

LEASE NO. GS-09B-03047

Succeeding/Superseding Lease
GSA FORM L202 (October 2012)

This Lease is made and entered into between

BRCP Grace Court, LLC

BRCP Grace Court, LLC whose principal place of business is 248 Homer Avenue, Palo Alto, CA 94301, and whose interest in the Property described herein is that of Fee Owner, and

The United States of America

(Government), acting by and through the designated representative of the General Services Administration (GSA), upon the terms and conditions set forth herein.

Witnesseth: The parties hereto, for the consideration hereinafter mentioned, covenant and agree as follows:

Lessor hereby leases to the Government the Premises described herein, being all or a portion of the Property located at

850 West Adams Street, Phoenix, AZ 85007-2757

and more fully described in Section 1 and Exhibit "A", together with rights to the use of parking and other areas as set forth herein, to be used for such purposes as determined by GSA.

LEASE TERM

To Have and To Hold the said Premises with its appurtenances for the term beginning on September 1, 2013 and continuing for a period of

10 Years, 10 Years Firm,

subject to termination and renewal rights as may be hereinafter set forth.

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

[Redacted Signature]

[Redacted Signature]

Name: _____
Title: _____

Lease Contracting Officer
General Services Administration, Public Buildings Service

Date: May 30, 2013

Date: 6/4/13

WITNESSED FOR THE LESSOR BY:

Ashley C. Watson

Name: [Redacted]

Title: Administrative Assistant

Date: May 30, 2013

The information collection requirements contained in this Solicitation/Contract, that are not required by the 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.

SECTION 1 THE PREMISES, RENT, AND OTHER TERMS

1.01 THE PREMISES (SUCCEEDING) (JUN 2012)

Unless otherwise noted, the Government accepts the Premises and tenant improvements in their existing condition, except where specifications or standards are contained elsewhere in this Lease. These standards include security improvements, Fire Protection and Life Safety requirements, ABAAS compliance, as well as compliance with all local codes and ordinances. Such acceptance by the Government of existing Premises shall not relieve Lessor of continuing obligations for cleaning, janitorial, maintenance, repair, etc. as set forth in the Lease paragraphs and attached General Clauses.

The Premises are described as follows:

- A. **Office and Related Space:** 38,824 rentable square feet (RSF), yielding 34,081 ANSI/BOMA Office Area (ABOA) square feet (SF) of office and related Space located on the 1st and 2nd floor(s) and known as Suite(s) 101, 105, 120, and 200, of the Building, as depicted on the floor plan(s) attached hereto as Exhibit 'A'.
- B. **Common Area Factor:** The Common Area Factor (CAF) is established as 14 percent. This factor, which represents the conversion from ABOA to rentable square feet, rounded to the nearest whole percentage, shall be used for purposes of rental adjustments in accordance with the Payment Clause of the General Clauses.

1.02 EXPRESS APPURTENANT RIGHTS (JUN 2012)

The Government shall have the non-exclusive right to the use of Appurtenant Areas, and shall have the right to post Rules and Regulations Governing Conduct on Federal Property, Title 41 CFR, Part 102-74, Subpart C within such areas. The Government will coordinate with Lessor to ensure signage is consistent with Lessor's standards. Appurtenant to the Premises and included in the Lease are rights to use the following:

- A. **Parking:** 14 parking spaces as depicted on the plan attached hereto as Exhibit "B", reserved for the exclusive use of the Government, of which 0 shall be structured/inside parking spaces, and 14 shall be surface/outside parking spaces. In addition, Lessor shall provide such additional parking spaces as required by the applicable code of the local government entity having jurisdiction over the Property.
- B. **Antennas, Satellite Dishes, and Related Transmission Devices:** Space located on the roof of the Building sufficient in size for the installation and placement of the telecommunications equipment as such may be described herein, together with the right to access the roof and use of, all Building areas (e.g., chases, plenums) necessary for the use, operation and maintenance of such equipment at all times during the term of this Lease.

1.03 RENT AND OTHER CONSIDERATIONS (SEP 2012)

Beginning September 1, 2013 through February 28, 2014 rent will be at ZERO cost to the Government.

- A. The Government shall pay the Lessor annual rent, payable in monthly installments in arrears, at the following rates:

	FIRM TERM
	ANNUAL RENT
SHELL RENT ¹	\$715,504.05
TENANT IMPROVEMENTS RENT ²	\$34,081.00
OPERATING COSTS ³	\$240,468.00
PARKING ⁵	\$0.00
TOTAL ANNUAL RENT	\$990,053.05

¹Shell rent (Firm Term) calculation: \$18.43 (rounded) per RSF multiplied by 38,824 RSF
²The Tenant Improvement Allowance of \$340,081 is amortized at a rate of 0 percent per annum over 10 years.
³Operating Costs rent calculation: \$6.19 (rounded) per RSF multiplied by 38,824 RSF
⁴Parking costs described under sub-paragraph H below

- B. Rent is subject to adjustment based upon a mutual on-site measurement of the Space upon acceptance, not to exceed 34,081 ABOA SF based upon the methodology outlined under the "Payment" clause of GSA Form 3517.
- C. Rent is subject to adjustment based upon the final Tenant Improvement (TI) cost to be amortized in the rental rate, as agreed upon by the parties subsequent to the Lease Award Date.
- D. INTENTIONALLY DELETED
- E. If the Government occupies the Premises for less than a full calendar month, then rent shall be prorated based on the actual number of days of occupancy for that month.

LESSOR:  GOVERNMENT: 

F. Rent shall be paid to Lessor by electronic funds transfer in accordance with the provisions of the General Clauses. Rent shall be payable to the Payee designated in the Lessor's System for Award Management (SAM). If the payee is different from the Lessor, both payee and Lessor must be registered in SAM.

G. Lessor shall provide to the Government, in exchange for the payment of rental and other specified consideration, the following:

1. The leasehold interest in the Property described in the paragraph entitled "The Premises."
2. All costs, expenses and fees to perform the work required for acceptance of the Premises in accordance with this Lease, including all costs for labor, materials, and equipment, professional fees, contractor fees, attorney fees; permit fees, inspection fees, and similar such fees, and all related expenses;
3. Performance or satisfaction of all other obligations set forth in this Lease; and all services, utilities, and maintenance required for the proper operation of the Property, the Building, and the Premises in accordance with the terms of the Lease, including, but not limited to, all inspections, modifications, repairs, replacements, and improvements required to be made thereto to meet the requirements of this Lease.

H. Parking shall be provided at a rate of \$0.00 per parking space per month (Structure), and \$0.00 per parking space per month (Surface).

1.04 INTENTIONALLY DELETED

1.05 INTENTIONALLY DELETED

1.06 INTENTIONALLY DELETED

1.07 DOCUMENTS INCORPORATED IN THE LEASE (JUN 2012)

The following documents are attached to and made part of the Lease:

DOCUMENT NAME	NO. OF PAGES	EXHIBIT
FLOOR PLAN(S)	2	A
PARKING PLAN(S)	1	B
GSA FORM 3517B GENERAL CLAUSES	46	
GSA FORM 3518, REPRESENTATIONS AND CERTIFICATIONS	10	

1.08 TENANT IMPROVEMENT RENTAL ADJUSTMENT (AUG 2011)

A. The Government, at its sole discretion, shall make all decisions as to the use of the TIA. The Government may use all or part of the TIA. The Government may return to the Lessor any unused portion of the TIA in exchange for a decrease in rent according to the agreed-upon amortization rate over the Firm Term.

B. The Government may elect to make lump sum payments for any or all work covered by the TIA. That part of the TIA amortized in the rent shall be reduced accordingly. At any time after occupancy and during the Firm Term of the Lease, the Government, at its sole discretion, may elect to pay lump sum for any part or all of the remaining unpaid amortized balance of the TIA. If the Government elects to make a lump sum payment for the TIA after occupancy, the payment of the TIA by the Government will result in a decrease in the rent according to the amortization rate over the Firm Term of the Lease.

C. If it is anticipated that the Government will spend more than the allowance identified above, the Government shall have the right to either:

1. Reduce the TI requirements;
2. Pay lump sum for the overage upon substantial completion in accordance with the "Acceptance of Space and Certificate of Occupancy" paragraph;
3. Negotiate an increase in the rent.

1.09 INTENTIONALLY DELETED

1.10 INTENTIONALLY DELETED

1.11 INTENTIONALLY DELETED

1.12 INTENTIONALLY DELETED

1.13 OPERATING COST BASE (AUG 2011)

The parties agree that for the purpose of applying the paragraph titled "Operating Costs Adjustment" that the Lessor's base rate for operating costs shall be \$6.19 (rounded) per RSF (\$240,468.00/annum).

1.14 RATE FOR ADJUSTMENT FOR VACANT LEASED PREMISES (JUN 2012)

In accordance with the paragraph entitled "Adjustment for Vacant Premises" if the Government fails to occupy or vacates the entire or any portion of the leased Premises prior to expiration of the term of the Lease, the operating costs paid by the Government as part of the rent shall be reduced by \$1.50 per ABOA SF of Space vacated by the Government.

1.15 HOURLY OVERTIME HVAC RATES (AUG 2011)

The following rates shall apply in the application of the paragraph titled "Overtime HVAC Usage:"

- \$10.00 per hour per zone
- Number of zones: 18

1.16 24-HOUR HVAC REQUIREMENT (APR 2011)

The hourly overtime HVAC rate specified above shall not apply to any portion of the Premises that is required to have heating and cooling 24 hours per day. If 24-hour HVAC is required by the Government for any designated rooms or areas of the Premises, such services shall be provided by the Lessor at an annual rate of \$10.00 per ABOA SF. of the area receiving the 24-hour HVAC. Notwithstanding the foregoing, Lessor shall provide this service at no additional cost to the Government if the Lessor provides this service to other tenants in the Building at no additional charge.

1.17 BUILDING IMPROVEMENTS (SEP 2012)

The Lessor shall complete the following additional Building improvements prior to acceptance of the Space: NONE