

U.S. GOVERNMENT  
LEASE FOR REAL PROPERTY

DATE OF LEASE:

8/24/2011

LEASE No. 65-090-02864 Building No. CA6389

THIS LEASE, made and entered into this date between Speedy Tang LLC

whose address is: 944 Market Street, Suite 800  
San Francisco, CA 94102

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: 5,477 rentable square feet (RSF), yielding approximately 4,952 ANSI/BOMA Office Area square feet and related space located on the first floor at 26722 Plaza Drive, Mission Viejo, CA 92691-6390, together with eighteen (18) on-site, surface, reserved parking spaces, to be used for such purposes as determined by the General Services Administration, as depicted in the attached (Exhibits A & B) (the "Premises").

2. PARAGRAPH 2 IS INTENTIONALLY OMITTED.

3. PARAGRAPH 3 IS INTENTIONALLY OMITTED.

4. The Government may terminate this Lease in whole or in part effective any time after the eighth (8<sup>th</sup>) year of the Lease giving at least ninety (90) days' prior notice in writing to the Lessor. No rent 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. As part of the SFO parking requirement, the lessor shall provide a minimum of eighteen (18) on-site, surface, reserved parking spaces, to be used for such purposes as solely determined by the General Services Administration and parking spaces required by local code, as depicted in the attached (Exhibit B).

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 final construction 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. 9CA2477 and its attachments.

C. Adequate space for telecommunications antennae and transmission devises in accordance with Paragraph entitled, "Telecommunications: Local Exchange Access," of the Solicitation for Offers.

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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) The Solicitation For Offers Number 9CA2477 (pages 1-52) (all references to SFO shall also refer to any Special Requirements and Amendments);
- b) Special Requirements: (75 pages);
  - 1.
  - 2.
  - 3.
  - 4. Attachment 5 – Telecommunications Infrastructure Requirements 2010 (pages 1-4)
  - 5. DCIS Mission Viejo RA Special Requirement Document (pages 1-9)
  - 6. DCIS Western Addendum for Field Office Special Requirement Document (pages 1-2)
  - 7. Revised Delineated Area (page 1)
  - 8. Attachment 14 – NEMA Locking Straight Blade Configurations (pages 1-2)
  - 9.
  - 10.
  - 11.
  - 12.
  - 13. Attachment 12 – Video Conference Room Specification (page 1)
  - 14.
  - 15. Attachment 15 – Agency Typical Design for Buildout (page 1)
  - 16.
- c) GSA Form 3517 (pages 1-33);
- d) GSA Form 3518 (pages 1-7);
- e) Sheets No. 1-4 containing Paragraphs 9-29;
- f) Site Plan (Exhibit "A");
- g) Parking Plan (Exhibit "B")

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

Paragraphs 2, 3, and 5 of this STANDARD FORM 2 were deleted in their entirety. Paragraphs 9 through 29 (Sheets 1 thru 4) have been added.

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

LESSOR

BY

[Redacted Signature]

CFO

(Signature)

IN P

[Redacted Name]

[Redacted Name]

L SERVICES ADMINISTRATION, Public Buildings Service:

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9. **TO HAVE AND TO HOLD** the Premises with their appurtenances for the term beginning on the day the space is accepted by the Government as complete and ready for occupancy through the following ten (10) years, eight (8) years firm term in accordance with the Paragraph entitled "Inspection of Premises" herein, subject to termination rights as may be hereinafter set forth. The actual date, rental rate, and square footage will be established by a supplemental lease agreement (SLA). This information will be based upon the Government and Lessor's actual field measurement for acceptance of beneficial occupancy. In any event, Pursuant to Paragraph 1.1 of the Solicitation for Offers entitled "Amount and Type of Space (AUG 2008)", the total square footage for the Government's assignment shall not exceed the maximum allowable space allocation of 4,952 ANSI/BOMA Office Area square feet of office and related space.
10. The Government shall pay the Lessor annual rent as follows:

For years one through four, annual rent of \$151,494.01 at the rate of \$12,624.50 per month in arrears.  
 For years five through eight, annual rent of \$158,888.01 at the rate of \$13,240.67 per month in arrears.  
 For years nine through ten, annual rent of \$123,287.00 at the rate of \$10,273.92 per month in arrears.

Rent for a lesser period shall be prorated.

	Annual Rent (yrs 1-4)	Annual Rental Rate (\$/RSF)
Shell Rental Rent	\$92,287.45	\$16.85 /RSF
Amortized TI Rent	\$35,591.09	\$ 6.498280/RSF
Operating Cost Rent	\$23,615.47	\$ 4.311753/RSF *
<b>Full Service Rent</b>	<b>\$151,494.01</b>	<b>\$27.660033/RSF</b>

	Annual Rent (yrs 5-8)	Annual Rental Rate (\$/RSF)
Shell Rental Rent	\$99,681.40	\$18.20/RSF
Amortized TI Rent	\$35,591.09	\$6.498280/RSF
Operating Cost Rent	\$23,615.47	\$4.311753/RSF*
<b>Full Service Rent</b>	<b>\$158,888.01</b>	<b>\$29.010042/RSF</b>

	Annual Rent (yrs 9-10)	Annual Rental Rate (\$/RSF)
Shell Rental Rent	\$99,671.53	\$18.198198/RSF
Amortized TI Rent	\$0.00	\$0.00
Operating Cost Rent	\$23,615.47	\$4.311753/RSF*
<b>Full Service Rent</b>	<b>\$123,287.00</b>	<b>\$22.509951/RSF</b>

\* Excludes Operating Expense Escalations for years two through ten.

Rent checks shall be payable to:

**Speedy Tang LLC**  
**944 Market Street, Suite 800**  
**San Francisco, CA 94102**

11. Lessor will complete the building and complete all alterations, improvements, and repairs as required by this Lease, and deliver the leased premises ready for occupancy by the Government **within ninety (90) calendar days** of receiving the Government's Notice To Proceed with tenant improvements in pursuant to Paragraph 5.12 of the SFO. All items specified in the Lease Agreement and as prescribed on the Government Approved DID's shall be provided by the Lessor.
12. **TAX ADJUSTMENT:** Pursuant to Paragraph 4.2, "Tax Adjustment" for purposes of tax escalation, the Government occupies 5,477/42,556 rentable square feet (12.87%). The rate is established at **\$1.61** per rentable square foot per annum.
13. **OPERATING COST:** Pursuant to Paragraph 4.3, "Operating Costs", the base rate for purposes of operating cost escalation is established at **\$4.311753** per rentable square foot per annum.
14. **ADJUSTMENT FOR VACANT PREMISES:** Pursuant to Paragraph 4.4, "Adjustment for Vacant Premises", in the event of the Government vacating in whole or in part prior to lease expiration, the rental will be reduced by \$4.311753 per rentable square foot per annum for operating expenses. The Adjustment for Vacant Premises rate shall be escalated annually based upon Paragraph 4.3, "Operating Costs".

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 Lessor Government



**B. Acoustical Requirements:** In accordance with Paragraph 6.8 "Acoustical Requirements" of the Solicitation for Offers No. 9CA2477, the Lessor shall furnish at no cost to the Government the required acoustical reports prior to the Government's occupancy of the Premises.

**21. UNAUTHORIZED IMPROVEMENTS:**

All questions pertaining to this Lease Agreement shall be referred in writing to the General Service Administration Contracting Officer. This contract is between GSA and the GSA assumes no financial responsibility for any cost incurred by the Lessor except as provided by the term 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.**

22. 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".

23. **ROOFTOP ANTENNAE:** At no additional rental cost to the Government during the term of the Lease, the Lessor shall allow the Government's designated telecommunications providers to affix telecommunications antennae (high frequency, mobile, microwave, satellite, or other emerging technologies), subject to weight and wind load conditions, to roof, parapet, or building envelope as required. Access from the antennae to the leased space shall be provided to the Government during the course of the lease term. All costs associated with the telecommunications antennae installation shall be solely borne by the Government.

24. **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.

**25. COMMISSION AND COMMISSION CREDIT:**

The Lessor and the Broker have agreed to a cooperating lease commission of [redacted] of the firm term value of this Lease. The total amount of the commission is [redacted]. 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:

First Month's Rental Payment of \$12,624.50 minus prorated Commission Credit of [redacted] equals [redacted] adjusted First Month's Rent.

Second Month's Rental Payment of \$12,624.50 minus prorated Commission Credit of [redacted] equals [redacted] adjusted Second Month's Rent.

Third Month's Rental Payment of \$12,624.50 minus prorated Commission Credit of [redacted] equals [redacted] adjusted Third Month's Rent.

Fourth Month's Rental Payment of \$12,624.50 minus prorated Commission Credit of [redacted] equals [redacted] adjusted Fourth Month's Rent.

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26. **LESSOR CONCESSION:** The Lessor, as part of his final offer, agrees to provide Government unlimited access to building conference rooms, meeting and training rooms, shower and gym facilities, and kitchen.

27. **TENANT IMPROVEMENT FEE SCHEDULE:**

The following fee schedule shall be applied to the Tenant Improvement costs paid by the Government.

1. General Conditions\* shall not exceed **5%** of the total subcontractor's costs associated with the Tenant Improvements.
2. General Contractor's fee shall not exceed **10%** of the total subcontractor's costs associated with the Tenant Improvements;
3. Lessor's Project Management fee shall not exceed **1.5%** of the total subcontractor's costs associated with the Tenant Improvements;
4. Architectural Fees owed by the Government shall **not exceed \$7,500.**

**\*Note:** General Contractor's superintendent is a line item cost and not considered part of "General Conditions".

28. Pursuant to Paragraph 5.2 of SFO Number 9CA2477, "Unit Costs for Adjustments", the following negotiated amounts may be used, during the first year of the Lease to price alterations costing \$100,000 or less. These prices may be indexed or renegotiated to apply to subsequent years of the Lease upon mutual agreement of the Lessor and the Government.

ITEM	UNIT COST
Ceiling High Partitioning	[REDACTED]
Floor Duplex Electrical	
Wall Duplex Electrical	
Floor Fourplex Electrical	
Wall Fourplex Electrical	
Dedicated Electrical Outlet	
Floor Telephone Outlet	
Wall Telephone Outlet	
Interior Door	

29. **PROGRESS REPORTS:** Pursuant to Paragraph 5.13, Progress Reports, during design & construction, the Lessor shall submit to the GSA Contracting Officer, written progress reports at intervals of fourteen (14) calendar days. Each report shall include information as to 1) percentage of the work completed by phase and trade; 2) a statement as to expected completion and occupancy date; 3) changes introduced into the work; and 4) general remarks on such items as material shortages, strikes, weather, etc. In addition, after lease award, the Lessor shall conduct meetings every two (2) week(s) to brief Government personnel and contractors regarding the progress of design and construction of the Government-demised area. **The Lessor shall be solely responsible for taking and distributing minutes (based on the Government-approved format to be provided by the GSA Construction Manager) of these meetings, with review and approval by the GSA Contracting Officer.** Such meetings shall be held telephonically and at locations to be designated by the Government.

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          Lessor                      Government