

LEASE NO. GS-09P-LCA03239

Streamlined Lease
GSA FORM L201B (May 2015)

This Lease is made and entered into between

Buttner Properties, Inc.

whose principal place of business is 600 W. Grand Avenue, Oakland, CA 94612-1621 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

701 N. Shoreline Boulevard, Mountain View, CA 94043-32058

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 upon acceptance of the Premises as required by this Lease and continuing for a period of

 Firm,

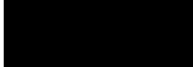
subject to termination and renewal rights as may be hereinafter set forth. The commencement date of this Lease, along with any applicable termination and renewal rights, shall be more specifically set forth in a Lease Amendment upon substantial completion and acceptance of the Space by the Government.

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:


Name: Marianne B. Robison
Title: President
Entity Name: Buttner Properties, Inc.
Date: December 22, 2015

FOR THE GOVERNMENT:


Name: Joel Gomez
Title: Lease Contracting Officer
General Services Administration, Public Buildings Service
Date: 1/5/2016

WITNESSED FOR THE LESSOR BY:


Name: Van M. Lam
Title: Secretary
Date: December 22, 2015

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.

LEASE NO. GS-09P-LCA03239

LESSOR: 

GOVERNMENT: 

GSA FORM L201B (05/15)

SECTION 1 THE PREMISES, RENT, AND OTHER TERMS

1.01 THE PREMISES (JUN 2012)

The Premises are described as follows:

A. Office and Related Space: 7,451 rentable square feet (RSF), yielding 7,301 ANSI/BOMA Office Area (ABOA) square feet (SF) of office and related Space consisting of the entire first (ground) floor 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 2.0% 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 (SEP 2013)

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: Two (2) parking spaces as depicted on the plan attached hereto as Exhibit B, reserved for the exclusive use of the Government, both of which shall be surface/outside parking spaces. In addition, the 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: (1) Space located on the roof of the Building sufficient in size for the installation and placement of telecommunications equipment, (2) the right to access the roof of the Building, and (3) use of all Building areas (e.g., chases, plenums, etc.) necessary for the use, operation, and maintenance of such telecommunications equipment at all times during the term of this Lease.

1.03 RENT AND OTHER CONSIDERATION (APR 2015)

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

| | FIRM TERM YEARS 1* - 5 | FIRM TERM YEARS 6 - 10 | NON-FIRM TERM YEARS 11- 15 |
|---------------------------------------|---------------------------|---------------------------|-------------------------------|
| | ANNUAL RENT | ANNUAL RENT | ANNUAL RENT |
| SHELL RENT ¹ | \$598,682.00 | \$700,019.88 | \$824,209.89 |
| TENANT IMPROVEMENTS RENT ² | \$ 49,511.01 | \$ 49,511.01 | \$0.00 |
| OPERATING COSTS ³ | \$ 50,479.11 | \$ 50,479.11 | \$ 50,479.11 |
| TOTAL ANNUAL RENT | \$698,672.12 | \$800,010.00 | \$874,689.00 |

¹Shell rent calculation:

(Firm Term Yrs. 1-5) \$82.00 per ABOA SF multiplied by 7,301 ABOA SF

(Firm Term Yrs. 6 - 10) \$95.88 per ABOA SF multiplied by 7,301 ABOA SF

(Non-Firm Term Yrs. 11-15) \$112.89 per ABOA SF multiplied by 7,301 ABOA SF

²The Tenant Improvement Allowance of \$53.28 per ABOA SF (388,997) is amortized at a rate of 5% percent per annum over 10 years.

³Operating Costs do not include utilities or janitorial service. Operating Costs Rent calculation: \$6.913984 per ABOA SF multiplied by 7,301 ABOA SF

*There is a commission credit to the Government in the 1st month of the term.

In instances where the Lessor amortizes either the TI or BSAC for a period exceeding the Firm Term of the Lease, should the Government terminate the Lease after the Firm Term or does not otherwise renew or extend the term beyond the Firm Term, the Government shall not be liable for any costs, including unamortized costs beyond the Firm Term.

B. Rent is subject to adjustment based upon a mutual on-site measurement of the Space upon acceptance, not to exceed 7,301 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 (Rent is subject to adjustment based on the final Building-Specific Amortized Capital (BSAC) cost)~~

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.

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 by the Lessor in the 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, maintenance required for the proper operation of the Property, the Building, and the Leased 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. The Government shall be responsible for providing its own janitorial service for space occupied under this Lease. The Government shall be responsible for paying the cost of utilities directly to the utility provider for space occupied under this Lease as further described in Paragraph 6.03 of this Lease. The Lessor shall ensure that such utilities are separately metered. The Lessor shall provide and install as part of shell rent, separate meters for utilities. Sub-meters are not acceptable. The Lessor shall furnish in writing to the LCO, prior to occupancy by the Government, a record of the meter numbers and verification that the meters measure Government usage only. Proration is not permissible. In addition, an automatic control system shall be provided to assure compliance with heating, ventilation, and air conditioning requirements.

H. Parking is included in the rent.

1.04 BROKER COMMISSION AND COMMISSION CREDIT (JUN 2012)

A. Carpenter/Robbins Commercial Real Estate, Inc. as subcontractor for Savills Studley, Inc. (Broker) is the authorized real estate Broker representing GSA in connection with this Lease transaction. The total amount of the Commission is [REDACTED] and is earned upon Lease execution, payable according to the Commission Agreement signed between the two parties. Only [REDACTED] of the Commission, will be payable to Broker with the remaining [REDACTED], which is the Commission Credit, to be credited to the shell rental portion of the annual rental payments due and owing to fully recapture this Commission Credit. The reduction in shell rent shall commence with the first month of the rental payments and continue until the credit has been fully recaptured in equal monthly installments over the shortest time practicable.

B. Notwithstanding the "Rent and Other Consideration" paragraph of this Lease, the shell rental payments due and owing under this Lease shall be reduced to recapture fully 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:

Month One (1) Rental Payment of \$58,222.68 minus Commission Credit of [REDACTED] equals [REDACTED] adjusted 1st Month's Rent.*

* Subject to change based on adjustments outlined under the paragraph "Rent and Other Consideration."

1.05 TERMINATION RIGHTS (AUG 2011)

The Government may terminate this Lease, in whole or in part, at any time effective after the Firm Term of this Lease, by providing not less than 90 days' prior written notice to the Lessor. The effective date of the termination shall be the day following the expiration of the required notice period or the termination date set forth in the notice, whichever is later. No rental shall accrue after the effective date of termination.

1.06 INTENTIONALLY DELETED RENEWAL RIGHTS

1.07 DOCUMENTS INCORPORATED IN THE LEASE (APR 2015)

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

| DOCUMENT NAME | NO. OF PAGES | EXHIBIT |
|---|--------------|---------|
| FLOOR PLAN(S) | 1 | A |
| PARKING PLAN(S) | 1 | B |
| AGENCY SPECIAL SPACE S REQUIREMENTS, DATED 4/2012 | 44 | C |
| SECURITY REQUIREMENTS FOR LEVEL II | 6 | D |
| GSA FORM 3517B GENERAL CLAUSES | 47 | E |
| GSA FORM 3518 - REPRESENTATIONS AND CERTIFICATIONS (ACQUISITIONS OF LEASEHOLD INTERESTS IN REAL PROPERTY) | 2 | F |
| THE SSA FIELD OFFICE BARRIER WALL DESIGN | 7 | G |

1.08 TENANT IMPROVEMENTS AND PRICING (STREAMLINED) (SEP 2013)

The Tenant Improvement Allowance (TIA) for purposes of this Lease is \$53.28 per ABOA SF. The TIA is the amount that the Lessor shall make available for the Government to be used for the TIs. This amount is amortized in the rent over the Firm Term of this Lease at an annual interest rate of five (5%) percent. The Government shall have the right to make lump sum payments for any or all TI work.

The Government shall have the right to make lump sum payments for any or all TI work.

1.09 TENANT IMPROVEMENT RENTAL ADJUSTMENT (SEP 2013)

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 may elect to:

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.

1.10 TENANT IMPROVEMENT FEE SCHEDULE (JUN 2012)

For pricing TI costs, the following rates shall apply for the initial build-out of the Space:

| | INITIAL BUILD-OUT |
|---|----------------------|
| Architect/Engineer Fees (% of TI Construction Costs) | 12.00% |
| General contractor Fees & Lessor's Project Management Fee Combined (% of TI Construction Costs) | 11.10% |

1.11 ~~INTENTIONALLY DELETED BUILDING SPECIFIC AMORTIZED CAPITAL (SEP 2012)~~

1.12 ~~INTENTIONALLY DELETED BUILDING SPECIFIC AMORTIZED CAPITAL RENTAL ADJUSTMENT (SEP 2013)~~

1.13 PERCENTAGE OF OCCUPANCY FOR TAX ADJUSTMENT (JUN 2012)

As of the Lease Award Date, the Government's Percentage of Occupancy, as defined in the "Real Estate Tax Adjustment" paragraph of this Lease is 50% percent. The Percentage of Occupancy is derived by dividing the total Government Space of 7,301 ABOA SF by the total Building space of 14,602 ABOA SF.

1.14 REAL ESTATE TAX BASE (SEP 2013)

The Real Estate Tax Base, as defined in the "Real Estate Tax Adjustment" paragraph of the Lease is \$58,603.00. Tax adjustments shall not occur until the tax year following lease commencement has passed.

1.15 ~~INTENTIONALLY DELETED OPERATING COST BASE (SEP 2013)~~

1.16 ~~INTENTIONALLY DELETED RATE FOR ADJUSTMENT FOR VACANT LEASED PREMISES (SEP 2013)~~

1.17 ~~INTENTIONALLY DELETED HOURLY OVERTIME HVAC RATES (AUG 2014)~~

1.18 ~~INTENTIONALLY DELETED 24-HOUR HVAC REQUIREMENT (SEP 2014)~~

1.19 BUILDING IMPROVEMENTS (SEP 2012)

Before the Government accepts the Space, the Lessor shall complete the following additional Building improvements:

- A. Lessor shall renovate the Building for those energy efficiency and conservation improvements that can be determined to be cost effective over the firm term of the lease.

1.20 HUBZONE SMALL BUSINESS CONCERNS ADDITIONAL PERFORMANCE REQUIREMENTS (MAR 2012)

If the Lessor is a qualified HUBZone small business concern (SBC) that did not waive the price evaluation preference then as required by 13 C.F.R. 126.700, the HUBZone SBC must spend at least 50% of the cost of the contract incurred for personnel on its own employees or employees of other qualified HUBZone SBC's and must meet the performance of the work requirements for subcontracting in 13 C.F.R. § 125.6(c). If the Lessor is a

HUBZone joint venture, the aggregate of the qualified HUBZone SBC's to the joint venture, not each concern separately, must perform the applicable percentage of work required by this clause.