoice must be provided to the Contracting Officer at the following address:

General Services Administration  
Attn: Michael O'Brien, 10PTA  
400 15<sup>th</sup> Street SW  
Auburn, WA 98001

A proper invoice must include the following:

- Invoice date
- Name of the Lessor as shown on the Lease
- Lease contract number, building address, and a description, price, and quantity of the items delivered
- GSA PDN #: PS0016926 (or as otherwise provided to Lessor by GSA Contracting Officer)

INITIALS:  LESSOR  GOVT

15. Rooms required to have heating and cooling 24 hours per day shall be provided at the rate of \$00.00 per hour after "Normal Hours."

16. Adjusted monthly rent payments (application of GSA incentive payment and commission credit):

GSA and Lessor agree that Lessor will receive [REDACTED] in the form of reduction in GSA's commission credit, to accelerate the acceptance date of the space, as defined in Section 5.13 of the SFO, or no later than January 31, 2011.

If Government acceptance of the space takes place later than January 31, 2011 (plus agreed upon schedule delays) the GSA commission credit reductions as described above shall be decreased by [REDACTED] per calendar day for each day of delay, up to a maximum of [REDACTED].

Assuming Government acceptance of the space occurs by January 31, 2011, the GSA commission credit shall be applied over two months, in equal amounts against the shell rental payments over the minimum number of months that will not exceed the monthly shell rental per paragraph 1.12 of the SFO. The monthly total rent is \$51,548.42. The monthly shell rent is \$44,975.70. The total commission is [REDACTED] with a *reduced* credit to GSA of [REDACTED]. The commission is calculated as follows:

(Years 1-5)  
 $\$30.43 \times 20,328 \text{ RSF} =$  [REDACTED]  
 $\$618,581.04 \times 5 \text{ yrs} =$  [REDACTED]  
 $\$3,092,905.20 \times [REDACTED] =$  [REDACTED]

(Years 6-15)  
 $\$30.43 \times 20,328 \text{ RSF} =$  [REDACTED]  
 $\$618,581.04 \times 10 \text{ yrs} =$  [REDACTED]  
 $\$6,185,810.40 \times [REDACTED] =$  [REDACTED]

Total Commission: [REDACTED]

GSA Rent Credit: [REDACTED]  
 Studley/LaBonde Credit: [REDACTED]

The monthly rent is adjusted for the GSA commission credit of \$95,570.77 less the incentive reduction of \$94,450.60 equating to \$1,120.17 – equally over the first two months rent) 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> |
|---------------------|-------------------------------|---------------------------------|--------------------------|------------------------------------|--------------------------------------|
| 02/01/11 – 02/28/11 | \$51,548.42                   | \$44,975.70                     | [REDACTED]               | [REDACTED]                         | [REDACTED]                           |
| 03/01/11 – 03/31/11 | \$51,548.42                   | \$44,975.70                     | [REDACTED]               | [REDACTED]                         | [REDACTED]                           |
| 04/01/11 – 04/30/11 | \$51,548.42                   | \$44,975.70                     | [REDACTED]               | [REDACTED]                         | [REDACTED]                           |

19. GSA further agrees that Lessor may bill for extraordinary expenses associated with construction in winter conditions and may request schedule relief in the acceptance date resulting thereof. Costs and schedule adjustments shall be documented, made with the approval of GSA's construction manager, shall be subject to the final determination of GSA's Contracting Officer, but in no event shall exceed \$25,000.00. The Government shall reimburse the Lessor in a lump sum payment in the amount of \$25,000.00 (if necessary) in addition to amounts called out in paragraph 8 above.

All other terms and conditions remain in full force and effect.

INITIALS: [Signature] LESSOR [Signature] GOVT