

U.S. GOVERNMENT LEASE FOR REAL PROPERTY
(Short Form)

1. LEASE NUMBER
GS-10B-07180

PART I - SOLICITATION/DESCRIPTION OF REQUIREMENTS (To be completed by Government)

A. REQUIREMENTS

2. The Government of the United States of America is seeking to lease approximately 4,270 rentable square feet of office and related space located in Everett, Washington for occupancy not later than April 1, 2010 for a term of (10) Years, (5) Years firm. Rentable space must yield a minimum of 3,700 square feet of ANS/BOMA Office Area (ABOA) for use by Tenant for personnel, furnishing, and equipment.
3. INITIAL OFFERS ARE DUE ON OR BEFORE CLOSE OF BUSINESS March 31, 2010.

B. STANDARD CONDITIONS AND REQUIREMENTS

4. The following standard conditions and requirements shall apply to any premises offered for lease to the UNITED STATES OF AMERICA (the GOVERNMENT):
- a. Space offered must be in a quality building of sound and substantial construction meeting the Government's requirements for the intended use.
 - b. The Lessor shall provide floor plans for the offered space and a valid Certificate of Occupancy for the intended use of the Government and shall meet, maintain, and operate the building in conformance with all applicable current (as of the date of this solicitation) codes and ordinances. If space is offered in a building to be constructed for lease to the Government, the building must be in compliance with the most recent edition of the building code, fire code, and ordinances adopted by the jurisdiction in which the building is located.
 - c. Offered space shall meet or be upgraded to meet the applicable egress requirements in National Fire Protection Association (NFPA) 101, *Life Safety Code* or an alternative approach or method for achieving a level of safety deemed equivalent and acceptable by the Government. Offered space located below-grade, including parking garage areas, and all areas referred to as "hazardous areas" (defined in NFPA 101) within the entire building (including non-Government areas), shall be protected by an automatic sprinkler system or an equivalent level of safety. Additional automatic fire sprinkler requirements will apply when offered space is located on or above the 6th floor. Unrestricted access to a minimum of two remote exits shall be provided on each floor of Government occupancy. Scissor stairs shall be counted as only one approved exit. Open-air exterior fire escapes will not be counted as an approved exit. Additional fire alarm system requirements will apply when offered space is located 2 or more stories in height above the lowest level of exit discharge.
 - d. The Building and the leased space shall be accessible to persons with disabilities in accordance with appendices C and D of 36 CFR Part 1191 (ABA Chapters 1 and 2 and Chapters 3 through 10 of the ADA-ABA Accessibility Guidelines).
 - e. The leased space shall be free of all asbestos containing materials, except undamaged asbestos flooring in the space or undamaged boiler or pipe insulation outside the space, in which case an asbestos management program conforming to Environmental Protection Agency guidance shall be implemented. The space shall be free of other hazardous materials and in compliance with applicable Federal, State, and local environmental laws and regulations.
 - f. Services, utilities, and maintenance will be provided daily, extending from 7:00 a.m. to 6:00 p.m. except Saturday, Sunday, and Federal holidays. The Government shall have access to the leased space at all times, including the use of electrical services, toilets, lights, elevators, and Government office machines without additional payment.
 - g. The Lessor shall complete any necessary alterations within Thirty (30) days after receipt of approved layout drawings.
 - h. The Offeror must have an active registration in the Central Contractor Registration (CCR) System (via the Internet at <http://www.ccr.gov>) prior to lease award and throughout the life of the lease. To remain active, the Lessor must update or renew its registration annually. The Government will not process rent payments to Lessors without an active CCR Registration. The Government will recognize no change of ownership of the leased premises until the new owner registers in the CCR system.

5. SERVICES AND UTILITIES (To be provided by Lessor as part of rent)

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|--|--|--|---|--|
| <input checked="" type="checkbox"/> HEAT | <input checked="" type="checkbox"/> TRASH REMOVAL | <input type="checkbox"/> ELEVATOR SERVICE | <input checked="" type="checkbox"/> INITIAL & REPLACEMENT LAMPS, TUBES & BALLASTS | <input type="checkbox"/> OTHER (Specify below) |
| <input checked="" type="checkbox"/> ELECTRICITY | <input type="checkbox"/> CHILLED DRINKING WATER | <input checked="" type="checkbox"/> WINDOW WASHING | <input checked="" type="checkbox"/> PAINTING FREQUENCY | |
| <input checked="" type="checkbox"/> POWER (Special Equip.) | <input checked="" type="checkbox"/> AIR CONDITIONING | Frequency <u>as required</u> | SPACE <u>as required</u> | |
| <input checked="" type="checkbox"/> WATER (Hot & Cold) | <input checked="" type="checkbox"/> TOILET SUPPLIES | <input checked="" type="checkbox"/> CARPET CLEANING | Public Areas _____ | |
| <input checked="" type="checkbox"/> SNOW REMOVAL | <input checked="" type="checkbox"/> JANITORIAL SERV. & SUPP. (Except for 180 Sq. Ft. storage area) | FREQUENCY: See janitorial req. (Except for 180 Sq. Ft. storage area) | | |

6. OTHER REQUIREMENTS

Offerors should also include the following with their offers:

The estimated cost to prepare the space for occupancy by the Government and the Offeror's proposed amortization rate for tenant alterations, if applicable.

7. NOTE: All offers are subject to the terms and conditions outlined above, and elsewhere in this solicitation, including the Government's General Clauses and Representations and Certifications.

8. BASIS OF AWARD

- THE ACCEPTABLE OFFER WITH THE LOWEST PRICE PER SQUARE FOOT, ACCORDING TO THE ANS/BOMA Z65.1-1996 DEFINITION FOR BOMA USABLE OFFICE AREA, WHICH MEANS "THE AREA WHERE A TENANT NORMALLY HOUSES PERSONNEL AND/OR FURNITURE, FOR WHICH A MEASUREMENT IS TO BE COMPUTED."
- OFFER MOST ADVANTAGEOUS TO THE GOVERNMENT, WITH THE FOLLOWING EVALUATION FACTORS BEING
 - SIGNIFICANTLY MORE IMPORTANT THAN PRICE
 - APPROXIMATELY EQUAL TO PRICE
 - SIGNIFICANTLY LESS IMPORTANT THAN PRICE
 - (Listed in descending order, unless stated otherwise):

PART II - OFFER (To be completed by Offeror/Owner and remain open until lease award)

A. LOCATION AND DESCRIPTION OF PREMISES OFFERED FOR LEASE BY GOVERNMENT

| | | |
|---|--|--|
| 1. NAME AND ADDRESS OF BUILDING (Include ZIP Code) Wetmore Building 2731 Wetmore Ave. Everett, Washington 98206-5267 | 2. LOCATION(S) IN BUILDING | |
| | a. FLOOR(S) (4 th) Floor & Basement | b. ROOM NUMBER(S) Suites 420 & 120 |
| | c. SQ. FT. RENTABLE <u>4,270</u> ABOA <u>3,712</u> Common Area Factor <u>1.15</u> | d. TYPE <input checked="" type="checkbox"/> GENERAL OFFICE <input type="checkbox"/> OTHER (Specify) <input type="checkbox"/> WAREHOUSE |

B. TERM

3. To have and to hold, for the term commencing on April 1, 2010 and continuing through March 31, 2020 inclusive. The Government may terminate this lease in whole or in part at any time on or after March 31, 2015, by giving at least 180 days notice in writing to the Lessor. No rental shall accrue after the effective date of termination. Said notice shall be computed commencing with the day after the date of mailing.

C. RENTAL

4. Rent shall be payable in arrears and will be due on the first workday of each month. When the date for commencement of the lease falls after the 15th day of the month, the initial rental payment shall be due on the first workday of the second month following the commencement date. Rent for a period of less than a month shall be prorated.

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|---|---|---|
| 5. AMOUNT OF ANNUAL RENT Years 1-5 \$85,400 Years 6-10 \$93,940 | 7. HVAC OVERTIME RATE PER HOUR \$0.00 | 8. ELECTRONIC FUNDS TRANSFER PAYMENT SHALL BE MADE TO (Name and Address) Wetmore Building Skotdal LLC PO Box 5267 Everett, WA 98206-5267 |
| 6. RATE PER MONTH Years 1-5- \$7,116.67 Years 6-10- \$7828.33 | | |

9a. NAME AND ADDRESS OF OWNER (Include ZIP code. If requested by the Government and the owner is a partnership or joint venture, list all General Partners, using a separate sheet, if necessary.)
Wetmore Building Skotdal, LLC, 2707 Colby Avenue, Suite 1200, Everett, WA 98201-3568

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|---|--|
| 9b. TELEPHONE NUMBER OF OWNER [REDACTED] | 10. TYPE OF INTEREST IN PROPERTY OF PERSON SIGNING <input type="checkbox"/> OWNER <input checked="" type="checkbox"/> AUTHORIZED AGENT <input type="checkbox"/> OTHER (Specify) |
| 11a. NAME OF OWNER OR AUTHORIZED AGENT (Type or Print) Art Skotdal | 11b. TITLE OF PERSON SIGNING Manager |
| [REDACTED] | 11d. DATE 8/2/10 |

PART III - AWARD (To be completed by Government)

SMM

Your offer is hereby accepted. This award consummates the lease which consists of the following attached documents: (a) this GSA Form 3626, (b) Representations and Certifications, (c) the Government's General Clauses, and (d) the following changes or additions made or agreed to by you:

(e) Attachment Number 1- Supplemental Lease Requirements

(f) Carpet Allowance- Lessor agrees that after the fifth (5) year of this lease, carpet will be replaced throughout space with new carpet to be mutually agreed upon at Lessor's expense provided the Government waives the termination right found in Part II - Article 3, herein.

(g) The Government currently occupies the space that is being solicited and, except for the Lessor agreeing to paint the tenant's space and repair and clean the carpet, the existing space is acceptable and requires no other changes. The Lessor will coordinate with the tenant for time and access to space to complete this work. No other adjustments are necessary per the terms stated herein.

(h) In accordance with Form 3626 Supplemental Lease Requirements, Paragraphs entitled "Tax Adjustment" and "Operating Costs", Lease shall include CPI increases on operating costs and actual property tax increase escalations. The Bases are hereby established as:

1. The operating expense base cost at \$4.16 per rentable square feet per year.
2. The Real Estate Tax base cost is established at \$1.24 per rentable square feet per year. The Snohomish County Tax parcel ID is #00439162601300

2. THIS DOCUMENT IS NOT BINDING ON THE GOVERNMENT OF THE UNITED STATES OF AMERICA UNLESS SIGNED BELOW BY AUTHORIZED CONTRACTING OFFICER.

3a. NAME OF CONTRACTING OFFICER (Type or Print)

Scott M. Matson

3c. DATE

9/7/10