

US GOVERNMENT LEASE FOR REAL PROPERTY

DATE OF LEASE

APR 20 2010

LEASE NO.

GS-10B-07140

BUILDING NO.

OR6596

THIS LEASE, made and entered into this date by and between FURTICK & HAMMER, LLC

Whose address is 399 GARFIELD STREET
EUGENE, OR 97402-2613

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 15,665 rentable square feet (RSF) of office and related space, which yields 15,665 ANSI/BOMA Office Area square feet (USF) of space at 2504 Oakmont Way, Eugene, OR 97401-5522, to be used for such purposes as determined by the General Services Administration.

2. TO HAVE AND TO HOLD the said premises with their appurtenances for the term beginning upon beneficial occupancy and continuing for fifteen years, subject to termination and renewal rights as may be hereinafter set forth.

3. The Government shall pay the Lessor annual rent of \$436,928.15 and stepped per the table below.

Rent Period	Shell Rent ¹	Operating Rent ²	Amortized TIs ³	Annual Rent ⁴
Years 1-10	\$248,446.90	\$89,760.45	\$98,720.80	\$436,928.15
Year 11	\$289,019.25	\$89,760.45	\$-0-	\$378,779.70
Year 12	\$296,594.84	\$89,760.45	\$-0-	\$386,355.29
Year 13	\$304,321.95	\$89,760.45	\$-0-	\$394,082.40
Year 14	\$312,203.60	\$89,760.45	\$-0-	\$401,964.05
Year 15	\$320,242.88	\$89,760.45	\$-0-	\$410,003.33

¹ The Shell Rent amount includes the base year tax amount as shown in Paragraph 10 of this SF2.

² Operating Rent base shall be adjusted per Paragraph 12 of this SF2.

³ See Paragraph 9 of this SF2.

⁴ The annual rent owed for the first year of the lease will be adjusted per Paragraph 16 of this SF2.

Rent shall be paid monthly in arrears. Rent for a lesser period shall be prorated. Rent checks shall be made payable to:

FURTICK & HAMMER, LLC
P.O. BOX 2266
EUGENE, OR 97402-0103

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

LESSOR
FUR

BY

IN PR

UNITED

BY

Owner
(Title)

STEPHEN D. MONKEWICZ

Contracting Officer, Contracting Office, Administration
CONTRACTING OFFICER
(Official Title)

4. The Government may terminate this lease in whole or in part at any time on or after the tenth lease year 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. Renewal Options – Paragraph intentionally deleted.
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 7OR2170 dated September 23, 2009, as amended.
 - B. Build out in accordance with standards set forth in SFO 7OR2170 dated September 23, 2009, as amended, and the Government's design intent drawings. Government space plans shall be developed subsequent to award.
 - C. Deviations to the approved design intent drawings will not be permitted unless prior written authorization is obtained from the GSA Contracting Officer.
7. All terms, conditions, and obligations of the Lessor and the Government are set forth in the following:
 - A. Standard Form 2 (pages 1-3)
 - B. Solicitation for Offers 7OR2170 dated 9/23/09 (pages 1-51), Amendment 1 dated October 5, 2009 (page 1), and Amendment 2 dated December 7, 2009 (page 1)
 - C. Agency Special Requirements (pages 1-143)
 - D. GSA Form 3517B (pages 1-33) entitled GENERAL CLAUSES (Rev. [11/05])
 - E. GSA Form 3518A entitled REPRESENTATIONS AND CERTIFICATIONS (Rev. [1/07]) (pages 1-4)
 - F. GSA Form 1217 (1 page) entitled LESSOR'S ANNUAL COST STATEMENT
 - G. GSA Form 1364 (2 pages) entitled Proposal to Lease Space
 - H. Site Plan (1 page)
8. The following paragraphs 9 through 21 of this Standard Form 2 have been added to this lease prior to its execution.
9. In accordance with the SFO paragraph 3.2 entitled *Tenant Improvements Included in Offer*, Tenant Improvements in the amount of \$685,500.40 shall be amortized through the rent for 10 years at the rate of 7.75%, at which point the TIs will have been fully paid and will be reduced from the rent.
10. In accordance with the SFO paragraph 4.2, entitled *Tax Adjustment*, the tax base for the Government-occupied space is established at \$29,849.00 and the parcel number is 1703291300100.
11. In accordance with the SFO paragraph 4.2 (B) 9 the percentage of Government occupancy is established as 100% (15,665RSF/15,665RSF).
12. In accordance with the SFO paragraph 4.3 entitled *Operating Costs*, the escalation base is established as \$5.73/RSF (\$89,760.45/annum).
13. In accordance with the SFO paragraph 2.2 entitled *Seismic Safety for Existing Construction*, a Seismic Evaluation was completed on March 16, 2010. The evaluation concluded that one requirement of the Life Safety Performance Level of ICSSC RP 6 was not compliant. The Lessor shall, at the Lessor's sole expense, bring this requirement up to compliance. The Lessor will add additional attachment of the roof trusses to the wall in the wall anchorage for the exterior walls. Repairs shall be made per the detail on Sheet 9 of 9 dated March 11, 2010. Lessor will perform the work prior to the Government's acceptance of the space.

LES

UNITED STATES OF AMERICA

BY _____

BY _____

SDM
(Initial)

14. In accordance with the SFO paragraph 4.1 (C) entitled *Common Area Factor*, the common area factor is established as 1.000 (15,665 RSF/15,665 USF).
15. In accordance with the SFO paragraph 4.4 entitled *Adjustment for Vacant Premises*, the adjustment is established as \$3.19/USF for 100% vacant space and \$1.20/USF for any portion less than 100% of vacant space (rental reduction).
16. In accordance with the SFO paragraph 4.6 entitled *Overtime Usage*, the rate for overtime usage is established as \$40.00 per hour for the entire building or any portion thereof.
17. 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 Section 2.5 B. of the SFO. The commission credit shall begin in month one (1) of the Lease. The monthly rent is \$36,410.68. The monthly shell rent is \$20,703.91. The commission credit is calculated as follows:

TOTAL RENT: Years 1-10: \$436,928.15 x 10 = \$4,369,281.50
 TOTAL FIRM TERM: \$4,369,281.50

Total Commission: [REDACTED]
 GSA Credit: [REDACTED]
 Jones Lang LaSalle [REDACTED]

The monthly rent adjusted for the total GSA commission credit of \$69,908.51 is as follows:

<u>Rent Period</u>	<u>Scheduled Monthly Rent</u>	<u>Scheduled Mo. Shell Rent</u>	<u>Rent/Commission Credit</u>	<u>Rent/Commission Credit Remaining</u>	<u>Adjusted Monthly Rent Payment</u>
Month 1	\$36,410.68	\$20,703.91	[REDACTED]	[REDACTED]	[REDACTED]
Month 2	\$36,410.68	\$20,703.91	[REDACTED]	[REDACTED]	[REDACTED]
Month 3	\$36,410.68	\$20,703.91	[REDACTED]	[REDACTED]	[REDACTED]
Month 4	\$36,410.68	\$20,703.91	[REDACTED]	(b)(6)	[REDACTED]
Month 5	\$36,410.68	\$20,703.91	(b)(6)	(b)(6)	[REDACTED]

The Lessor agrees that the commission of [REDACTED] is due and payable to Jones Lang LaSalle pursuant to that certain Broker Commission Agreement dated September 23, 2009.

18. The Lessor hereby waives and forever relinquishes any right to make a claim against the Government for waste, damages or restoration arising from or related to any alteration or removal of any alteration by the Government during the term of this Lease or any extensions. Alterations may be completed by either the Government and/or the Lessor including the initial buildout of the leased space and/or any subsequent modifications required during the lease period. At the Government's sole discretion, property remaining in leased space after termination of the lease contract will become the property of the Lessor.
19. The Government reserves the right to adjust the final square footage after receipt and approval of CAD drawings and final site acceptance of the premises. Any adjustments, including those for agreed upon square footage and annual rent shall be documented by Supplemental Lease Agreement.
20. Wherever the words "Offeror", "Lessor" or "successful offeror" appear in this Lease, they shall be deemed to mean "Lessor"; wherever the words "solicitation", "Solicitation for Offers", or "SFO" appear in this lease, they shall be deemed to mean "this Lease"; where the words "space offered for lease" appear in this Lease, they shall be deemed to mean "Premises".
21. All terms and conditions of this lease as expressly contained herein represent the total obligations of the Lessor and the Government. Any agreements, written or oral, between the parties prior to the execution of this Lease are not applicable or binding. This agreement may be amended only by written instrument executed by the Lessor and the Government.

LESSOR [REDACTED]
 BY [REDACTED]

UNITED STATES OF AMERICA
 BY Sam
 (Initial)