

LEASE NO. GS-LOR07349

Succeeding/Superseding Lease
GSA FORM L202 (September 2011)

INSTRUCTIONS TO OFFERORS: Do not attempt to complete this Lease Form (Form L202). Upon selection for award, GSA will transcribe the successful Offeror's final offered rent and other price data included on the Lease Proposal Form (1364-S) into the Lease form, and transmit the completed Lease Form, together with appropriate attachments, to the successful Offeror for execution.

This Lease is made and entered into between

John Hanson, Cindy Hanson, Lee Werdell, Max Everts and Deborah Johnson.

("the Lessor"), whose principal place of business is [redacted], Medford, OR 97501-2906, and whose interest in the Property described herein is that of Fee Owner, and

THE UNITED STATES OF AMERICA

("the Government"), acting by and through the designated representative of the General Services Administration ("GSA"), upon the terms and conditions set forth herein.

Witnesseth: The parties hereto, for the consideration hereinafter mentioned, covenant and agree as follows:

The Lessor hereby leases to the Government the Premises described herein, being all or a portion of the Property located at

WERDELL & HANSON BUILDING, 24 Mistletoe, Medford, OR 97501-2954

and more fully described in Section 1 and Exhibit A, together with rights to the use of parking and other areas as set forth herein.

LEASE TERM

To Have and To Hold the said Premises with their appurtenances for the term beginning April 24, 2012 and continuing through April 23, 2022

subject to renewal rights as are hereinafter set forth, to be used for such purposes as determined by GSA.

In Witness Whereof, the parties to this Lease evidence their agreement to all terms and conditions set forth herein by their signatures below, to be effective as of the date of delivery of the fully executed Lease to the Lessor.

[Redacted signature area]

[Redacted signature area]

LINDSEY D. SNOW
CONTRACTING OFFICER

Lindsey D. Snow,

Lease LCO

Date: APR 20 2012

Name: Cynthia Hanson

Date: April 13, 2012

Name: [Redacted] *big Attorney in fact*

Date: [Redacted]

Date: April 13 - 12

[Redacted signature area]

Date: April 13, 2012

WITNESSED BY:

Name: _____

Title: _____

Date: _____

LESSOR: *CSH* *JRH* *LSW*
GOVERNMENT: *MS*
M.T.E.

SECTION 1 THE PREMISES, RENT, AND OTHER TERMS

1.01 THE PREMISES (SUCCEEDING) (SEPT 2011)

Unless otherwise noted, the Government accepts the leased premises and tenant improvements in their current existing condition, with the following exceptions further outlined more thoroughly in this lease. These exceptions include, but are not limited to, security improvements, Fire Protection and Life Safety requirements, ABAAS compliance, as well as compliance with all local codes and ordinances. The Lessor shall be responsible for continuing obligations for cleaning, janitorial, maintenance, repair, etc. as set forth in the lease paragraphs and attached General Clauses.

The Premises are described as follows:

Office and Related Space: 3,800 rentable square feet (RSF), yielding 3000 ANSI/BOMA Office Area (ABOA) square feet of office and related space based upon a Common Area Factor of 1.27%, consisting of the entire building as depicted on the floor plan(s) attached hereto as Exhibit A.

1.02 EXPRESS APPURTENANT RIGHTS (SEPT 2011)

The Government shall have the non-exclusive right to the use of Appurtenant Areas, and shall have the right to post Government Rules and Regulations within such areas. The Government will coordinate with the Lessor to ensure signage is consistent with the Lessor's standards. Appurtenant to the Premises and included with the Lease are rights to use the following:

A. Parking: 12 parking spaces of which 12 shall be spaces reserved for the exclusive use of the Government, 0 shall be inside parking spaces, and 12 shall be surface parking spaces. In addition, the Lessor shall provide such additional parking spaces as required by the applicable code of the local government entity having jurisdiction over the Property.

1.03 RENT AND OTHER CONSIDERATION (SUCCEEDING) (SEPT 2011)

A. The Government shall pay the Lessor annual rent, payable monthly in arrears, at the following rates:

	4/24/2012- 4/23/2022	
	Annual Rent	Monthly Rate
Shell Rent	\$87,795.00	\$7,316.25
Tenant Improvements rent ¹	TBD	TBD
Operating Costs	In Shell	In Shell
Building Specific Security ²	TBD	TBD
Total Annual Rent	\$87,795.00	\$7,316.25

¹ Tenant Improvement cost will be reconciled via a subsequent Lease Amendment

² Building Specific Security Costs will be reconciled via a subsequent Lease Amendment

B. If the Government occupies the Premises for less than a full calendar month, then rent shall be prorated based on the actual number of days of occupancy for that month.

C. Rent shall be paid to the Lessor by electronic funds transfer in accordance with the provisions of the General Clauses. Rent shall be payable to the Payee designated in the Lessor's Central Contractor Registration.

D. The Lessor shall provide to the Government, in exchange for the payment of rental and other specified consideration, the following:

1. The leasehold interest in the Property described in "Paragraph 1.01 The Premises" created herein;
2. All costs, expenses and fees to perform the work required for acceptance of the Premises in accordance with this Lease, including all costs for labor, materials, and equipment, professional fees, contractor fees, attorney fees, permit fees, inspection fees, and similar such fees, and all related expenses;
3. Performance or satisfaction of all other obligations set forth in this Lease; and
4. All services, utilities, and maintenance required for the proper operation of the Property, the Building, and the Premises in accordance with the terms of the Lease, including, but not limited to, all inspections, modifications, repairs, replacements, and improvements required to be made thereto to meet the requirements of this Lease.

E. INTENTIONALLY DELETED

LSW
C.A. M.T.F.

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1.04 INTENTIONALLY DELETED

1.05 INTENTIONALLY DELETED

1.06 RENEWAL RIGHTS (SEPT 2011)

This Lease may be renewed at the option of the Government for two terms of 5 YEARS each at the following rental rate(s):

[REDACTED]		
	ANNUAL RENT	MONTHLY RATE
SHELL AND OPERATING RENTAL RATE	[REDACTED]	[REDACTED]

Rates may be rounded

[REDACTED]		
	ANNUAL RENT	MONTHLY RATE
SHELL AND OPERATING RENTAL RATE	[REDACTED]	[REDACTED]

Rates may be rounded

provided notice is given to the Lessor at least 60 days before the end of the original lease term, all other terms and conditions of this Lease, as same may have been amended, shall remain in force and effect during any renewal term.

1.07 DOCUMENTS INCORPORATED BY REFERENCE (SEPT 2011)

The following documents are incorporated by reference, as though fully set forth herein:

DOCUMENT NAME	NO. OF PAGES	EXHIBIT
FLOOR PLAN(S)	1	A
ADDITIONAL SECURITY REQUIREMENTS	1	C
GSA FORM 3517C GENERAL CLAUSES	21	
GSA FORM 3518A, REPRESENTATIONS AND CERTIFICATIONS	4	
SECURITY UNIT PRICE LIST	1	
AGENCY SPECIFIC REQUIREMENTS	1	B
BUILDING SECURITY UNIT PRICE LIST	1	

1.08 TENANT IMPROVEMENT RENTAL ADJUSTMENT (SUCCEEDING) (SEPT 2011)

The Government shall have the right to make lump sum payments for any or all work covered by the Tenant Improvement (TI) scope. That portion of the rental payments attributable to amortization of the TIs shall be reduced accordingly. At any time after occupancy and during the firm term of the Lease, the Government, at its sole discretion, may choose to pay lump sum for any part or all of the remaining principal balance of the TIs. If the Government elects to make a lump sum payment for the TIs after occupancy, the payment by the Government will result in a decrease in the rent according to the amortization rate over the remaining firm term of the Lease.

1.09 INTENTIONALLY DELETED

1.10 INTENTIONALLY DELETED

1.11 RATE FOR ADJUSTMENT FOR VACANT LEASED PREMISES (SEPT 2011)

In accordance with the section entitled "Adjustment for Vacant Premises" if the Government fails to occupy or vacates the entire or any portion of the Leased Premises prior to expiration of the term of the Lease, the operating costs paid by the Government as part of the rent shall be reduced by \$12.63 per ABOA sq. ft. of space vacated by the Government.

1.12 HOURLY OVERTIME HVAC RATES (SEPT 2011)

The following rates shall apply in the application of the clause titled "Overtime HVAC Usage:"

LESSOR: JRH GOVERNMENT: LS
LSW of C.H.
M.T.E.

[Type text]

\$ 0.00 per hour for the entire space.

1.13 24-HOUR HVAC REQUIREMENT (APR 2011)

The Hourly Overtime HVAC rate specified above shall not apply to any portion of the Premises that is required to have heating and cooling 24 hours per day. If 24-hour HVAC is required by the Government for any designated rooms or areas of the Premises, such services shall be provided by the Lessor at an annual rate of \$0.00 per ABOA sq. ft. of the area receiving the 24-hour HVAC. Notwithstanding the foregoing, Lessor shall provide this service at no additional cost to the Government if the Lessor provides this service to other tenants at no additional charge

1.14 ADDITIONAL BUILDING IMPROVEMENTS (SEPT 2011)

In addition to construction of the Tenant Improvements as required in this Lease, the Lessor shall be required to complete the following additional building improvements (e.g., Fire Protection and Life Safety, Seismic, and Energy Efficiency) by May 15, 2012

The Lessor shall install a 1 hour fire rated wall between the waiting area and front entrance door consistent with NFPA 101 standards as part of its shell cost.

Wall Construction:

- Minimum 1 hour fire rated construction including 1 layer of 5/8" type X gypsum board sheet rock on each side of the stud for partition. Floor to floor partition.

SECTION 2 GENERAL TERMS, CONDITIONS AND STANDARDS

2.01 DEFINITIONS AND GENERAL TERMS (SEPT 2011)

Unless otherwise specifically noted, all terms and conditions set forth in this Lease shall be interpreted by reference to the following definitions, standards, and formulas:

- A. Appurtenant Areas. Appurtenant Areas are defined as those areas and facilities on the Property that are not located within the Premises, but for which rights are expressly granted under this Lease, or for which rights to use are reasonably necessary or reasonably anticipated with respect to the Government's enjoyment of the Premises and Express Appurtenant Rights.
- B. Broker. If GSA awarded this Lease using a contract real estate broker, Broker shall refer to GSA's broker.
- C. Commission Credit. If GSA awarded this Lease using a Broker, and the Broker agreed to forego a percentage of its commission to which it is entitled in connection with the award of this Lease, the amount of this credit is referred to as the Commission Credit.
- D. Common Area Factor. The Common Area Factor is a conversion factor determined by the building owner and applied by the owner to the ANSI/BOMA Office Area square feet to determine the rentable square feet for the offered space.
- E. Days. All references to "day" or "days" in this Lease shall mean calendar days, unless specified otherwise.
- F. FAR/GSAR. All references to the FAR shall be understood to mean the Federal Acquisition Regulation, codified at 48 CFR Chapter 1. All references to the GSAR shall be understood to mean the GSA supplement to the FAR, codified at 48 CFR Chapter 5.
- G. Firm Term/Non-Firm Term. The Firm Term is that part of the Lease term that is not subject to termination rights. The Non-Firm Term is that part of the Lease term following the end of the Firm Term.
- H. Lease Term Commencement Date. The Lease Term Commencement Date means the date on which the lease term commences.
- I. Lease Award Date. The Lease Award Date means the date that the Lease is executed by the LCO (and on which the parties' obligations under the Lease begin).
- J. The Premises. The Premises are defined as the total Office Area or other type of Space, together with all associated Common Areas, described in Section I of this Lease, and delineated by plan in the attached Exhibit. Parking and other areas to which the Government has rights under this Lease are not included in the Premises.
- K. The Property and the Building. The Property is defined as the land and buildings in which the Premises are located, including all appurtenant areas (e.g., parking areas to which the Government is granted rights). The building(s) situated on the Property in which the Premises are located shall be referred to herein as "the Building(s)."
- L. Rentable Square Feet. Rentable space is the area for which a tenant is charged rent. It is determined by the building owner and may vary by city or by building within the same city. The rentable space may include a share of building support/common areas such as elevator lobbies,