

**U.S. GOVERNMENT
LEASE FOR REAL PROPERTY**

DATE OF LEASE: June 13, 2011

LEASE No. GS-09B-02721

THIS LEASE, made and entered into this date between: **Palmetto Group, LLC**

whose address is: **3100 Donald Douglas Loop N, #107
Santa Monica, CA 90405-3089**

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 that the said Lease is effective upon execution by the Government as follows:

1. The Lessor hereby leases to the Government the following described premises:
7,722 rentable square feet (r.s.f.), yielding approximately 7,722 ANSI/BOMA Office Area square feet and related space located on the 1st Floor at 558 S. Alameda Street, Los Angeles, CA 90013, together with onsite 8 parking spaces, 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 the term beginning on **August 19, 2012 through August 18, 2020**, subject to termination and renewal rights as may be hereinafter set forth.
3. Effective August 19, 2012 through August 18, 2020, the Government shall pay the Lessor annual rent of **\$157,528.80** (\$13,127.40 per month), at the rate of **\$20.40** per square foot in arrears. Rent for a lesser period shall be prorated. Rent checks shall be payable to:

**Palmetto Group, LLC
3100 Donald Douglas Loop N, #107
Santa Monica, CA 90405-3089**

4. The Government may terminate this lease in whole or in part effective any time after the **August 18, 2017** by giving at least thirty (30) 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. PARAGRAPH 6 IS INTENTIONALLY OMITTED

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) No. GS-09B-02721 (Form L201-A, page 1-10)
- b) GSA Form 1364A, Simplified Lease Proposal (Exhibit A, page 1-2)
- c) GSA Form 1364A-1, Simplified Lease Proposal Data (Exhibit B, page 1-2)
- d) GSA Form 3518A, Representations and Certifications (Exhibit C, page 1-4)
- e) GSA Form 3517A, General Clauses (Exhibit D, page 1-2)
- f) Site Plan (Exhibit E, page 1)
- g) Sheet Number 1 (page 1)

8. Paragraph 5 of this Standard Form 2 and Paragraph II.N.1, "Operating Costs" of the Form L201, are deleted in their entirety. Paragraphs 9 through 15 have been added.

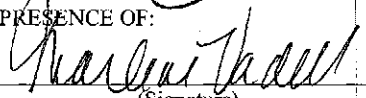
CONTINUED ON ATTACHED SHEET 1

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

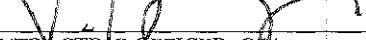
LESSOR: Palmetto Group, LLC

BY  (Signature) _____ (Signature)

IN PRESENCE OF:

 (Signature) 3100 Donald Ruggles Dr. No. #107
(Address) Santa Monica Ca 90405

UNITED STATES OF AMERICA: GENERAL SERVICES ADMINISTRATION, Public Buildings Service:

BY 
CONTRACTING OFFICER, GSA

SHEET NUMBER 1 ATTACHED TO AND FORMING A PART OF LEASE NO. GS-09B-02721

9. **Percentage of Occupancy:** The Government occupies approximately 7,722 ANSI/BOMA Office Area square feet (7,722 rentable square feet) of space or 16% (7,722 RSF/ 48,038 RSF= 16%) of the subject leased premises known as 558 S. Alameda Street, Los Angeles, CA.
10. **OPERATING COST:** The base rate for operating expense is an annual amount of \$21,853.26 (\$2.83 per annual square foot) is not subject to any cost escalation.
11. **ADJUSTMENT FOR VACANT PREMISES:** Pursuant to Paragraph II.O, "Adjustment for Vacant Premises" of the Form L201, in the event of the Government vacating in whole or in part prior to lease expiration, the rental will be reduced by \$2.83 per rentable square foot per annum for operating expenses. The Adjustment for Vacant Premises rate shall be not escalated annually based upon Paragraph 10, "Operating Costs."
12. **24 HOUR ROOM:** The charges for heating and cooling of these areas shall be provided at no additional cost to the Government.
13. **UNAUTHORIZED IMPROVEMENTS:** All questions pertaining to this lease agreement shall be referred in writing to the General Services Administration Contracting Officer, 300 N. Los Angeles Street, Suite 4100, Los Angeles, CA. 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.**
14. 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".
15. **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.

Initials: 31 & VB
Lessor Government

Lease No. GS-09B-02721

GSA FORM L201-A (10/10) (For Security Level I & II Leases Under the Simplified Lease Acquisition Threshold)

I. The Lease.

THIS LEASE is made and entered into between

("the Lessor"), and **THE UNITED STATES OF AMERICA** ("the Government"), acting by and through the designated representative of the General Services Administration ("GSA"), upon the terms and conditions set forth herein.

The Lessor hereby leases to the Government the premises described in Sections I and II of the Form 1364A Simplified Lease Proposal attached hereto as Exhibit A, as further described on the floor plan attached hereto as Exhibit B, ("the Premises"), together with the right to the use of the parking spaces and other areas described in said Section II, to have and to hold for a term of

Eight (8) YEARS, Five (5) YEARS firm

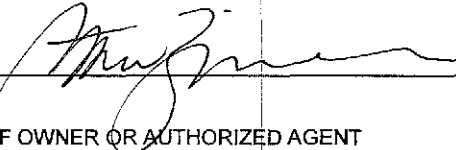
commencing on the date of acceptance of the Premises (as such date shall be established in accordance with Paragraph III.A.5. herein), subject to the terms and conditions set forth below.

- A. Rental Consideration. In consideration for the Lease, the grant of all associated rights, express or implied, and the performance or satisfaction of all of the Lessor's other obligations set forth herein, the Government shall pay the Lessor annual rent to be computed using the rental rate(s) specified in Line 10, Boxes 10D and 10F (and, if applicable, the corresponding boxes in Line 11) on Exhibit A, Section II, and the actual Rentable Area delivered for occupancy and use by the Government. Payment shall be made monthly in arrears. Rent for a lesser period shall be prorated. Rent shall be paid by Electronic Funds Transfer to an account to be designated by Lessor. Unless a separate rate is specified in Line 16, rights to parking areas shall be deemed to be included in the rent. Rent shall not be adjusted for changes in taxes or operating costs.
- B. Early Termination Right. After the fifth (5th) anniversary of the commencement of the term of this Lease, the Government may notify the Lessor of the early termination of this Lease by giving at least thirty (30) days written advance notice to the Lessor.
- C. Documents Incorporated By Reference. The following documents are incorporated by reference, as though fully set forth herein:
1. Exhibit A, GSA Form 1364A, Lessor's Simplified Lease Proposal in Response to Request for Lease Proposals No. GS-09B-02721.
 2. Exhibit B, Floor Plan Delineating the Premises
 3. Exhibit C, GSA Form 3518A, Representations and Certifications (Rev. 1/07)
- D. Tenant Hours of Operation. The Government shall be entitled to routinely occupy and use the Premises twenty four (24) hours a day, seven (7) days a week:

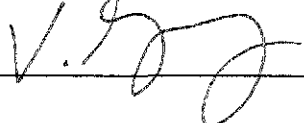
IN WITNESS WHEREOF, the parties to this Lease evidence their agreement to all terms and conditions set forth herein by their signatures below, to be effective as of the date of delivery of the fully executed Lease to the Lessor.

For the Lessor:

For the Government:



SIGNATURE OF OWNER OR AUTHORIZED AGENT



LEASE CONTRACTING OFFICER

Date: _____

Date: 6-13-2011