

# U.S. GOVERNMENT LEASE FOR REAL PROPERTY

DATE OF LEASE

5/16/2011

LEASE NO.

GS-09B-02764

THIS LEASE, made and entered into this date between **WWG Met4K Owner, LLC**.

whose address is: 4440 Von Karman Avenue, #350  
Newport Beach, California 92660

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:

98,643 rentable square feet (RSF), yielding approximately 90,848 ANSI/BOMA Office Area square feet and related space located within the annex and on the 2<sup>nd</sup> and 3<sup>rd</sup> Floors of the existing office building at 4000 W. Metropolitan Drive, Orange, California as depicted on the attached Exhibit A and Exhibit E together with 118 (including parking for 10 oversized vehicles) secure, structured, reserved parking spaces located on the 3<sup>rd</sup> and 4<sup>th</sup> floors of the parking structure together with 35 on-site reserved parking spaces for the Government's exclusive use, to be used for SUCH PURPOSES AS DETERMINED BY THE GENERAL SERVICES ADMINISTRATION. Additionally, the Lessor is providing 390 structured and surface parking spaces (inclusive of the 153 parking spaces referenced above) at no additional cost to the Government.

2. **TO HAVE AND TO HOLD** the said premises with their appurtenances for a firm term of twenty (20) years 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 \$3,696,153.21 (\$37.47/RSF) at the rate of \$308,012.77 per month in arrears; years 6-10 \$3,867,792.03 (\$39.21/RSF) at the rate of \$322,316 per month in arrears; years 11-15 \$4,056,200.16 (\$41.12/RSF) at the rate of \$338,016.68 per month in arrears; years 16-20 \$4,263,350.46 (\$43.22/RSF) at the rate of \$355,279.21 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	Total Annual Rate
Years 1-5	\$17.36	\$7.36	\$12.75	\$37.47
Years 6-10	\$19.10	\$7.36	\$12.75	\$39.21
Years 11-15	\$21.01	\$7.36	\$12.75	\$41.12
Years 16-20	\$23.11	\$7.36	\$12.75	\$43.22

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

WILLIAM H. SMITH III

ADDRESS

4440 Von Karman, Suite 350, Newport Beach, CA 92660

IN THE PRESENCE OF (SIGNATURE)

NAME OF SIGNER

John P. Drachman

## UNITED STATES OF AMERICA

SIGNATURE

NAME OF SIGNER

Bryan Bowman

OFFICIAL TITLE OF SIGNER

Project Executive

Rent checks shall be payable to:

WWG MET4K OWNER, LLC  
PO Box 60247  
Los Angeles, CA 90060-0247

4. PARAGRAPH 4 IS INTENTIONALLY OMITTED
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 of the Standard Form 2.
  - 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. OCA2384 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 OCA2384 dated 11/24/10, 69 pages;
  - c) Amendment No. 1 to SFO No. OCA2384, 2 pages;
  - d) [REDACTED] Nationwide Program of Requirements for SFO No. OCA2384, 133 pages;
  - e) [REDACTED] Room Data Matrix, 8 pages;
  - f) GSA Form 3517B entitled GENERAL CLAUSES (Rev. 11/05), 33 pages;
  - g) GSA Form 3518 entitled REPRESENTATIONS AND CERTIFICATIONS (Rev. 1/07), 7 pages;
  - h) Exhibit A – "Renderings" and "Site Plan" indicating Premises (office building and parking structure), 9 pages;
  - i) Exhibit B – Requirements Narratives, 5 pages;
  - j) Exhibit C – "Proposed Stacking Plan", 1 page;
  - k) Exhibit D – Intentionally Omitted;
  - l) Exhibit E – "Floor Plans", 3 pages; and
  - m) Exhibit F – [REDACTED] Security Unit Price List", 5 pages
8. The following changes were made in this lease prior to its execution:

Paragraph 4 and 5 of this STANDARD FORM 2 was deleted in its entirety. Paragraphs 9 through 23 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 \$1.20 per ANSI/BOMA Office Area square foot per annum for operating expenses.

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11. **OPERATING COSTS:** In accordance with SFO Paragraph 4.6, "Operating Costs," the base rate for purposes of operating cost adjustment is established as \$7.36 per RSF (\$726,012.48 per annum).
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 \$65.00 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 Sacramento Field Office ATTN: Sherry Hutchinson, Senior Property Manager, 24000 Avila Road, Suite 4100, Laguna Niguel, CA 92677 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. Instead, the utilities for heating and cooling of these areas, shall be separately metered. The Government shall pay for the utilities used for heating and cooling of those rooms at the same rate that is charged by the local utility.
14. **TAX ADJUSTMENT:** Pursuant to SFO Paragraph 4.4, "Tax Adjustment," for purposes of tax escalation, the Government occupies 98,643 / 182,935 rentable square feet (53.92%).
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 \$12,532,115 shall be amortized over the twenty (20) year term of the lease agreement at an interest rate (amortization rate) of 8.0% per year. All other costs associated with the SFO and 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, including but not limited to the General Contractor's fee, Architectural /Engineering fees and Lessor's Project Management fee, which shall total no more than 6.62%.
17. **UNIT COSTS FOR ADJUSTMENTS:** Pursuant to SFO Paragraph 4.2 (as amended), the negotiated unit cost amounts attached as Exhibit F, "Security Unit Price List", shall be used 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 May 31 – June 3, 2011 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 June 3, 2011. 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 due to the Government within 60 calendar days of the Government's approval of the design intent drawings.
- C. The entire build-out of the Premises per SFO Paragraph 4.14 E must be completed and ready for occupancy within 120 calendar days of receiving the notice to proceed from the Government.

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.
- 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

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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 the Lessor. 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. 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".

STANDARD FORM 2 (REV. 12/2006)