

# U.S. GOVERNMENT LEASE FOR REAL PROPERTY

DATE OF LEASE

August 13, 2010

LEASE NO.

GS-09B-02631

THIS LEASE, made and entered into this date by and between **Bella Terra Plaza LLC**,Whose address is 201 Wilshire Boulevard, Suite A28  
Santa Monica, CA 90401-1209And 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:
  - \* A total of 8,778 rentable square feet (RSF) of office and related space, which yields 8,514 ANSI/BOMA Office Area square feet (USF) of space at Bella Terra Plaza, 1110 W. Kettleman Lane, Suite 102, Lodi, CA 95240-6031 as indicated on the attached Floor Plan, to be used for such purposes as determined by the General Services Administration.
  - \* Included in the rent at no additional cost to the government are 48 on-site surface parking spaces and 2 reserved on-site surface visitor parking spaces for exclusive use of the Government employees and patrons.
  - \* The common area factor for the leased premises occupied by the Government is established as 1.031007752 (see "Common Area Factor" paragraph of the lease).
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 paragraph of the attached Solicitation for Offers. 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 of \$155,985.06 (\$17.77/RSF - \$18.32/USF) at the rate of \$12,998.76 per month in arrears. See schedule of rent components below for details of step rent beginning in year 6. 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. Rent checks shall be made payable to:

Bella Terra Plaza LLC,  
201 Wilshire Boulevard, Suite A28  
Santa Monica, CA 90401-1209

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

**LESSOR**

SIGNATURE



NAME OF SIGNER

SHAUL J. LEVY

ADDRESS

201 Wilshire Blvd. Ste. A28, Santa Monica, CA 90401

IN THE PRESENCE OF (SIGNATURE)

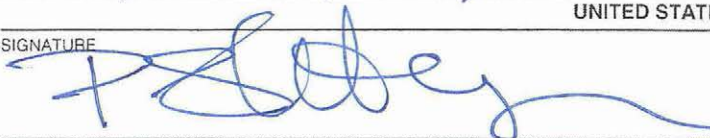


NAME OF SIGNER

VIRGINIA C. ENRIQUEZ

**UNITED STATES OF AMERICA**

SIGNATURE



NAME OF SIGNER

PETER SHTEYN

OFFICIAL TITLE OF SIGNER

CONTRACTING OFFICER

SCHEDULE OF RENT COMPONENTS:

	Years 1 - 5		Years 6 - 10		Years 11 - 15	
	Annual Rent	Annual Rate / RSF	Annual Rent	Annual Rate / RSF	Annual Rent	Annual Rate / RSF
Shell Rental Rate	\$49,672.46 (K)	\$5.66	\$65,472.86 (K)	\$7.46	\$81,284.28	\$9.26
T.I Rental Rate*	\$40,126.48 (K)	\$4.57	\$40,126.48 (K)	\$4.57	\$0.00	\$0.00
Operating Cost	\$66,186.12	\$7.54	\$66,186.12	\$7.54	\$66,186.12	\$7.54
<b>Full Service Rate</b>	<b>\$155,985.06</b>	<b>\$17.77</b>	<b>\$171,785.46</b>	<b>\$19.57</b>	<b>\$147,470.4</b>	<b>\$16.80</b>

\*The Tenant Improvements Allowance is amortized at a rate of 0% per annum for 10 years.

4. The Government may terminate this lease in whole or in part effective at any time on or after 120 months by giving at least 60 days' notice in writing to the Lessor, and 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. The Lessor shall furnish to the Government, as part to the rental consideration, the following:  
Those tenant improvements, facilities, services, supplies, utilities, and maintenance in accordance with SFO OCA2190.
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 and parking spaces required by local code.
  - 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. Rent is subject to adjustment in accordance with Paragraph 3.3, "Tenant Improvement Rental Adjustment" of the SFO. All cost associated with services, utilities, maintenance, repair, replacement, inspections, improvements and other requirements as required by the Solicitation For Offers No. OCA2190 dated 05/05/2010 (68 pages), and its attachments.
  - C. Adequate space for telecommunications antennae and transmission devices in accordance with Paragraph 8.14 entitled, "Telecommunications: Local Exchange Access," of the Solicitation for Offers.
7. The following are attached and made a part hereof:
  - A. Standard Form 2, 4 pages (excluding attachments)
  - B. Solicitation for Offers OCA2190 dated 05/05/2010, 68 pages;
  - C. GSA Form 3517B entitled GENERAL CLAUSES (Rev. 11/05), 2 pages;
  - D. GSA Form 3518 entitled REPRESENTATIONS AND CERTIFICATIONS (Rev. 1/07), 7 pages;
  - E. Exhibit A – "Summary of Architectural and Space Upgrades to Present an Appealing A Class Office Space," 7 pages;
  - F. Exhibit B – "Floor Plan Identifying Government-Leased Space," 1 page;
  - G. Exhibit C – "Site Plan," 1 page;
8. In accordance with the SFO paragraph entitled Tenant Improvement Rental Adjustment, Tenant Improvements in the total amount of \$401,264.82 (8,514 USF x \$47.13) are amortized through the rent for 10 years at the rate of 0.00%. The amortized costs of these improvements are included in the stated rent in Paragraph 3 above. Deviations to the approved design intent drawings will not be permitted unless prior written authorization is obtained from the GSA Contracting Officer.

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9. Lessor's Tenant Improvement Fee Schedule:
- General conditions will be [REDACTED] of hard costs.
  - General contractor's fee will be [REDACTED] of hard costs.
  - Architectural/Engineering fees will be [REDACTED] of hard costs.
  - Lessor's project management fee will be [REDACTED] of hard costs.
10. In accordance with the SFO paragraph entitled Operating Costs Base, the base is established as \$7.54 per RSF (\$66,186.12 per annum).
11. In accordance with the SFO paragraph entitled Adjustment for Vacant Premises, the adjustment is established as \$4.00 per USF for vacant space per annum (rental reduction).
12. Pursuant to Paragraph 4.5 "Overtime Usage", upon request by the GSA Field Office Manager, the Lessor shall provide heating, ventilation, and air-conditioning (HVAC) at any time beyond normal service hours (7:00 a.m. – 5:30 p.m., Monday through Friday, and except Saturdays, Sundays and Federal Holidays ("Normal Hours"), at a rate of \$40.00 per hour for the entire Government leased premises. In any event, no overtime HVAC will be charged for the normal building hours of 7 am to 5:30 pm, Monday through Friday.
13. 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 charges for heating and cooling of these areas shall be provided at the rate of \$0.50 per ABOA / USF per annum after "Normal Hours." Upon substantial completion and acceptance of the space by the Government, total annual cost of 24 hour rooms shall be established in a Supplemental Lease Agreement. This amount is to be paid to the Lessor annually in arrears.
14. The Government reserves the right to determine the location and placement of the public and employee restrooms within the demised leased space.
15. BUDGET AND PRICE PROPOSALS/CONSTRUCTION SCHEDULE:
- A. The price proposal required to be provided by Lessor in SFO Paragraph 5.10 (E), "Tenant Improvements Price Proposal," must be based upon the results of a competitive proposal process meeting all of the requirements of SFO Paragraph 5.2, B (1) through (10), entitled, "Tenant Improvements Pricing Requirements." The Government has the right, but not the obligation, to accept cost or pricing data as described in GSA Form 3517 in lieu of a competitive price proposal.
  - B. Failure to submit these budget and price proposals referenced above will constitute Lessor delay. In the event that either the budget proposal or price proposal exceeds the Tenant Improvement Allowance specified in the Lease, then the construction schedule shall be revised to afford the Government sufficient time to review and resolve the difference.
  - C. The construction schedule required in Paragraph 5.10 (F), "Construction of Tenant Improvements," of the SFO shall also include adequate time for additional review by the Government of revised design intent drawings and Working Drawings/Construction Drawings. All references to "working days" in Paragraph 5.10, "Construction Schedule and Acceptance of Tenant Improvements" of the SFO shall not include the period from December 15 through January 1 of any calendar year.
  - D. In addition to the submission requirements specified under Paragraph 5.10, "Construction Schedule and Acceptance of Tenant Improvements," Lessor shall provide to the Government the final total costs of the completed Tenant Improvements in CSI format 10 working days prior to "Substantial Completion". The space will not be considered acceptable for inspection until the Government receives the final tenant improvement costs.

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16. ACCEPTANCE OF SPACE:

- A. The following is added to Paragraph 5.10 G (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.
- B. Any items that have been identified at the acceptance of the space as punchlist 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.

17. 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.**

18. 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".

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