

U.S. GOVERNMENT LEASE FOR REAL PROPERTY

DATE OF LEASE <u>November 12, 2010</u>	LEASE NO. <u>GS-09B-02618</u>
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THIS LEASE, made and entered into this date between **CIM / Oakland Center 21 L.P.**

whose address is: 6922 Hollywood Boulevard, Suite 900
Los Angeles, California 90028

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**:

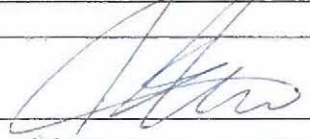
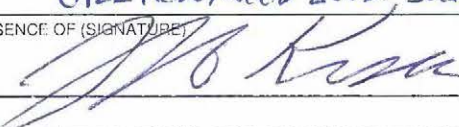
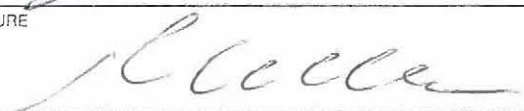
WITNESSETH: The parties hereto for the considerations hereinafter mentioned, covenant and agree as follows:

1. The Lessor hereby leases to the Government the following described Premises:
76,737 rentable square feet (RSF), yielding approximately 68,974 ANSI/BOMA Office Area square feet and related space located on the 1st, 2nd, 3rd and 4th Floors at 2101 Webster Street, Oakland, California as depicted on the attached Exhibit A (the "Site Plan") and Exhibit E ("Floor Plans") together with 152 secure, reserved parking spaces for the Government's exclusive use - 45 spaces on site at 2101 Webster Street, Oakland, CA (43 in the underground garage, 2 oversized on the ground level), and 107 structured spaces located in the garage at 2353 Webster Street, Oakland, CA (99 dedicated stalls sized, 8 oversized) as depicted on the attached Exhibit A (the "Site Plan") and Exhibit B (the "Parking Narrative and Diagram"), to be used for SUCH PURPOSES AS DETERMINED BY THE GENERAL SERVICES ADMINISTRATION.
2. **TO HAVE AND TO HOLD** the said premises with their appurtenances for a term of 15 years (10 years firm) beginning upon the substantial completion of the space, and acceptance by the Government as satisfactorily complete. Design and construction of the space shall begin upon award of this lease in conformance with the Construction Schedule of Tenant Improvements paragraphs of the attached Solicitation for Offers and this SF2. The commencement date of this lease, along with any applicable termination and renewal rights, shall more specifically be set forth in a Supplemental Lease Agreement upon substantial completion and acceptance of the space by the Government.
3. The Government shall pay the Lessor annual rent for years 1 - 5 \$3,552,155.73 (\$46.29/RSF - \$51.50/USF) at the rate of \$296,012.98 per month in arrears. See below schedule of rent components for details of rent. Accumulated operating cost adjustments will be included in the stated per annum rates at the time they become effective. Rent for a lesser period shall be prorated.

Year	Shell Rate	Operating Costs	Amortized Tenant Improvements	Amortized Security Costs	Total Annual Rate	Monthly Rent	Annual Rent
Year One (Months 1 - 3)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Year One (Months 4 - 12*)	\$27.17	\$10.63	\$3.32	\$5.17	\$46.29	\$296,012.98	\$3,552,155.73
2 - 15	\$27.17	\$10.63	\$3.32	\$5.17	\$46.29	\$296,012.98	\$3,552,155.73

*Does not include commission credit per Paragraph 24 of this SF2. All costs unless otherwise noted are per rentable square foot / year.

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

LESSOR	
SIGNATURE 	NAME OF SIGNER <u>ARUNAM SRINAMESH</u>
ADDRESS <u>6922 HOLLYWOOD BLVD. SUITE 900, LOS ANGELES, CA, 90028</u>	
IN THE PRESENCE OF (SIGNATURE) 	NAME OF SIGNER <u>JEFF KRESNER</u>
UNITED STATES OF AMERICA	
SIGNATURE 	NAME OF SIGNER <u>THOMAS HIXSON</u>
	OFFICIAL TITLE OF SIGNER <u>Contracting Officer</u>

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STANDARD FORM 2 (REV. 12/2006)
Prescribed by GSA - FPR (41 CFR) 1-16.601

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Rent checks shall be payable to:

CIM / Oakland Center 21 L.P.
6922 Hollywood Boulevard, Suite 900
Los Angeles, California 90028

4. The Government may terminate this lease in whole or in part effective at any time after the 10th year of this lease by giving at least one hundred twenty (120) calendar days' prior 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.

5. PARAGRAPH 5 IS INTENTIONALLY OMITTED

6. The Lessor shall furnish to the Government as part of the rental consideration, the following:

- A. The parking space(s) described in Paragraph 1, depicted in Exhibit B ("Parking Narrative and Diagram").
- B. All labor, materials, equipment, design, professional fees, permit fees, inspection fees, utilities, construction drawings (including, without limitation, plans and specifications), construction costs and services and all other similar costs and expenses associated with making the space, common areas, and related facilities ready for occupancy in accordance with the requirements of this lease and the Government's approved Design Intent Drawings. All cost associated with services, utilities, maintenance, repair, replacement, inspections, improvements and other requirements as required by the Solicitation For Offers No. 9CA3075 and its attachments.
- C. Adequate space for telecommunications antennae and transmission devices in accordance with Paragraph entitled, "Telecommunications: Local Exchange Access," of the Solicitation for Offers.

7. The following are attached and made a part hereof:

All terms, conditions, and obligations of the Lessor and the Government as set forth in the following:

- a) Standard Form 2, 4 pages (excluding attachments);
- b) Solicitation for Offers Number 9CA3075 dated 7/21/10, 72 pages including amendments;
- c) [REDACTED] Building and Special Requirements, 57 pages including amendment;
- d) GSA Form 3517B entitled GENERAL CLAUSES (Rev. 11/05), 33 pages;
- e) GSA Form 3518 entitled REPRESENTATIONS AND CERTIFICATIONS (Rev. 1/07), 7 pages;
- f) Exhibit A - "Site Plan" indicating Premises (office building and parking structure), 2 pages;
- g) Exhibit B - "Parking Narrative and Diagram" (indicating location and operation of parking garage), 4 pages;
- h) Exhibit C - "Proposed Stacking Plan", 5 pages;
- i) Exhibit E - "Floor Plans", 4 pages;
- j) Exhibit F - [REDACTED] Unit Price List", 4 pages; and
- k) Exhibit G - "Construction Costs", 12 pages;

8. The following changes were made in this lease prior to its execution:

Paragraph 5 of this STANDARD FORM 2 was deleted in its entirety. Paragraphs 9 through 24 have been added.

9. The Lessor shall have 120 calendar days from the receipt of the Government's Notice to Proceed to complete the build-out of the entire space. All items specified in this Lease and as delineated on the Government Approved Design Intent Drawings shall be provided by the Lessor.

10. **ADJUSTMENT FOR VACANT PREMISES:** Pursuant to Paragraph 4.11, "Adjustment for Vacant Premises", in the event of the Government vacating in whole or in part—in an increment which can be segregated and no longer requires cleaning and other day to day operating services—prior to lease expiration, the rental will be reduced by \$1.75 per ANSI/BOMA Office Area square foot per annum for operating expenses.

11. **OPERATING COSTS:** In accordance with SFO Paragraph 4.6, "Operating Costs," the base rate for purposes of operating cost adjustment is established as \$10.63 per RSF (\$815,714.31 per annum).

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12. **OVERTIME USAGE:** Pursuant to Paragraph 8.4, "Overtime Usage", upon request by the GSA Field Office Manager, the Lessor shall provide heating, ventilation, and air-conditioning (HVAC) services to the leased premises at any time beyond normal service hours (7:00 a.m. – 6:00 p.m., Monday through Friday, and except Federal Holidays ("Normal Hours")), at a rate of \$80.00 per hour per floor. There shall be a minimum charge for four (4) hours per request. The Lessor will not charge the Government for these overtime HVAC services to the leased premises if Lessor otherwise provides these services to other building tenants during the Government's requested overtime hours. Any overtime usage must be approved in advance by the Government. The Lessor must submit a proper invoice quarterly to GSA Property Manager or designee located at GSA Oakland Field Office ATTN: Jan Wright, Senior Property Manager, 1301 Clay Street, Oakland, CA 94612 to receive payment.
13. **24 HOUR ROOMS:** The Overtime Usage rate specified above shall not apply to any portion of the Premises that is required to have heating and cooling 24 hours per day as specified by the Lease. The charge for heating and cooling of these areas, based upon 16.5 tons of supplemental equipment serving these areas, shall be provided at the rate of \$51,047.00 annually in arrears, which shall be adjusted annually in accordance with SFO Paragraph 4.6 "Operating Costs." Shall the Government modify the tonnage of 24 hour supplemental equipment serving the leased premises during the term of the lease, the annual charge shall be adjusted accordingly on a pro-rata basis (per ton).
14. **TAX ADJUSTMENT:** Pursuant to SFO Paragraph 4.4, "Tax Adjustment," for purposes of tax escalation, the Government occupies 76,737 / 472,635 rentable square feet (16.23%). Base Year Taxes for the leased premises shall be \$293,259.76 (based upon a building Base Year Tax Base of \$1,806,232).
15. **TENANT IMPROVEMENT ALLOWANCE:** The Tenant Improvement Allowance has been established by Paragraph 1.18 "Tenant Improvements for Turnkey Leases". The Tenant Improvement Allowance in the amount of \$6,038,889.87, including \$3,676,993.65 of Building Specific Security Items, shall be amortized over the fifteen (15) year term of the lease agreement at an interest rate (amortization rate) of 7.0% per year. Lessor has agreed to amortize the Tenant Improvements over fifteen (15) years total, beyond the firm term, at Lessor's own risk. No payments will be due after the end of the firm term if the Government elects to vacate the premises in accordance with Section 4 this SF2. All other costs associated with the SFO and FBI Building and Special Requirements are included in the rental rate.
16. **CHANGE ORDERS:** Any requested change order after award and throughout the entire lease term, shall include the Lessor's administrative mark up for General Conditions [REDACTED], General Contractor's fee [REDACTED], Architectural/Engineering fees [REDACTED] and Lessor's Project Management fee [REDACTED]. The fee is calculated as a percentage of the total tenant improvement construction hard cost.
17. **UNIT COSTS FOR ADJUSTMENTS:** Pursuant to SFO Paragraph 4.2 (as amended), the negotiated unit cost amounts attached as Exhibit F, "FBI Security Unit Price List", shall be used to for changes during construction and during the first year of the lease following occupancy.
18. **CONSTRUCTION SCHEDULE OF TENANT IMPROVEMENTS:**
- The following hereby replaces SFO Paragraph 4.14 B., "Design Intent Drawings:"
- A. Lessor will host a four (4) day Design Intent Drawing (DID) conference scheduled for November 16 – 19, 2010 at the office of Lessor's Architect. Lessor's Architect will provide full design services during this period and in collaboration with Government technical representatives and end user will produce and finalize DIDs no later than close of business November 19, 2010. Upon completion of DIDs, the Contracting Officer will provide written authorization to proceed with the production of construction documents.
- Pursuant to the foregoing, the following schedule shall be established:
- B. Working/Construction drawings per SFO Paragraph 4.14 C. shall be completed by the Lessor and approved by the Government no later than February 23, 2011.
- C. The Government's Tenant Improvements Notice to Proceed per SFO Paragraph 4.14 C shall be issued as soon as possible, but no later than March 16, 2011.
- D. The entire build-out of the Premises per SFO Paragraph 4.14 E must be completed and ready for occupancy no later than July 15, 2011.
19. **ACCEPTANCE OF SPACE:**
- A. The following is added to Paragraph 4.14 F (1), "Acceptance of Space and Certificate of Occupancy": Subsequent Government inspections and notification of the results of such inspections shall be made in accordance with the foregoing procedure. Time frames for subsequent inspections will be established by the Government.

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- B. Any items that have been identified at the acceptance of the space as punch list items to be completed or corrected and which do not affect beneficial occupancy shall be completed by the Lessor within 30 calendar days of acceptance.
- C. 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.
20. **UNAUTHORIZED IMPROVEMENTS:** All questions pertaining to this lease agreement shall be referred in writing to the General Services Administration Contracting Officer. This contract 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 agreement 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 if the improvements remain in place after the Government's acceptance of the space.**
21. **WAIVER OF RESTORATION:** 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 leased premises during the term of the lease (including any extensions thereof), as well as (b) any initial or subsequent alteration to the leased 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 property in the leased space following expiration of the Lease, in which case the property will become the property of the Lessor and the Government will be relieved of any liability in connection therewith.
22. **CARPET REPLACEMENT:** Per SFO Paragraph 6.19, the Government designates all carpeted areas eligible for cyclical carpet replacement at Government's request a maximum of once every five (5) years of this lease.
23. **EMERGENCY GENERATOR:** An emergency generator will be provided, installed, operated and maintained by Lessor in the parking garage as indicated in Exhibit B – "Parking Narrative and Diagram" for the exclusive use of the Government. Generator will be protected by a secured fence or other means approved by the Contracting Officer to prevent vehicular or other damage and/or physical tampering.
24. **BROKER COMMISSION AND COMMISSION CREDIT:**

The Lessor and the Broker have agreed to a cooperating lease commission of [REDACTED]. The Lessor shall pay the Broker no additional commissions associated with this lease transaction. In accordance with the "Broker Commission and Commission Credit" paragraph, the Broker has agreed to forego [REDACTED] of the commission that it is entitled to receive in connection with this lease transaction ("Commission Credit"). The Commission Credit is [REDACTED]. The Lessor agrees to pay the Commission less the Commission Credit to the Broker in accordance with the "Broker Commission and Commission Credit" paragraph in the SFO attached to and forming a part of this lease.

Notwithstanding Paragraph 3 of this Standard Form 2, the shell rental payments due and owing under this lease shall be reduced to fully recapture this Commission Credit. The reduction in shell rent shall commence with the first month of the rental payments and continue as indicated in this schedule for adjusted Monthly Rent:

Month 4 Rental Payment \$296,012.98 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted 4th Month's Rent.

Month 5 Rental Payment \$296,012.98 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted 5th Month's Rent.

Month 6 Rental Payment \$296,012.98 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted 6th Month's Rent.

25. Wherever the words "Offeror", "Lessor" or "Successful Offeror" appear in this Lease, they shall be deemed to mean "Lessor"; wherever the words "solicitation", "Solicitation for Offers", or "SFO" appear in this Lease, they shall be deemed to mean "this Lease"; wherever the words "space offered for lease" appear in this Lease, they shall be deemed to mean "Premises".

INITIALS: AS & [Signature]
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