

SUPPLEMENTAL LEASE AGREEMENT

SUPPLEMENTAL LEASE AGREEMENT NO. 2	TO LEASE NO. GS-10B-07107	DATE APR 22 2011	PAGE 1 of 3
ADDRESS OF PREMISES The Equitable Center, 530 Center Street N.E., Salem, OR 97301-3761		BUILDING NUMBER OR6359	

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

whose address is **530 CENTER ST NE STE 110
SALEM, OR 97301 - 3761**

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 increase the square footage, adjust the rent, commission, Tenant Improvement Allowance, tax base, percentage of occupancy, operating costs base and application of commission credit accordingly and approve change orders for tenant improvements and approve an additional lump sum payment. Therefore, paragraphs 1, 3, 5, 8, 9, 10, 11, 12 and 15 of the Lease have been deleted in their entirety and replaced as follows. Paragraph 21 has been added.

NOW THEREFORE, these parties for the considerations hereinafter mentioned covenant and agree that the said Lease is amended as follows:

- The Lessor hereby leases to the Government the following described premises:

A total of 6,589 rentable square feet (RSF) of office and related space, which yields 5,990 ANSI/BOMA Office Area square feet (ABOA) of space at The Equitable Center, 530 Center Street NE, 4th Floor, Salem, Oregon to be used for such purposes as determined by the General Services Administration. In addition, Lessor leases to the Government five (5) reserved, structured parking spaces.

- The Government shall pay the Lessor Annual Rent of \$176,839.53 at the rate of \$14,736.63 per month in arrears for years 1 – 5 and Annual Rent of \$132,690.49 at the rate of \$11,057.54 per month in arrears for years 6 – 10. The rent includes parking at a rate of \$60.00 per month/per space for five (5) spaces, or an annual amount of \$3,600.00 for the initial term of ten (10) years, option years 11 – 15 and option years 16 – 20.

Rent Period ¹	Shell Rent	Operating Rent ²	Amortized TIs ³	Annual Parking	Annual Rent	Monthly Rent
07/01/11-06/30/16	\$89,544.51	\$33,010.89	\$50,684.13	\$3,600.00	\$176,839.53	\$14,736.63
07/01/16-06/30/21	\$96,067.62	\$33,010.89	\$00.00	\$3,600.00	\$132,690.49	\$11,057.54

¹ Dates are estimates which may adjust subject to Beneficial Occupancy and rent for the estimated period of 07/01/11 through 08/31/11 is adjusted pursuant to Paragraph 15 below.

² Base Operating Rent subject to adjustments in accordance with the SFO paragraph 4.3.

³ Amortized TIs for years 1-5 in accordance with the SFO paragraph 3.3.

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

LESSOR – EQUITABLE CENTER, LLC

NAME OF SIGNER

BRUNNE Cohen

IN PRESENCE OF

NAME OF SIGNER

M. L. ...

ADDRESS

UNITED STATES OF AMERICA

SIGNATURE

NAME OF SIGNER

LINDSEY D. SNOW
OFFICIAL TITLE OF SIGNER
CONTRACTING OFFICER

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

EQUITABLE CENTER, LLC
 530 CENTER ST NE STE 110
 SALEM, OREGON 97301 - 3761

5. This lease may be renewed at the option of the Government, for the following terms and at the following rentals:

Rent Period	Shell Rent	Operating Rent*	Annual Parking	Annual Rent*	Monthly Payment*
07/01/21-06/30/26	\$109,257.60	\$33,010.89	\$3,600.00	\$145,868.49	\$12,155.71
07/01/26-06/30/31	\$122,435.60	\$33,010.89	\$3,600.00	\$159,046.49	\$13,253.87

*Operating Rent subject to required adjustments in accordance with the SFO paragraph 4.3.

Provided notice shall be given in writing to the Lessor at least 90 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 3.2 entitled *Tenant Improvements Included in Offer*, Tenant Improvements in the total amount of \$218,472.07 (5,990 ABOA x \$36.4728) shall be amortized through the rent for five (5) years at the rate of 6.0%. The total annual cost of Tenant Improvements for the amortization period shall be \$50,684.13.
9. In accordance with the SFO paragraph 4.2 entitled *Tax Adjustment*, the tax base for the Government-occupied space is established at \$10,433.16 and Account No. R89034, R89035, and R89036.
10. In accordance with the SFO paragraph 4.2 B entitled *Percentage of Occupancy*, the percentage of Government occupancy is established as 5.18427% (6,589 RSF/127,096 RSF).
11. In accordance with the SFO paragraph 4.3 entitled *Operating Costs Base*, the escalation base is established as \$33,010.89/annum.
12. In accordance with the SFO paragraph 4.1 C entitled *Common Area Factor*, the common area factor is established as 1.10 (6,589 RSF/5,990 ABOA).
15. 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 \$14,736.53. The monthly shell rent is \$7,462.04. The commission credit is [REDACTED] and is calculated as follows:

Commission: [REDACTED]
 GSA Commission Credit: [REDACTED]
 Studley/LaBonde Land, Inc. Commission: [REDACTED]

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
07/01/11 - 07/31/11	\$14,736.53	\$7,462.04	[REDACTED]	[REDACTED]	[REDACTED]
08/01/11 - 08/31/11	\$14,736.53	\$7,462.04	[REDACTED]	[REDACTED]	[REDACTED]
09/01/11 - 09/30/11	\$14,736.53	\$7,462.04	[REDACTED]	[REDACTED]	[REDACTED]

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INITIALS:  & 
 LESSOR & GOVT

21. TI COSTS OVER THE TENANT IMPROVEMENT ALLOWANCE & LUMP SUM PAYMENT

The following change order costs have been reviewed and approved by the Government as fair and reasonable. This SLA serves as the Notice to Proceed with these changes.

Change Order #01	Projectors, Smart Boards & low-voltage	
Change Order #02	Demo/Re-build Closet & Office 406	
Change Order #03	Expansion Space Build-out	
	A/E Fees	
	Lessor's OH&P (10%)	
TOTAL CHANGE ORDER COSTS:		\$43,233.03

SLA #1 to this lease, approved a total tenant improvement cost of: \$261,952.14.

With the addition of the above Change Order costs, the new total tenant improvement cost is: \$305,185.17, which exceeds the tenant improvement allowance of \$218,472.07. The remaining costs for TI's over the Tenant Improvement allowance in the amount of \$86,713.10 will be paid via lump sum upon completion, inspection, and acceptance of the space; and upon receipt of an original invoice by the Contracting Officer.

The original invoice must be submitted electronically to (www.finance.gsa.gov) and to the Contracting Officer at lindsey.snow@gsa.gov or directly to the GSA Finance Office and the Contracting Officer at the following address:

Original Documents

GSA Greater Southwest Finance Center
 Attn: PBS Payments Branch (BCFA)
 P.O. Box 17181
 For Worth, TX 76102

Copies

General Services Administration
 Attn: Mark Evans
 c/o Lindsey Snow
 400 15th Street SW, 10PCS
 Auburn, WA 98001 - 6599

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 PS number: PS0018049

If the invoice is not submitted on company letterhead, the person(s) with whom the Lease contract is made must sign it.

The leased area is depicted on the floor plan hereby incorporated into the lease as Exhibit A (1 page).

The Lessor hereby waives restoration as a result of all improvements.

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

INITIALS: LS & AS
 LESSOR & GOVT