



U.S. GOVERNMENT LEASE FOR REAL PROPERTY

DATE OF LEASE: June 14, 2011 LEASE NUMBER: GS-09B-02611

THE GENERAL SERVICES ADMINISTRATION

FOR



IN

Oakland, CA

NAME: Gabriel Shuken

TITLE: Leasing Specialist

NAME: Peter Shteyn

TITLE: Contracting Officer

The information collection requirements contained in this Contract, that are not required by regulation, have been approved by the Office of Management and Budget pursuant to the Paperwork Reduction Act and assigned the OMB Control No. 3090-0163.

GS-09B-02611
01/26/2011

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INITIALS:

LESSOR

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1.0 RECITALS

- A. The [REDACTED] or Tenant is required, pursuant to 49 U.S.C. 40101 - the Aviation and Transportation Security Act (ATSA), to oversee security measures at Oakland International Airport (Airport).
- B. The [REDACTED] is responsible for airline passenger and baggage screening services at the Airport.
- C. The United States General Services Administration (GSA), on behalf of [REDACTED], desires to lease certain facilities on the Airport for administrative offices and/or break rooms in support of airport passenger and baggage screening services by the [REDACTED] (b)(7).
- D. Space for [REDACTED] to screen passengers and baggage is expressly excluded from this LEASE.

2.0 AGREEMENT

THIS LEASE, made and entered into this date by and between City of Oakland, a municipal corporation, acting by and through its Board of Port Commissioners organized and existing under the laws of the State of California.

Whose address is: Port of Oakland
Attn: Director of Aviation
530 Water Street
Oakland, CA 94617

Copy to: Airport Properties
9532 Earhart Road, Suite 201
Oakland, CA 94621

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:

2.1 AMOUNT AND TYPE OF SPACE

The Lessor hereby leases to the Government the following described Premises:

- A. A total of 3,528 rentable square feet (RSF) of office and related space, which yields 3,528 ANSI/BOMA Office Area square feet (USF) of space, along with 2 reserved parking spaces located at Oakland International Airport, 1 Airport Drive, Oakland, CA 94621 as indicated on the attached Floor Plans, to be used by Tenant for personnel, furnishing, and equipment.
- B. The common area factor for the leased Premises occupied by the Government is established as 1.0.
- C. Space offered must be in a quality building of sound and substantial construction meeting the Government's requirements for the intended use.

2.2 LOCATION(S) IN BUILDING

- 1. BLOCK A: 335 USF/RSF Office space on the Mezzanine floor in Terminal 1 (Room M102-2001);
- 2. BLOCK B1: 309 USF/RSF Office space on the 3rd floor in Terminal 1 (Room M102-3002);
- 3. BLOCK B2: 308 USF/RSF Storage space on the Third Floor in Terminal 1 (Room M102-3003);
- 4. BLOCK B3: 75 USF/RSF Unisex restroom on the Third Floor in Terminal 1 (Room M102-3004);
- 5. BLOCK C: 1,241 USF/RSF Training Room in a Modular Building at Terminal 1 (Room M157-0001);
- 6. BLOCK D: 480 USF/RSF Break Room in a Modular Building at Terminal 1 (Room XU70-0001);
- 7. BLOCK E: 780 USF/RSF Checkpoint office/break room in Terminal 2 (Room M130-1030);
3,528 USF/RSF Total Square Feet (with 3rd floor restroom)

In the event the plumbing fixtures in the restroom identified as Block B3 become inoperable and cannot be repaired by Lessor at a minimal cost, Lessor has the right to decommission said plumbing fixtures. Government may continue to occupy Block B3 and use as a storage room.

2.3 LEASE TERM

TO HAVE AND TO HOLD the said Premises with their appurtenances for a term beginning on the day the space is accepted by the Government for beneficial occupancy through September 30, 2012 in accordance with the Paragraph entitled "Acceptance of Space" herein, subject to termination rights as may be hereinafter set forth.

2.4 TERMINATION RIGHTS

The Government reserves the right to terminate this Lease in whole or in part at anytime with sixty (60) calendar days written notice to the Lessor if (i) regularly scheduled commercial air services ceases, (ii) the Lessor opts to replace [REDACTED] screeners with private contractors, or (iii) the passenger and baggage screening checkpoint supported by the Premises are closed. No rental shall accrue after the effective date of termination provided the Tenant has vacated all or each Block of the Premises. Said notice shall be computed commencing with the day after the date of mailing.

2.5 RELOCATION RIGHTS

Lessor in its sole discretion may, if it becomes necessary in the orderly development and operation of the Airport, require the relocation of any portion of the Premises to other space at the Airport which, in the reasonable judgment of Lessor, is similar and suitable for the purposes for which this Lease is entered as such purposes are set forth herein. Should such relocation be necessary, Government agrees to move its personal property and equipment, at Government's sole cost and expense, to the new location prepared by Lessor upon 120 days prior written notice. Lessor shall be responsible for any and all other costs related to relocation. Airport shall provide such relocated Premises at the same rental rate as the original Premises unless the new Premises is located in an area that Airport charges tenants a lower rate.

2.6 RENTAL RATE

The Government shall pay the Lessor annual rent through September 30, 2011 as follows:

Block A: The annual rent of \$53,309.22 at the rate of \$4,442.44 per month in arrears;
Block B1: The annual rent of \$38,244.31 at the rate of \$3,187.03 per month in arrears;
Block B2: The annual rent of \$38,120.54 at the rate of \$3,176.71 per month in arrears;
Block B3: At no additional cost to the Government.
Block C: The annual rent of \$197,482.81 at the rate of \$16,456.90 per month in arrears;
Block D: The annual rent of \$76,383.36 at the rate of \$6,365.28 per month in arrears;
Block E: At no additional cost to the Government.

Total annual rental rate: \$403,540.24 or \$33,628.35 per month.

The Government shall pay the Lessor annual rent beginning October 1, 2011 through September 30, 2012 as follows:

Block A: The annual rent of \$53,494.14 at the rate of \$4,457.85 per month in arrears;
Block B1: The annual rent of \$38,377.80 at the rate of \$3,198.15 per month in arrears;
Block B2: The annual rent of \$38,253.60 at the rate of \$3,187.80 per month in arrears;
Block B3: At no additional cost to the Government.
Block C: The annual rent of \$198,167.84 at the rate of \$16,513.99 per month in arrears;
Block D: The annual rent of \$76,648.32 at the rate of \$6,387.36 per month in arrears;
Block E: The annual rent of \$124,553.52 at the rate of \$10,379.46 per month in arrears.

Total annual rental rate: \$529,495.22 or \$44,164.60 per month.

2.7 RENEWAL OPTION

This Lease may be renewed at the option of the Government for the following Terms and at the following rental rates: nine (9) additional one-year terms at an annual rental rate to be determined pursuant to the Port of Oakland's Rates and Charges Ordinance, upon notice from the Lessor at least ninety (90) days prior to the end of the original Lease term or any renewal term, of the rental rates for the following year which will be effective on October 1st of each renewal year; all other terms and conditions of this Lease shall remain the same during any renewal term and continue through any subsequent renewal periods. Notice of renewal to the Lessor shall be computed commencing with the day after the date of mailing.

2.8 RENT ADJUSTMENTS

The annual rent for Block A through E is subject to annual adjustments on or after October 1, 2011 pursuant to the Port of Oakland's Rates and Charges Ordinance as passed by the Board of Port Commissioners, these rates are non-negotiable. The Lessor shall provide advance written notice of any rate changes well in advance of the rate change so as to allow the Government ample time to amend the lease by Supplemental Lease Agreement.

Effective October 1, 2011, the Government will commence rental payments on Block E at the same rate as Blocks A, C and D.

Accumulated operating cost adjustments will be included in the stated per annum rates at the time they become effective. 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 lesser period shall be prorated. Rent checks (electronic funds transfer payments) shall be made payable to:

Port of Oakland
Dept. #34377
PO Box 39000
San Francisco, CA 94139

2.9 ADJUSTMENT FOR VACANT PREMISES, GSAR 552.270-16 (VARIATION) (DEC 2005)

- A. If the Government fails to occupy any portion of the Premises or vacates the Premises in whole or in part prior to expiration of the term of the Lease, the rental rate (i.e., the base for operating cost adjustments) will be reduced.
- B. The adjustment for vacant Premises is established as \$0.00 per USF for vacant space per annum (rental reduction). Said reduction shall occur after the Government gives 30 calendar days' prior notice to the Lessor and shall continue in effect until the Government occupies the vacant Premises or the Lease expires or is terminated.

3.0 UTILITIES, SERVICES, AND LEASE ADMINISTRATION

3.1 SERVICES, UTILITIES, MAINTENANCE

The Lessor is responsible for providing all utilities necessary for base building operations and all associated costs are included as a part of the established rental rates. The following services, utilities, and maintenance shall be provided by the Lessor as part of the rental consideration (check all that apply):

- | | | | | |
|--|--|--|---|--|
| <input checked="" type="checkbox"/> HEAT | <input checked="" type="checkbox"/> TRASH REMOVAL | <input checked="" 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 checked="" type="checkbox"/> CHILLED DRINKING WATER | <input checked="" type="checkbox"/> WINDOW WASHING | <input checked="" type="checkbox"/> PAINTING FREQUENCY | |
| <input type="checkbox"/> POWER (Special Equip.) | <input checked="" type="checkbox"/> AIR CONDITIONING | Frequency <u>12 months</u> | | |
| <input checked="" type="checkbox"/> WATER (Hot & Cold) | <input checked="" type="checkbox"/> TOILET SUPPLIES | <input checked="" type="checkbox"/> CARPET CLEANING | Space <u>36 months</u> | |
| <input type="checkbox"/> SNOW REMOVAL | <input type="checkbox"/> JANITORIAL SERV. & SUPP. | Frequency <u>36 months</u> | Public Areas <u>36 months</u> | |

The Lessor shall have an onsite building superintendent or a locally designated representative available to promptly respond to deficiencies, and immediately address all emergency situations. Government and/or Tenant should (i) utilize Lessor's maintenance service order (MSO) process for standard repairs or (ii) contact Airport Operations at 510-563-3361 for emergencies.

- A. Lessor shall, within 90 days of Lease execution, paint and repair or replace flooring (hard surface or carpeting as determined by mutual agreement between Lessor and Government in Blocks A-E (except Block B3 which will not be repainted or have flooring replaced).
- B. Tenant is responsible for emptying trash receptacles within the Premises and taking trash to dumpsters located at the loading docks for pick up and removal by Lessor.

3.2 MEASUREMENT OF SPACE (AUG 2008)

A. ANSI/BOMA OFFICE AREA SQUARE FEET:

- For the purposes of this Lease, the Government recognizes the American National Standards Institute/Building Owners and Managers Association (ANSI/BOMA) international standard (Z65.1-1996) definition for Office Area, which means "the area where a tenant normally houses personnel and/or furniture, for which a measurement is to be computed."
- ANSI/BOMA Office Area (ABOA) square feet shall be computed by measuring the area enclosed by the finished surface of the room side of corridors (corridors in place as well as those required by local codes and ordinances to provide an acceptable level of safety and/or to provide access to essential building elements) and other permanent walls, the dominant portion (refer to Z65.1) of building exterior walls, and the center of tenant-separating partitions. Where alcoves, recessed entrances, or similar deviations from the corridor are present, ABOA square feet shall be computed as if the deviation were not present.
- ABOA square feet and usable square feet (USF) may be used interchangeably throughout the lease documents.

B. RENTABLE SPACE:

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, building corridors, and floor service areas. Floor service areas typically include restrooms, janitor rooms, telephone closets, electrical closets, and mechanical rooms. The rentable space does not include vertical building penetrations and their enclosing walls, such as stairs, elevator shafts, and vertical ducts.

3.3 NORMAL HOURS

Services, utilities, and maintenance shall be provided daily, extending 7:00 a.m. to 6:00 p.m. (Office Hours). The Government shall have access to the Premises at all times without additional payment, during other than Office Hours, including the use of necessary services and utilities such as electrical services, toilets, lights, elevators, and Government office machines.

3.4 TOILET ROOMS

Government employees shall have access to all public toilet facilities for men and women in the Airport terminal, at all times without additional payment.

3.5 MECHANICAL, ELECTRICAL, PLUMBING: GENERAL (AUG 2008)

The Lessor shall provide and operate all building equipment and systems in accordance with applicable technical publications, manuals, and standard procedures. Mains, lines, and meters for utilities shall be provided by the Lessor. Exposed ducts, piping, and conduits are not permitted in office space.

3.6 HEATING AND AIR CONDITIONING

- A. Temperatures shall conform to local commercial equivalent temperature levels and operating practices in order to maximize tenant satisfaction. These temperatures shall be maintained throughout the Premises and service areas, regardless of outside temperatures, during the Office Hours specified in this Lease. The Lessor shall perform any necessary systems start-up required to meet the commercially equivalent temperature levels prior to the first hour of the Office Hours. At all times, humidity shall be maintained below 60% relative humidity.
- B. The Lessor shall conduct HVAC system balancing after any HVAC system alterations during the term of the Lease and shall make a reasonable attempt to schedule major construction outside of Office Hours.
- C. Normal HVAC systems maintenance shall not disrupt tenant operations and should be scheduled after Office Hours.

3.7 MAINTENANCE AND TESTING OF SYSTEMS (AUG 2008)

- A. The Lessor is responsible for the total maintenance and repair of the Premises. Such maintenance and repairs include the site and private access roads. All equipment and systems shall be maintained to provide reliable, energy efficient service without unusual interruption, disturbing noises, exposure to fire or safety hazards, uncomfortable drafts, excessive air velocities, or unusual emissions of dirt. The Lessor's maintenance responsibility includes initial supply and replacement of all supplies, materials, and equipment necessary for such maintenance. Maintenance, testing, and inspection of appropriate equipment and systems shall be done in accordance with current applicable codes, and inspection certificates shall be displayed as appropriate. Copies of all records in this regard shall be forwarded to the GSA Field Office Manager or a designated representative upon written request by the Government to Lessor.
- B. Without any additional charge, the Government reserves the right to require documentation of proper operations or testing prior to occupancy of such systems as fire alarm, sprinkler, standpipes, fire pumps, emergency lighting, illuminated exit signs, emergency generator, etc. to ensure proper operation. These tests shall be witnessed by a designated representative of the Contracting Officer.

4.0 FIRE PROTECTION, LIFE SAFETY, AND ENVIRONMENTAL ISSUES

4.1 FIRE PROTECTION, LIFE SAFETY, AND ENVIRONMENTAL ISSUES

- A. The Lessor shall meet, maintain, and operate the building in conformance with all applicable current (as of the date of this Lease) building code, fire code, and ordinances adopted by the jurisdiction in which the building is located.
- B. 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.

4.2 SEISMIC SAFETY FOR EXISTING CONSTRUCTION

A. Definitions, for the purpose of this paragraph:

- 1. "Engineer" means a professional civil or structural engineer licensed in the state where the property is located.
- 2. "ASCE/SEI 31" means, American Society of Civil Engineers Standard "Seismic Evaluation of Existing Buildings". ASCE/SEI 31 can be purchased from ASCE at (800) 548-2723, or by visiting [HTTP://WWW.PUBS.ASCE.ORG](http://WWW.PUBS.ASCE.ORG).
- 3. "RP 6" means, "Standards of Seismic Safety for Existing Federally Owned and Leased Buildings and Commentary," issued by the Interagency Committee on Seismic Safety in Construction as ICSSC RP 6 and the National Institute of Standards and Technology as NISTIR 6762. RP 6 can be obtained from the Building and Fire Research Laboratory,

4. "Seismic Standards" mean the Life Safety Performance Level of RP 6, unless otherwise specified.
 5. "Seismic Certificate" means a certificate executed by an Engineer on the Certificate of Seismic Compliance form included with this solicitation as Attachment B, together with any required attachments.
 6. "Tier 1 Evaluation" means an evaluation by an Engineer in accordance with Chapters 2.0 and 3.0 of ASCE/SEI 31. A Tier 1 Evaluation must include the appropriate Structural, Nonstructural and Geologic Site Hazards and Foundation Checklists.
 7. "Tier 2 Evaluation" means an evaluation by an Engineer in accordance with Chapter 4.0 of ASCE/SEI 31.
 8. "Tier 3 Evaluation" means an evaluation by an Engineer in accordance with Chapter 5.0 of ASCE/SEI 31.
- B. Offers to lease space totaling 10,000 Rentable Square Feet or less are exempt from the Seismic Standards unless the space is in a building with an Unreinforced Masonry, Reinforced Concrete Moment-Resisting Frame, Tilt-up Concrete or Precast Concrete Frame structural system. If the offer is exempt from the Seismic Standards, the Offeror shall include in its offer a statement that the building type of the offered building is not Unreinforced Masonry, Reinforced Concrete Moment-Resisting Frame, Tilt-up Concrete or Precast Concrete Frame. Offers qualifying under this exemption will be evaluated on an equal basis with offers that meet the Seismic Standards.
- C. The Government intends to award a lease to an Offeror of a building that meets the Seismic Standards. If an offer is received which meets the Seismic Standards and the other requirements of this solicitation, then other offers which do not meet the Seismic Standards will not be considered. If none of the offers meet the Seismic Standards, the Contracting Officer will make the award to the Offeror whose building meets the other requirements of this solicitation and provides the best value to the Government, taking into account price, seismic safety and any other award factors specified in this solicitation.
- D. In order to meet the Seismic Standards, an offer must either include a Seismic Certificate establishing that the offered building complies with the Seismic Standards or include a commitment to renovate the building to comply with the Seismic Standards prior to delivery of the space.
1. The Offeror shall provide, with its initial offer, a Seismic Certificate. This certificate must be based upon a Tier 1 Evaluation and must include the checklists from the Tier 1 Evaluation.
 - (a) If the Tier 1 Evaluation does not demonstrate compliance with the Seismic Standards, the Offeror may obtain a Tier 2 or Tier 3 Evaluation in order to demonstrate compliance with the Seismic Standards. If the Offeror submits a Seismic Certificate based on a Tier 2 or Tier 3 Evaluation, the data, working papers, and reports from such evaluation must be made available to the Government.
 - (b) The Contracting Officer may, at his/her discretion, allow an Offeror to submit a Seismic Certificate after the deadline for best and final offers. However, the Contracting Officer is not obligated to delay award in order to enable an Offeror to submit a Seismic Certificate.
 2. If the Offeror proposes to renovate the building in order to meet the Seismic Standards, the Offeror must provide the construction schedule with the offer. All design and construction documents for the renovation, including structural calculations, drawings, specifications, geotechnical report(s), etc. shall be made available to the Government prior to construction. If the offer includes a commitment to renovate the building to meet the Seismic Standards, the Lessor must deliver a Seismic Certificate establishing that the building conforms to the Seismic Standards prior to delivery of the space to the Government; the space shall not be considered substantially complete until an acceptable Seismic Certificate has been delivered to the Contracting Officer.



4.3 ACCESSIBILITY (FEB 2007)

The Building and the Premises 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). To the extent the standard referenced in the preceding sentence conflicts with local accessibility requirements, the more stringent shall apply.

4.4 HAZARDOUS MATERIALS

The Premises shall be free of hazardous materials in compliance with all applicable Federal, State, and Local environmental laws and regulations including, but not limited to the following:

- A. The Premises 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.

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- B. The Lessor shall provide space to the Government that is free from Actionable Mold and free from any conditions that reasonably can be anticipated to permit the growth of Actionable Mold or are indicative of the possibility that Actionable Mold will be present ("Indicators").
- Actionable Mold is mold of types and concentrations in excess of that found in the local outdoor air.
 - The Lessor shall be responsible for conducting the remediation in accordance with the relevant provisions of the document entitled "Mold Remediation in Schools and Commercial Buildings" (EPA 402-K-01-001, March 2001), published by the U.S. Environmental Protection Agency, as same may be amended or revised from time to time, and any other applicable federal, state, or local laws, regulatory standards and guidelines.
 - The Lessor acknowledges and agrees that the Government shall have a reasonable opportunity to inspect the Premises after conclusion of the remediation. If the results of the Government's inspection indicate that the remediation does not comply with the Plan or any other applicable federal, state, or local laws, regulatory standards or guidelines, the Lessor, at its sole cost, expense and risk, shall immediately take all further actions necessary to bring the remediation into compliance.
 - If the Lessor fails to exercise due diligence, or is otherwise unable to remediate an Actionable Mold problem, the Government may implement a corrective action program and deduct its costs from the rent.

4.5 RECYCLING (DEC 2007)

Where State or local law, code, or ordinance requires recycling programs (including mercury containing lamps) for the space to be provided pursuant to this Lease, the Lessor shall comply with such State and/or local law, code, or ordinance in accordance with GSA Form 3517, General Clauses, 552.270-8, *Compliance with Applicable Law*. During the lease term, the Lessor agrees, upon request, to provide the Government with additional information concerning recycling programs maintained in the building and in the leased space.

5.0 STANDARD CONDITIONS AND REQUIREMENTS

The following standard conditions and requirements shall apply to any premises offered for lease to the GOVERNMENT:

5.1 ACCEPTANCE OF SPACE AND CERTIFICATE OF OCCUPANCY

- A. The Lessor shall provide floor plans for the Premises and a valid Certificate of Occupancy for the intended use of the Government.
- B. Neither the Government's acceptance of the Premises for occupancy or acceptance of related appurtenances, nor the Government's occupancy of the Premises, shall be construed as a waiver of any requirement or right of the Government under this Lease, or as otherwise prejudicing the Government with respect to any such requirement or right, or as an acceptance of any latent defect or condition.

5.2 TELECOMMUNICATIONS

- A. The Government reserves the right to contract its own telecommunications (voice, data, video, Internet or other emerging technologies) service in the Premises. The Government may contract with one or more parties to have inside wiring (or other transmission medium) and telecommunications equipment installed, subject to filing for and receiving a Port building permit (which will not be unnecessarily withheld and at no cost to the Government).
- B. The Lessor shall allow the Government's designated telecommunications providers access to utilize existing building wiring to connect its services to the Premises. If the existing building wiring is insufficient to handle the transmission requirements of the Government's designated telecommunications providers, the Lessor shall provide access from the point of entry into the building to the Premises, subject to any inherent limitations in the pathway involved, subject to filing for and receiving a Port building permit (which will not be unnecessarily withheld and at no cost to the Government).
- C. The Lessor shall allow the Government's designated telecommunications providers to affix telecommunications antennae (high frequency, mobile, microwave, satellite, or other emerging technologies), subject to avigation limitations, weight and wind load conditions, to roof, parapet, or building envelope as required, subject to filing for and receiving a Port building permit (which will not be unnecessarily withheld and at no cost to the Government).

5.3 WAIVER OF RESTORATION (AUG 2008)

The Lessor hereby waives, releases and discharges, and forever relinquishes any right to make a claim against the Government for waste, damages, or restoration arising from or related to (a) the Government's normal and customary use of the Premises during the term of the Lease (including any extensions thereof), as well as (b) any initial or subsequent alteration to the Premises, including cabling, or removal thereof, during the term of this Lease (including any extensions thereof), where such alterations or removals are performed by the Lessor or by the Government with the Lessor's consent, which shall not be unreasonably withheld. The Government may, at its sole option, abandon personal property in the Premises following expiration of the Lease, in which case the personal property will become the property of the Lessor and the Government will be relieved of any liability in connection therewith.

5.4 ALTERATIONS (SEP 1999)

The Government shall have the right during the existence of this Lease to make alterations, attach fixtures, and erect structures or signs in or upon the Premises, which fixtures, additions or structures so placed in, on, upon, or attached to the said Premises shall be and remain the personal property of the Government and may be removed or otherwise disposed of by the Government. The Government shall have the right to tie into or make any physical connection with any structure located on the Premises as is reasonably necessary for appropriate utilization of the Premises.

Tenant shall obtain Lessor's consent which may require filing for and receiving a Port building permit (which will not be unnecessarily withheld and at no cost to the Government) prior to making alterations outside the Premises including the posting of signs on doors.

5.5 CENTRAL CONTRACTOR REGISTRATION (AUG 2008)

The Lessor 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 is required to update or renew its registration annually. The Government will not process rent payments to Lessor without an active CCR Registration. No change of ownership of the Premises will be recognized by the Government until the new owner registers in the CCR system.

5.6 UNAUTHORIZED IMPROVEMENTS

All questions pertaining to this Lease shall be referred in writing to the GSA Contracting Officer. This Lease is between GSA and the Lessor. GSA assumes no financial responsibility for any cost incurred by the Lessor except as provided by the terms of the Lease or authorized in writing by the GSA Contracting Officer. If Lessor delivers space with improvements not authorized or requested in writing by the GSA Contracting Officer, then Lessor shall not be entitled to compensation.

5.7 SECURITY UPGRADES DUE TO IMMEDIATE THREAT (NOV 2005)

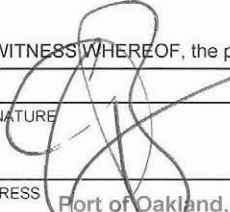

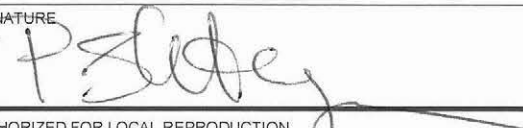
The Government reserves the right, at its own expense and with its own personnel, to heighten security in the building under lease during heightened security conditions due to emergency situations such as terrorist attacks, natural disaster, and civil unrest.

6.0 ATTACHEMENTS TO LEASE

The following are attached and made a part hereof:

- 6.1 EXHIBIT A - "FLOOR PLAN" 5 PAGES;
- 6.2 GSA FORM 3517 GENERAL CLAUSES (REV. 11/05), 2 PAGES;
- 6.3 GSA FORM 3518 REPRESENTATIONS AND CERTIFICATIONS (REV. 1/07), 7 PAGES.

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

LESSOR	
SIGNATURE 	NAME AND OFFICIAL TITLE OF SIGNER <u>Executive Director</u>
ADDRESS <u>Port of Oakland, 530 Water Street, Oakland, CA 94607</u>	
UNITED STATES OF AMERICA	
IN THE PRESENCE OF (SIGNATURE) 	NAME AND OFFICIAL TITLE OF SIGNER <u>Deputy Port Attorney</u>
SIGNATURE 	NAME OF SIGNER <u>PETER SHITEYN</u> OFFICIAL TITLE OF SIGNER <u>CONTRACTING OFFICER</u>
AUTHORIZED FOR LOCAL REPRODUCTION	


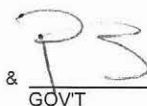
THIS DOCUMENT IS NOT BINDING ON THE GOVERNMENT OF THE UNITED STATES OF AMERICA UNLESS SIGNED ABOVE BY AUTHORIZED CONTRACTING OFFICER.

THIS AGREEMENT SHALL NOT BE VALID OR EFFECTIVE FOR ANY PURPOSE UNLESS AND UNTIL IT IS SIGNED BY THE PORT ATTORNEY.

Approved as to form and legality this 28th day of April 2011.


Port Attorney

Port Ordinance No. 4154
P.A. #: 2011-70

INITIALS:  & 
LESSOR & GOVT