

LEASE NO. GS-10P-LOR00090
BLDG NO. OR6485

Global Lease
GSA FORM L100 (03/2016)

This Lease is made and entered into between

PR Block 300, LLC

(Lessor), whose principal place of business is 7 Giralda Farms Madison, New Jersey 07940-1051, and whose interest in the Property described herein is that of Fee Owner, and

The United States of America

(Government), acting by and through the designated representative of the General Services Administration (GSA), upon the terms and conditions set forth herein.

Witnesseth: The parties hereto, for the consideration hereinafter mentioned, covenant and agree as follows:

Lessor hereby leases to the Government the Premises described herein, being all or a portion of the Property located at

333 SW First Avenue, Portland, Oregon, 97204-3402

and more fully described in Section 1 and Exhibit A, together with rights to the use of parking and other areas as set forth herein, to be used for general office purposes as determined by GSA.

LEASE TERM

To Have and To Hold the said Premises with its appurtenances for the term January 19, 2017-September 17, 2031.

In Witness Whereof, the parties to this Lease evidence their agreement to all terms and conditions set forth herein by their signatures below, to be effective as of the date of delivery of the fully executed Lease to the Lessor.

FOR THE LESSOR:

Name: Maria Trinh
Title: Vice President
Entity Name: PR BLOCK 300, LLC
Date: 1/11/17

FOR THE GOVERNMENT:

Name: Lindsey D. Snow
Title: Lease Contracting Officer
General Services Administration, Public Buildings Service
Date: JAN 12 2017

LINDSEY D. SNOW
CONTRACTING OFFICER

WITNESSED FOR THE LESSOR BY:

Name: Kathie Ulman
Title: VP
Date: 1/11/17

The information collection requirements contained in this Solicitation/Contract, that are not required by the regulation, have been approved by the Office of Management and Budget pursuant to the Paperwork Reduction Act and assigned the OMB Control No. 3090-0163.

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SECTION 1 THE PREMISES, RENT, AND OTHER TERMS

1.01 THE PREMISES (SEP 2015)

The Premises are described as follows:

A. Office and Related Space: 22,781 rentable square feet (RSF), yielding 20,247 ANSI/BOMA Office Area (ABOA) square feet (SF) of office and related Space located on the 3rd floor and known as Suite 310, of the Building, as depicted on the floor plan(s) attached hereto as Exhibit A.

B. Common Area Factor: The Common Area Factor (CAF) is established as 1.13 percent. This factor, which represents the conversion from ABOA to rentable square feet, rounded to the nearest whole percentage, shall be used for purposes of rental adjustments in accordance with the Payment Clause of the General Clauses.

C. Unless otherwise noted, the Government accepts the Premises and tenant improvements in their existing condition, except where specifications or standards are contained elsewhere in this Lease. These standards include security improvements, Fire Protection and Life Safety requirements, ABAAS compliance, as well as compliance with all local codes and ordinances. Such acceptance by the Government of existing Premises shall not relieve Lessor of continuing obligations for cleaning, janitorial, maintenance, repair, etc. as set forth in the Lease paragraphs and attached General Clauses.

1.02 EXPRESS APPURTENANT RIGHTS (SEP 2013)

The Government shall have the non-exclusive right to the use of Appurtenant Areas, and shall have the right to post Rules and Regulations Governing Conduct on Federal Property on the floor where the leased premises is located, Title 41, CFR, Part 102-74, Subpart C within such areas. The Government will coordinate with Lessor to ensure signage is consistent with Lessor's standards. Appurtenant to the Premises and included in the Lease are rights to use the following:

A. INTENTIONALLY DELETED

B. Antennas, Satellite Dishes, and Related Transmission Devices: (1) Space located on the roof of the Building sufficient in size for the installation and placement of telecommunications equipment, (2) the right to access the roof of the Building, and (3) use of all Building areas (e.g., chases, plenums, etc.) necessary for the use, operation, and maintenance of such telecommunications equipment at all times during the term of this Lease.

1.03 RENT AND OTHER CONSIDERATION (SEP 2015)

A. The Government shall pay the Lessor annual rent, payable in monthly installments in arrears, at the following rates:

	1/19/17-12/18/17 ¹	12/19/17-9/18/21	9/19/21-9/18/26	9/19/26-9/17/31
	ANNUAL RENT	ANNUAL RENT	ANNUAL RENT	ANNUAL RENT
SHELL RENT	\$0.00	\$763,163.50	\$915,796.20	\$1,098,955.44
OPERATING COSTS	\$0.00	\$170,857.50	\$170,857.50	\$170,857.50
TENANT IMPROVEMENTS RENT ²	\$0.00 ²	\$TBD ²	\$TBD ²	\$TBD ²
BUILDING SPECIFIC AMORTIZED CAPITAL (BSAC) ³	\$0.00 ³	\$TBD ³	\$TBD ³	\$TBD ³
TOTAL ANNUAL RENT	\$0.00	\$934,021.00⁴	\$1,086,653.70⁴	\$1,269,812.94⁴

¹ This lease includes 11 months of free rent, therefore Government will pay no rent for first 11 months of occupancy including shell, operating, TI, and BSAC rent.

² Tenant Improvements of \$993,662.02 minus \$62,103.87 (for 11 months of free rent for TIs) for a total of \$931,558.15 will be amortized at a rate of 0 percent per annum over the remaining lease term once TIs are complete.

³ Building Specific Amortized Capital (BSAC) of \$60,741.00 minus \$3,796.31 (for 11 months of free rent for BSAC) for a total of \$56,944.69 will be amortized at a rate of 0 percent per annum over the remaining lease term once BSAC work is complete.

⁴ The total annual rent will be adjusted to account for amortized TI and BSAC costs upon completion of that work.

B. INTENTIONALLY DELETED

C. INTENTIONALLY DELETED

D. Rent is subject to adjustment based upon the final Tenant Improvement (TI) cost to be amortized in the rental rate, as agreed upon by the parties subsequent to the Lease Award Date.

E. Rent is subject to adjustment based on the final Building Specific Amortized Capital (BSAC) cost to be amortized in the rental rate, as agreed upon by the parties subsequent to the Lease Award Date.

F. If the Government occupies the Premises for less than a full calendar month, then rent shall be prorated based on the actual number of days of occupancy for that month.

G. Rent shall be paid to Lessor by electronic funds transfer in accordance with the provisions of the General Clauses. Rent shall be payable to the Payee designated by the Lessor in the System for Award Management (SAM). If the payee is different from the Lessor, both payee and Lessor must be registered and active in SAM.

H. Lessor shall provide to the Government, in exchange for the payment of rental and other specified consideration, the following:

1. The leasehold interest in the Property described in the paragraph entitled "The Premises."

2. All costs, expenses and fees to perform the work required for acceptance of the Premises in accordance with this Lease, including all costs for labor, materials, and equipment, professional fees, contractor fees, attorney fees, permit fees, inspection fees, and similar such fees, and all related expenses.

3. Performance or satisfaction of all other obligations set forth in this Lease; and all services, utilities, and maintenance required for the proper operation of the Property, the Building, and the Premises in accordance with the terms of the Lease, including, but not limited to, all inspections, modifications, repairs, replacements, and improvements required to be made thereto to meet the requirements of this Lease.

I. INTENTIONALLY DELETED

J. In accordance with the Lease negotiations, the Lessor has offered free rent to the Government for the first **Eleven (11)** months of the Lease. Therefore, the first **Eleven (11)** months of the Lease shall be provided at no cost to the Government.

1.04 INTENTIONALLY DELETED

1.05 INTENTIONALLY DELETED

1.06 INTENTION ALLY DELETED

1.07 DOCUMENTS INCORPORATED IN THE LEASE (SEP 2015)

The following documents are attached to and made part of the Lease:

DOCUMENT NAME	NO. OF PAGES	EXHIBIT
FLOOR PLAN(S)	1	A
SECURITY REQUIREMENTS	12	B
GSA FORM 3517B GENERAL CLAUSES	15	C
GSA FORM 3518-SAM, ADDENDUM TO SYSTEM FOR AWARD MANAGEMENT (SAM) REPRESENTATIONS AND CERTIFICATIONS (ACQUISITIONS OF LEASEHOLD INTERESTS IN REAL PROPERTY)	2	D
SMALL BUSINESS SUBCONTRACTING PLAN	11	E

1.08 TENANT IMPROVEMENT RENTAL ADJUSTMENT (SEP 2015)

A. The Tenant Improvement Allowance (TIA) for purposes of this Lease is **\$49,077** per ABOA SF. The TIA is the amount that the Lessor shall make available for the Government to be used for TIs. This amount will be amortized in the rent over the remaining term of this Lease once TIs are complete, at an annual interest rate of **0** percent.

B. The Government, at its sole discretion, shall make all decisions as to the use of the TIA. The Government may use all or part of the TIA. The Government may return to the Lessor any unused portion of the TIA in exchange for a decrease in rent according to the agreed-upon amortization rate over the Firm Term.

C. The Government may elect to make lump sum payments for any or all work covered by the TIA. That part of the TIA amortized in the rent shall be reduced accordingly. At any time after occupancy and during the Firm Term of the Lease, the Government, at its sole discretion, may elect to pay lump sum for any part or all of the remaining unpaid amortized balance of the TIA. If the Government elects to make a lump sum payment for the TIA after occupancy, the payment of the TIA by the Government will result in a decrease in the rent according to the amortization rate over the Firm Term of the Lease.

D. If it is anticipated that the Government will spend more than the allowance identified above, the Government may elect to:

1. Reduce the TI requirements;
2. Pay lump sum for the overage upon substantial completion in accordance with the "Acceptance of Space and Certificate of Occupancy" paragraph;
3. Negotiate an increase in the rent.

1.09 TENANT IMPROVEMENT FEE SCHEDULE (JUN 2012)

For pricing TI costs, the following rates shall apply for the initial build-out of the Space.

	INITIAL BUILD-OUT
ARCHITECT/ENGINEER FEES (% OF TI CONSTRUCTION COSTS)	10%
LESSOR'S PROJECT MANAGEMENT FEE (% OF TI CONSTRUCTION COSTS)	10%

1.10 BUILDING SPECIFIC AMORTIZED CAPITAL (SEP 2012)

For purposes of this Lease, the Building Specific Amortized Capital (BSAC) is **\$3.00** per ABOA SF. The Lessor will make the total BSAC amount available to the Government, which will use the funds for security related improvements. This amount will be amortized in the rent over the remaining term of this Lease once BSAC work is complete, at an annual interest rate of **0** percent.

1.11 BUILDING SPECIFIC AMORTIZED CAPITAL RENTAL ADJUSTMENT (SEP 2013)

A. The Government, at its sole discretion, shall make all decisions about the use of the Building Specific Amortized Capital (BSAC). The Government may use all or part of the BSAC. The Government may return to the Lessor any unused portion of the BSAC in exchange for a decrease in rent (where applicable) according to the agreed-upon amortization rate over the Firm Term.

B. The Government may elect to make lump-sum payments for any work covered by the BSAC. The part of the BSAC amortized in the rent shall be reduced accordingly. At any time after occupancy and during the Firm Term of the Lease, the Government, at its sole discretion, may elect to pay a lump sum for any part or all of the remaining unpaid amortized balance of the BSAC. If the Government elects to make a lump-sum payment for the BSAC after occupancy, the payment of the BSAC by the Government will result in a decrease in the rent according to the amortization rate over the Firm Term of the Lease.

C. If it is anticipated that the Government will spend more than the BSAC identified above, the Government may elect to:

1. Reduce the security countermeasure requirements;

2. Pay a lump sum for the amount overage upon substantial completion in accordance with the "Acceptance of Space and Certificate of Occupancy" paragraph; or
3. Negotiate an increase in the rent.

1.12 PERCENTAGE OF OCCUPANCY FOR TAX ADJUSTMENT (JUN 2012)

As of the Lease Award Date, the Government's Percentage of Occupancy, as defined in the "Real Estate Tax Adjustment" paragraph of this Lease is 6.29 percent. The Percentage of Occupancy is derived by dividing the total Government Space of 22,781 RSF by the total Building space of 361,805 RSF.

1.13 REAL ESTATE TAX BASE (SEP 2013)

The Real Estate Tax Base, as defined in the "Real Estate Tax Adjustment" paragraph of the Lease is \$1,290,458.25 for the entire building. Tax adjustments shall not occur until the tax year following lease commencement. The tax parcel numbers are R246060 and R246061.

1.14 OPERATING COST BASE (SEP 2013)

The parties agree, for the purpose of applying the paragraph titled "Operating Costs Adjustment," that the Lessor's base rate for operating costs shall be \$170,857.50/annum.

1.15 RATE FOR ADJUSTMENT FOR VACANT LEASED PREMISES (SEP 2013)

In accordance with the paragraph entitled "Adjustment for Vacant Premises," if the Government fails to occupy or vacates the entire or any portion of the Premises prior to expiration of the term of the Lease, the operating costs paid by the Government as part of the rent shall be reduced by \$1.50 per ABOA SF of Space vacated by the Government.

1.16 HOURLY OVERTIME HVAC RATES (AUG 2011)

The following rates shall apply in the application of the paragraph titled "Overtime HVAC Usage:"

- \$50.00 per hour per zone
- No. of zones: TBD upon completion of TIs.

1.17 24-HOUR HVAC REQUIREMENT (SEP 2014)

- A. Approximately 2,000 ABOA SF of the Space shall receive cooling at all times (24 hrs a day, 365 days a year) for purposes of cooling the designated server room. The BTU output of this room is established as TBD post award BTU. The temperature of this room shall be maintained at TBD post award degrees F, with humidity control not to exceed 60% relative humidity, regardless of outside temperature or seasonal changes.
- B. The 24 hour cooling service shall be provided by the Lessor at an annual rate of \$TBD post award per ABOA SF of the area receiving the 24-hour cooling and is not to be included in the monthly operating costs. Also, the hourly overtime HVAC rate specified under the paragraph "Hourly Overtime HVAC Rates" shall not apply to any portion of the Premises that is required to have 24 hour cooling.
- C. The Lessor shall submit monthly invoices, in arrears, for this cost to the LCO or the LCO's designated representative at the address below:
General Services Administration
620 SW Main Street
Portland, Oregon
97205-3022
- D. Notwithstanding the foregoing, Lessor shall provide this service at no additional cost to the Government if the Lessor provides this service to other tenants in the Building at no additional charge.

1.18 BUILDING IMPROVEMENTS (MAR 2016)

Before the Government accepts the Space, the Lessor shall complete the following additional Building improvements:

- A. Upgrade shell lighting in accordance with paragraph 3.45.

1.19 INTENTIONALLY DELETED