

GENERAL SERVICES ADMINISTRATION PUBLIC BUILDINGS SERVICE LEASE AMENDMENT	LEASE AMENDMENT No. 6
	TO LEASE NO. GS-10B-07163 BLDG NO. OR6732
ADDRESS OF PREMISES 4310 SW Macadam Avenue Portland, OR 97239-4222	PDN Number: PS0018192

THIS AGREEMENT, made and entered into this date by and between
Stuart Lindquist, who entered the lease dba Lindquist Homes

whose address is:

702 SE Powell Blvd., Portland, OR 97202-2625, with a mailing address of P.O. Box 42135, Portland, OR 97242,

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 reallocate certain Building Specific Amortized Capital costs as Tenant Improvement costs, to issue Notice to Proceed with Tenant Improvements and to order changes.

NOW THEREFORE, these parties for the considerations hereinafter mentioned covenant and agree that the said Lease is amended, effective upon Government execution of this LA as follows:

Paragraph 3, Rental Rate, is hereby deleted in its entirety and replaced below to change the term for the cost component Building Specific Security to Building Specific Amortized Capital (BSAC), and to correct the BSAC calculation, which was previously amortized incorrectly.


Paragraph 16, Tenant Improvement Allowance, is hereby deleted from the Lease and replaced below as Paragraph 16, Tenant Improvement Allowance / Notice to Proceed with Tenant Improvements.

Paragraph 29, Tenant Improvements Exceeding the Tenant Improvement Allowance/Change Orders, is hereby deleted in its entirety and replaced below.


This Lease Amendment contains 5 pages, and Exhibit C to Paragraph 29C.

All other terms and conditions of the lease shall remain in force and effect.
IN WITNESS WHEREOF, the parties subscribed their names as of the below date.

FOR THE LESSOR:

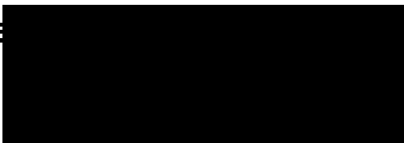
Signature: 
Name: Stuart Lindquist
Title: Manager
Entity Name: 4310 Building LLC
Date: 1/31/13

FOR THE GOVERNMENT:

Signature: 
Name: _____
Title: Lease Contracting Officer
GSA, Public Buildings Service
Date: FEB 5 2013

**LINDSEY D. SNOW
CONTRACTING OFFICER**

WITNESS

Signature: 
Name: DAR BROWN
Title: BRUCIA
Date: 1/31/13

Paragraph 3.

A. Rental Rate: The Government shall pay the Lessor annual rent per the table below, per month in arrears. Rent for a lesser period shall be prorated.

Block A: 53,064/RSF

	Annual Rent Yrs 1-5	Annual Rent Yrs 6-10	Annual Rent Yrs 11-15	Annual Rent
Shell Rental Rate	\$1,642,330.80	\$1,748,458.80	\$1,859,893.20	
TI Rental Rate ¹	\$213,909.29	\$213,909.29	\$213,909.29	
Building Specific Amortized Capital (BSAC) ²	\$32,852.75	\$32,852.75	\$32,852.75	
Operating Cost Rate	\$232,420.32	\$232,420.32	\$232,420.32	
Full Service Rent	\$2,121,513.16	\$2,227,641.16	\$2,339,075.56	

Block B: 1,554/RSF

	Annual Rent Yrs 1-5	Annual Rent Yrs 6-10	Annual Rent Yrs 11-15	Annual Rent
Shell Rental Rate	\$48,096.30	\$51,204.30	\$54,467.70	
TI Rental Rate	\$0.00	\$0.00	\$0.00	
Building Specific Amortized Capital (BSAC)	\$0.00	\$0.00	\$0.00	
Operating Cost Rate	\$6,806.52	\$6,806.52	\$6,806.52	
Full Service Rent	\$54,902.82	\$58,010.82	\$61,274.22	

Block A and B: 54,618/RSF

	Annual Rent Yrs 1-5	Annual Rent Yrs 6-10	Annual Rent Yrs 11-15	Annual Rent
Shell Rental Rate	\$1,690,427.10	\$1,799,663.10	\$1,914,360.90	
TI Rental Rate ¹	\$213,909.29	\$213,909.29	\$213,909.29	
Building Specific Amortized Capital (BSAC) ²	\$32,852.75	\$32,852.75	\$32,852.75	
Operating Cost Rate	\$239,226.84	\$239,226.84	\$239,226.84	
Full Service Rent	\$2,176,415.98	\$2,285,651.98	\$2,400,349.78	

¹ Total TIs in the amount of \$2,112,416.90 are amortized over the first fifteen (15) years of the Lease at a rate of 6% per year.

² Total BSAC costs in the amount of \$324,430.50 are amortized over the first fifteen (15) years of the Lease at a rate of 6% per year.

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- B. The entire cost of the building's utilities consist of, utilities for Block A, Block B, and overtime utilities. The Government pays the utility costs for Block A and Block B in its monthly operating rent. If the building's utility expenses (described below), including the overtime utilities, exceed the operating rents paid for in Block A and Block B for the 12-month period beginning with the beneficial occupancy date and each successive 12-month period throughout the Lease term, the Lessor is entitled to the adjustment in that rent. The building utility costs represent 38.508% (\$92,121.04/\$239,226.84) of the building's operating rent. This percentage will be used to determine the amount of the base utilities to be subtracted from the actual annual building utility costs.

The Government shall pay the building utility adjustment in a single annual lump sum payment to the Lessor. In order to receive such an adjustment, The Government requires written documentation within thirty (30) calendar days following each anniversary date of the Lease.

Building Utilities: Currently Estimated at \$92,121.04, calculated as follows: \$89,500 or \$1.69/RSF on GSA Form 1217 dated 3/16/2010. \$1.69 multiplied by 54,618/RSF equals \$92,121.04.

- Fuel – Line 9 of GSA Form 1217;
- Current for Light and Power (including elevators) – Line 11 of GSA Form 1217;
- Power for Special Equipment – Line 13 of GSA Form 1217;
- Water – Line 15 of GSA Form 1217;
- Utilities (include electricity, if not in C11) – Line 18 of GSA Form 1217;
- Trash and recycling – Line 26 of GSA Form 1217

Disclosure shall include all of the following:

- an invoice from Lessor;
- proof of payment;
- GSA Form 1217 filled out and signed;
- back-up documentation from each vendor.

The Lessor acknowledges that the Contracting Officer shall rely on the completeness and accuracy of these submissions in order to establish an annual adjustment.

In order to obtain a Building Utility Adjustment, the Lessor shall furnish the Contracting Officer with copies of all paid receipts, or other similar evidence of payment acceptable to the Contracting Officer, and a proper invoice (as described in GSA Form GOV'T 3517, General Clauses, 552.232-75, Prompt Payment) for the requested Building Utility Adjustment, including the calculation thereof. All such documents must be received by the Contracting Officer within 30 calendar days after the anniversary date of the Lease. FAILURE TO SUBMIT THE PROPER INVOICE AND EVIDENCE OF PAYMENT WITHIN SUCH TIME FRAME SHALL CONSTITUTE A WAIVER OF THE LESSOR'S RIGHT TO RECEIVE AN OPERATING COST ADJUSTMENT PURSUANT TO THIS CLAUSE FOR THE YEAR AFFECTED.

Payment:

Rent shall be payable to:

Lindquist Homes
702 SE Powell Blvd.
Portland, OR 97202-2625

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Paragraph 16. TENANT IMPROVEMENT ALLOWANCE / NOTICE TO PROCEED WITH TENANT IMPROVEMENTS:

- A. The Tenant Improvement Allowance (TIA) for Block A has been established by Paragraph 3.2 of the SFO, "Tenant Improvements Included in Offer." The TIA of \$2,112,416.90 shall be amortized over the first fifteen (15) years of the Lease at an interest rate (amortization rate) of 6% per year.
- B. The Government has reviewed the Lessor's TI pricing in the total amount of \$5,171,403.29 and determined it to be fair and reasonable. Said amount includes all costs for labor, all materials, overhead, profit, applicable sales tax, permitting and A/E fees, and interest to complete the work described in Exhibit C to Paragraph 29C. This LA memorializes in the Lease that the Government's Notice to Proceed for TIs in the total amount of \$5,171,403.29 was issued effective January 15, 2013. This amount exceeds the TI Allowance included in the Lease of \$2,112,416.90 by \$3,058,986.39 (TI overage). The TI overage is included in Paragraph 29 (Tenant Improvements Exceeding the Tenant Improvement Allowance/Change Orders) and will be paid via lump sum upon completion of the work by the Lessor and inspection and acceptance of the space by the Government, per the invoicing instructions detailed in Paragraph 30 of LA 5.
- C. Lessor may notify the Government thirty (30) days prior to estimated completion and delivery of space for occupancy, and the Government shall inspect TIs within five (5) days of receiving said notice from Lessor that this milestone has been achieved. Provided the Government finds that the Lessor is making suitable progress for turnover of space and sufficient TIs are installed that they can be completed in thirty (30) days in the reasonable estimation of the GSA, the Lessor may submit an invoice, as detailed in Paragraph 30 of LA 5, no earlier than five (5) days prior to the agreed upon inspection date for substantial completion to allow payment to Lessor as soon as possible after Government acceptance of the space. If an invoice is submitted earlier than five (5) days prior to the inspection date, or if the space is deemed not to be substantially complete upon inspection, GSA will be forced to reject the invoice.

Paragraph 29. TENANT IMPROVEMENTS EXCEEDING THE TENANT IMPROVEMENT ALLOWANCE/CHANGE ORDERS:

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A. The Government hereby orders Tenant Improvements in excess of the Tenant Improvement Allowance (TIA) and changes per the table in subparagraph B. The approved prices include all costs for labor, all materials, overhead, profit, applicable sales tax, permitting and A/E fees, and interest to complete the work. This amount exceeds the TIA included in the Lease and will be paid via lump sum upon completion of the work by the Lessor and inspection and acceptance of the space by the Government per the invoicing instructions detailed in Paragraph 30 of LA 5.

B.

TI Pricing/ CO#	Description	Amount	Status	Approved via LA #
TI Overage	TI costs exceeding the TIA	\$3,058,986.39	Approved	LA #6
CO #1 ¹	Garage Modifications due to [REDACTED] Vehicle requirements (See Attached Exhibit C)	[REDACTED]	Approved	LA #5
CO #2	Program Reconciliation	[REDACTED]	Approved	LA #4
CO #3	Design for TI Elevator	[REDACTED]	Approved	LA #4
CO #4	Site Entrance	[REDACTED]	Approved	LA #6
CO #7a	Design for Structural Floor Reinforcement	[REDACTED]	Approved	LA #4
CO #7b	Low Voltage SOW (original) (See Attached Exhibit C)	[REDACTED]	Approved	LA #5
CO #7c	Security SOW (original) (See Attached Exhibit C)	[REDACTED]	Approved	LA #5
CO #8	Redesign of Tenant Space	[REDACTED]	Approved	LA #4
CO #9	[REDACTED]	[REDACTED]	Approved	LA #6
Total Lump Sum Payment:		\$4,622,746.10		

Notes:

¹The negotiated cost of Change Order 1 includes the following concessions by both the Government and the Lessor: The Government agrees to a 21 day schedule extension without consideration. The Government agrees to waive the "Commission Credit" as described in Paragraph 25 of the Lease which is valued at [REDACTED]. The Lessor agrees to a full release of claims on this project as detailed in Paragraph 32 of LA 5.

C. The following exhibits are attached to and made part of this Lease:

Exhibit A to Paragraph 29C (previously incorporated in the Lease as Exhibit A to LA 4) (4 pages)

Exhibit B to Paragraph 29C (previously incorporated in the Lease in LA 5) (3 pages)

Exhibit C to Paragraph 29C (2 pages)

All other terms and conditions of the Lease remain in full force and effect.

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