

US GOVERNMENT LEASE FOR REAL PROPERTY

DATE OF LEASE

January 27, 2010

LEASE NO.

LOR07129

THIS LEASE, made and entered into this date by and between TWO MAIN DEVELOPMENT LLC, a Delaware limited liability company

Whose address is 235 MONTGOMERY STREET
15TH FLOOR
SAN FRANCISCO, CA 94104

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 85,875 rentable square feet (RSF) of office and related space, which yields 77,849 ANSI/BOMA Office Area square feet (USF) of space at First and Main, 100 SW Main Street, Portland, OR 97204 to be used for such purposes as determined by the General Services Administration. Included in the rent at no additional cost to the Government are 30 reserved parking spaces for exclusive use of Government employees.

2. TO HAVE AND TO HOLD the said premises with their appurtenances for the term beginning on August 31, 2010 and continuing through August 30, 2020, subject to termination and renewal rights as may be hereinafter set forth.

3. The Government shall pay the Lessor annual rent of \$2,814,123.75 at the rate of \$234,510.31 per month in arrears for years 1 through 10. The rent commencement date shall be the date that space acceptance is made by the Government.

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

TWO MAIN DEVELOPMENT LLC
235 MONTGOMERY STREET
SAN FRANCISCO, CA 94104

4. In accordance with the SFO 9OR2105, the Government has no termination rights.

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

LESSOR
TWO MAIN DEVELOPMENT
COMPANY

LIMITED LIABILITY

Vice President

BY _____

IN PRESENCE OF _____

UNITED STATES OF AMERICA

Contracting Officer, General Services Administration

(Official Title)

5. In accordance with the SFO 9OR2105, the Government is entitled to one five year priced renewal option. The agreed upon shell rental rate (including base real estate taxes) is \$32.31 per rentable square foot. The Government must provide notice by August 30, 2019 to exercise said renewal option.
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 9OR2105 dated October 28, 2009, as amended.
 - B. Build out in accordance with standards set forth in SFO 9OR2105 dated October 28, 2009, as amended, 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 9OR2105 dated October 28, 2009, and Amendment 1, dated December 9, 2009, Amendment 2, dated December 22, 2009.
 - B. GSA Form 3517 entitled GENERAL CLAUSES (Rev. [6/08])
 - C. GSA Form 3518 entitled REPRESENTATIONS AND CERTIFICATIONS (Rev. [1/07])
8. All Tenant Improvements required by the Government for occupancy shall be performed by the successful Offeror and shall be paid lump sum by the Government, and all improvements shall meet the quality standards and requirements of this solicitation and its attachments.
9. In accordance with the SFO paragraph entitled *Percentage of Occupancy*, the percentage of Government occupancy is established as 23.4410% (85,875 RSF/366,345 RSF).
10. In accordance with the SFO paragraph entitled *Operating Costs Base*, the escalation base is established as \$6.86/RSF (\$589,102.50/annum).
11. In accordance with the SFO paragraph entitled *Common Area Factor*, the common area factor is established as 1.1031 (85,875 RSF/77,849 USF).
12. In accordance with the SFO paragraph entitled *Adjustment for Vacant Premises*, the adjustment is established as \$1.10/USF for vacant space (rental reduction).
13. In accordance with the SFO Paragraph entitled *Overtime Usage*, the rate for overtime usage is established as \$55.00 per hour for the entire building or any portion thereof.

[CONTINUED ON PAGE 3]

LESSOR

UNITED STATES OF AMERICA

BY _____

(initial)

BY _____

(initial)

14. Commission and Commission Credit:

The Lessor and the Broker have agreed to a cooperating lease commission of [REDACTED] of the value of the lease for the initial five year firm term (years 1 – 5) and [REDACTED] of the second five year firm term (years 6 – 10). The total amount of the commission is [REDACTED]. The Lessor shall pay the Broker no additional commissions associated with this lease transaction. In accordance with the "Broker Commission and Commission Credit" paragraph, the Broker has agreed to forego [REDACTED] of the commission that it is entitled to receive in connection with this lease transaction ("Commission Credit"). The Commission Credit is [REDACTED]. The Lessor agrees to pay the Commission less the Commission Credit to the Broker in accordance with the "Broker Commission and Commission Credit" paragraph in the SFO attached to and forming a part of this lease.

Notwithstanding Paragraph 3 of this Standard Form 2, the shell rental payments due and owing under this lease shall be reduced to fully recapture this Commission Credit. The reduction in shell rent shall commence with the first month of the rental payments and continue as indicated in this schedule for adjusted Monthly Rent:

First Month's Rental Payment \$234,510.31 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted First Month's Rent

Second Month's Rental Payment \$234,510.31 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted Second Month's Rent

15. Exceptions to Solicitations for Offer 9OR2105:

The following language has been added to SFO 9OR2105:

Paragraph 1.1(F) Antenna

As requested, Offeror shall provide to the Government to install a roof top antenna; however, the amount of space available to the Government shall be limited to their pro rata share of available roof top space.

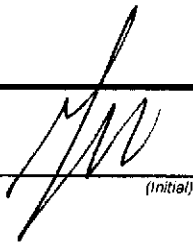
Paragraph 1.2(B) LEED-CI Costs

GSA will be responsible for all LEED-CI costs that are associated with Tenant Improvements and the Lessor will be responsible for all LEED-CI costs that are associated with the shell buildout. If a cost can not be allocated to shell or TI (i.e. administrative costs), the cost will be split between Lessor and the GSA, each being responsible for their pro rata share based on the total LEED-CI cost.

The Lessor hereby waives restoration.

LESSOR

BY



(Initial)

UNITED STATES OF AMERICA

BY



(Initial)