

U.S. GOVERNMENT
LEASE FOR REAL PROPERTY

DATE OF LEASE:

LEASE NO. GS-09B-02341

THIS LEASE, made and entered into this date by and between: **1325 J STREET, LLC**

whose address is **UrbanAmerica L.P.
30 Broad Street, 35th Floor
New York, New York 10004**


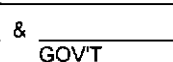
and whose interest in the property hereinafter described is that of Owner,

hereinafter called the Lessor, and the **UNITED STATES OF AMERICA**, hereinafter called the Government.

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

- "1. The Lessor hereby leases to the Government the following described premises:
A total of 227,490 rentable square feet of office and related space, which yields 197,470 ANSI/BOMA Office Area located on the following floors: 1st, 8th, 9th, 10th, 11th, 12th, 14th, and 15th at 1325 "J" Street, Sacramento, CA, as depicted on Exhibit "A", pp. 1-8, to be used for such purposes as may be determined by the Government. Included in the rent at no additional cost to the Government are one hundred and three (103) secured off-street parking spaces for exclusive use of Government employees and patrons, including ninety (90) reserved spaces on the 7th floor and thirteen (13) unreserved spaces in the balance of the building parking garage."
- "2. TO HAVE AND TO HOLD the said premises with their appurtenances for the term beginning on the date the space is certified and accepted for occupancy by the Government as complete and ready for occupancy, as provided below, through the following **ten (10) years term**, subject to termination and renewal rights as may be hereinafter set forth. The lease term, the rent effective date and square footage will be established by Supplemental Lease Agreement upon delivery of the space and upon Government's actual field measurement for acceptance and beneficial occupancy."
- "3. The Government shall pay the Lessor annual rent of \$6,390,194.10 at the rate of \$532,516.17 per month in arrears which translates into \$28.09 per rentable square foot (\$32.3603 per office area square foot) annually. Rent for a lesser period shall be prorated. Rent checks shall be made payable to:

1325 J Street, LLC
Urban America L.P.
30 Broad Street, 35th Floor
New York, New York 10004"
- "4. This Paragraph has been intentionally omitted."
- "5 The Lessor shall furnish to the Government, as part of the rental consideration, the following:
 - A. Subject to paragraph 5.D below, those facilities, services, supplies, labor, materials, equipment, utilities, repairs and maintenance, and any professional or inspection fees, associated with making the tenant space and common areas ready for occupancy.
 - B. Installation of new carpet and paint in accordance with the standards and requirements as set forth in this lease and the SFO GS-09B-02341 dated May 12, 2009. Upon satisfactory completion of the painting and re-carpeting of the space and the acceptance thereof, the lease shall commence. The Lessor hereby waives restoration.
 - C. Deviations to the approved paint and carpet selections will not be permitted unless prior written authorization is obtained from the GSA Contracting Officer.
 - D. In accordance with the SFO Paragraph 3.2 *Tenant Improvement Included in Offer*, Tenant Improvements for this lease shall consist only of carpet and paint for the entire Government space and common areas on floors where the Government is a full floor tenant, including the 15th floor.
 - E. In connection with the provision of new paint and carpet, the Lessor shall move and re-install furniture, including systems furniture, including disassembly and reassembly of the furniture as necessary, to its current location unless otherwise directed by the GSA Contracting Officer.
 - F. The Government shall be responsible for disconnection and reconnection of all electrical, telecommunications and computer equipment, and for removal and return of all personal items, as necessary to accommodate the painting and re-carpeting.
 - G. The Lessor shall be responsible for storage and safety of all furniture parts during painting and re-carpeting. In the event the parts are missing, the Lessor shall replace the missing parts.
 - H. The Government acknowledges this is a succeeding lease and except for the new paint and carpet, the Government is accepting the space, including the existing building shell and existing tenant improvements as meeting Lessor's obligations under this lease and SFO GS-09B-02341. Lessor shall remain responsible for maintenance, repair and replacement of all items provided by the Lessor under this lease. All re-painting and re-carpeting work within the current location must be completed outside of normal work hours."

 & 
LESSOR GOV'T

"6. The following are attached and made part hereof:

- A) Solicitation For Offers (SFO) NO. GS-09B-02341, 54 pages.
- B) GSA Form 3517B, GENERAL CLAUSES (rev 11/05), 33 pages
- C) GSA Form 3518, REPRESENTATIONS AND CERTIFICATIONS (Rev 1/07), 7 pages
- D) Exhibit "A", 9 pages"

"7. In accordance with the SFO Paragraph 4.2, Tax Adjustment, the Government's percentage of occupancy is established at 69.85% of the 1325 J Street in Sacramento, CA (227,490 rsf/325,682 rsf). Base year taxes shall be the taxes paid by the Lessor for Sacramento County Tax Year 2010."

"8. In accordance with the SFO Paragraph 4.3, Operating Costs, the base rate for purposes of operating cost adjustment is established at \$5.87 per rentable square foot per annum."

"9. In accordance with the SFO Paragraph 4.4, Adjustment for Vacant Premises, the adjustment is established at \$2.50 per rentable sq. ft per annum for vacant space (rental reduction)."

"10. In accordance with the Paragraph 4.6, Overtime Usage, the rate for overtime usage of Heating, Ventilation and Air Conditioning beyond normal hours of operation is established at \$95.00 per hour."

"11. The Lessor shall have 240 days to complete Tenant Improvements (carpet and paint and work associated therewith as described in Par 5 of this lease) from the day of issuance of a Notice to Proceed."

"12. All questions pertaining to this lease agreement shall be referred to the General Services Administration (GSA) Contracting Officer (CO). This contract is between Government and the Lessor. The Government assumes no financial responsibility for any cost incurred by the Lessor except as provided by the terms of this lease agreement or authorized in writing by GSA CO. If Lessor delivers space with improvements not authorized or requested by the GSA CO, then Lessor shall not be entitled to compensation if the improvements remain in place after the Government's acceptance of the space."

"13. In the event of a conflict between the terms and provisions of this SF-2 and the documents attached hereto, this SF-2 shall control as it pertains to required Tenant Improvements and acceptance of the space."

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

LESSOR: 1325 J STREET, LLC

By: _____

(Signature)

(Title)

IN PRESENCE OF

(Signature)

30 BROAD ST 35TH FL
NEW YORK NY 10004

(Address)

UNITED STATES OF AMERICA: GENERAL SERVICES ADMINISTRATION

BY _____

Deana Morad, Contracting Officer
(Signature)