

AMENDMENT TO THE LEASE

AMENDMENT NO. 3 TO LEASE NO. GS-10B-07137 Bldg.#OR6605 DATE 7/20/12 PAGE 1 of 3

ADDRESS OF PREMISES Jager Professional Building, 116 South Main Street, Pendleton, OR 97801-2257

THIS AGREEMENT, made and entered into this date by and between JAGER DEVELOPMENT LLC

whose address is 62065 BLACKHAWK TRAIL LA GRANDE, OR 97850-3509

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 tenant improvements which exceed the tenant improvement allowance, document the payment of the fire/life safety improvements, restate the rent, and adjust the commission credit.

NOW THEREFORE, these parties for the considerations hereinafter mentioned covenant and agree that the said Lease is amended effective January 30, 2011, as follows:

- I. In separate correspondence dated October 19, 2011, the Government has issued a Notice to Proceed for Tenant Improvements in the amount of \$503,053.32. The total Tenant Improvements are hereby reduced to \$440,395.58 due to the reallocation of fire/life safety improvements (see paragraph 18). The total costs in the lease for tenant improvements are \$128,007.00 and the costs for building specific security are \$3,894.39. The Government hereby orders the balance of remaining tenant improvements in the amount of \$308,424.19.
II. Upon completion, inspection, and acceptance of the space, the Government shall reimburse the Lessor in a lump sum payment in the amount of \$308,424.19, upon receipt of an original invoice after completion, inspection, and acceptance of the space by the Contracting Officer.

The invoice should be submitted electronically to (www.finance.gsa.gov) with a courtesy copy to michael.j.obrien@gsa.gov or sent to the addresses below:

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

Courtesy Copy Address: General Services Administration c/o Michael J O'Brien 400 15th Street SW 10PTE 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 PDN # PS0021843

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

LESSOR

SIGNATURE [Redacted] NAME OF SIGNER Gary Vaughan

ADDRESS [Redacted] 62065 Blackhawk Trail LaGrande, OR 97850

IN PRESENCE OF

SIGNATURE [Redacted] NAME OF SIGNER TRACY LACKMAN

ADDRESS [Redacted]

UNITED STATES OF AMERICA

SIGNATURE [Redacted] NAME OF SIGNER MICHAEL J. O'BRIEN

OFFICIAL TITLE CONTRACTING OFFICER

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

- III. The Government-approved Tenant Improvement Cost Summary (TICS) table which formed the basis for the tenant improvement costs are hereby incorporated into the lease as Exhibit A (1 page).
- IV. Paragraphs 3, 8, 14, 17, 18 are deleted and their entirety and replaced with the following:
  - 3. Upon completion, inspection and acceptance of space, The Government shall pay the Lessor annual rent of \$82,238.20 for years 1 – 5, \$95,635.24 for years 6 – 10, and \$59,290.00 for years 11 - 15. All rents shall be paid monthly in arrears.

For months 1 through 3, monthly rent shall be reduced by the amount of commission credit agreed to in this lease and shall be paid based upon the adjusted schedule stated in paragraph 17 herein.

Annual	Years 1 – 5	Years 6 – 10	Years 11 - 15
Shell Rent	\$42,744.50	\$56,141.54	\$47,200.00
Operating Cost	\$11,190.00	\$11,190.00	\$11,190.00
Amortization of TI*	\$19,045.24	\$19,045.24	\$0.00
Amortization of Security**	\$579.42	\$579.42	\$0.00
Amortization of Fire/Life Safety***	\$7,779.04	\$7,779.04	\$0.00
Parking (3 spaces)	\$900.00	\$900.00	\$900.00
<b>Full Service Rent</b>	<b>\$82,238.20</b>	<b>\$95,635.24</b>	<b>\$59,290.00</b>

\*See paragraph 8 below

\*\*See paragraph 14 below

\*\*\*See paragraph 18 below

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

JAGER DEVELOPMENT  
62065 BLACKHAWK TRAIL  
LA GRANDE, OR 97850-3509

- 8. In accordance with the SFO paragraph entitled Tenant Improvement Rental Adjustment, upon beneficial occupancy Tenant Improvements in the total amount of \$128,007.00 (2,700 USF x \$47.41) shall be amortized into the rent over the 10 year firm term at a rate of 8.5%. The total annual cost of Tenant Improvements for the amortization period shall be \$19,045.24.
- 14. Upon beneficial occupancy, Security Costs in the total amount of \$3,894.39 shall be amortized into the rent over the 10 year firm term at a rate of 8.5%. The total annual cost of Security Costs for the amortization period shall be \$579.42.
- 17. The Lessor and the Broker have agreed to a cooperating lease commission of [REDACTED] of the firm term value of this lease. 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 of \$6,853.18 minus one third of the Commission Credit [REDACTED] equals [REDACTED] adjusted First Month's Rent.

Second Month's Rental Payment of \$6,853.18 minus one third of the Commission Credit [REDACTED] equals [REDACTED] adjusted Second Month's Rent.

Third Month's Rental Payment of \$6,853.18 minus one third of the Commission Credit [REDACTED] equals [REDACTED] adjusted Third Month's Rent.

INITIALS: [Signature] Lessor [Signature] Government

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18. In separate correspondence dated Feb. 1, 2011, GSA approved of fire/life safety improvements in the amount of \$104,569.00. It is hereby agreed that \$52,284.50 of this cost is be allocated as a tenant improvement costs and, upon beneficial occupancy, \$52,284.50 shall be amortized into the rent over the 10 year firm term at a rate of 8.5%. The total annual cost of the Fire/Life Safety Improvements for the amortization period shall be \$7,779.04.

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

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

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INITIALS:  Lessor  Government