STANDARD FORM 2 FEBRUARY 1965 EDITION GENERAL SERVICES ADMINISTRATION FPR (41CFR) 1D16.601	**U.S. GOVERNMENT** **LEASE FOR REAL PROPERTY**
DATE OF LEASE: 2/16/11	LEASE No. GS-09B-02663

THIS LEASE, made and entered into this date between Carr NP Properties LLC, a Delaware limited liability company

whose address is: 790 East Colorado Boulevard, Suite 800
Pasadena, California 91101-5440

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:
54,469 rentable square feet (r.s.f.), yielding approximately 50,372 ANSI/BOMA Office Area square feet and related space located at the Warner Center Corporate Park F-6, 21041 Burbank Boulevard, Woodland Hills, California 91367-6606, together with 11 onsite surface parking spaces as depicted on the attached (Exhibit A, 3 pages) (the "Premises"), 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 November 13, 2011 through November 12, 2021, subject to termination and renewal rights as may be hereinafter set forth.

3. *PARAGRAPH 3 IS INTENTIONALLY OMITTED.*

4. The Government may terminate this lease in whole or in part effective any time after the fifth year of this lease giving at least 90 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 DELETED.*

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 and parking spaces required by local code.

   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. 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. 9CA2667 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) The Solicitation For Offers Number 9CA2667 (pages 1-49) (all references to SFO shall also refer to any Special Requirements and Amendments);

   b) Special Requirements [redacted]: pages 1-3 (Exhibit B); [redacted]: pages 1-2 (Exhibit C); [redacted]: pages 1-3 (Exhibit D)), a separate design guide will be presented to Lessor during design phase;

   c) Amendment Number 1 (pages 1-4),

   d) GSA Form 3517 (pages 1-33);

   e) GSA Form 3518 (pages 1-7);

   f) Sheet no. 1-2 containing Paragraphs 9-23;

   g) Small Business Plan;

   h) Site Plan (Exhibit "A", page 3).

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

   Paragraphs 9 through 23 of this STANDARD FORM 2 have been added.

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

LESSOR: Carr NP Properties LLC, a Delaware limited liability company

BY _____ _____
(Signature) (Signature)

IN PRESENCE OF:

_____ 6080 Center Dr. LA, CA 90045
(Signature) (Address)

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-02663

9. The Government shall pay the Lessor annual rent as follows:

- Effective 11/13/2011-11/12/2016, annual rent of $2,028,150.12 at the rate of $169,012.51 per month in arrears.
- Effective 11/13/2016-11/12/2021, annual rent of $1,797,477.33 at the rate of $149,789.78 per month in arrears.

Rent for a lesser period shall be prorated. Rent shall be payable to:

Carr NP Properties LLC, a Delaware limited liability company
790 East Colorado Boulevard, Suite 800
Pasadena, California 91101-5440

10. The Lessor shall have 40 working days from the receipt of the Government's Notice to Proceed to complete the build-out of the entire space. All items specified in Lease Agreement and as delineated on the Government Approved Design Intent Drawings shall be provided by the Lessor.

11. **OPERATING COST**: Pursuant to Paragraph 4.2, "Operating Costs", the base rate for purposes of operating cost escalation is established at $6.75 per rentable square foot per annum.

12. **ADJUSTMENT FOR VACANT PREMISES**: Pursuant to Paragraph 4.3, "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 $1.25 per rentable square foot per annum for operating expenses. The Adjustment for Vacant Premises rate shall be escalated annually based upon Paragraph 4.2, "Operating Costs."

13. **OVERTIME USAGE**: Pursuant to Paragraph 4.5, "Overtime Usage", upon request by the GSA Field Office Manager, the Lessor shall provide heating, ventilation, and air-conditioning (HVAC) at any time beyond normal service hours (6:00 a.m. – 6:00 p.m., Monday through Friday, and except Federal Holidays ("Normal Hours")), at a rate of $65.00 per hour. The Lessor will not charge the Government if Lessor otherwise provides these services to other building tenants during the Government's overtime hours. The Lessor must submit a proper invoice quarterly to GSA Building Manager or designee located at U.S. General Services Administration, 11000 Wilshire Boulevard, Suite 7100, Los Angeles, California 90024, to receive payment.

14. **24 HOUR ROOMS**: Usage of 24-hour server rooms shall be at no cost ($0.00) to the Government.

15. **TENANT IMPROVEMENT ALLOWANCE**: The maximum Tenant Improvement Allowance has been established by Paragraph 3.2, "Tenant Improvements Included in Offer." The Tenant Improvement Allowance shall be amortized over the 5-year firm term of the lease agreement at an interest rate (amortization rate) of 8.00 % per year.

16. **BUDGET AND PRICE PROPOSALS/CONSTRUCTION SCHEDULE:**

A. The price proposal required to be provided by Lessor in SFO Paragraph 5.9 (E), "Tenant Improvements Price Proposal," must be based upon the results of a competitive proposal process meeting all of the requirements of SFO Paragraph 5.2, B (1) through (10), entitled, "Tenant Improvements Pricing Requirements." The Government has the right, but not the obligation, to accept cost or pricing data as described in GSA Form 3517 in lieu of a competitive price proposal.

B. Failure to submit these budget and price proposals referenced above will constitute Lessor delay. In the event that either the budget proposal or price proposal exceeds the Tenant Improvement Allowance specified in the Lease, then the construction schedule shall be revised to afford the Government sufficient time to review and resolve the difference.

C. The construction schedule required in Paragraph 5.9 (F), "Construction of Tenant Improvements," of the SFO shall also include adequate time for additional review by the Government of revised design intent drawings and Working Drawings/Construction Drawings. All references to "working days" in Paragraph 5.9, "Construction Schedule and Acceptance of Tenant Improvements" of the SFO shall not include the period from December 15 through January 1 of any calendar year.

D. In addition to the submission requirements specified under Paragraph 5.9, "Construction Schedule and Acceptance of Tenant Improvements,", Lessor shall provide to the Government the final total costs of the completed Tenant Improvements in CSI format 15 working days prior to "Substantial Completion". The space will not be considered acceptable for inspection until the Government receives the final tenant improvement costs.

17. **ACCEPTANCE OF SPACE:**

A. The following is added to Paragraph 5.9 G (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 punchlist 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.

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Lessor Government

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 otherwise prejudicing the Government with respect to any such requirement or right, or as an acceptance of any latent defect or condition.

18. **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.**

19. 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".

20. The following Paragraphs of SFO 9CA2667 are accepted by the Government in "as-is" condition for existing space. The Lessor shall comply with the SFO for all spaces requiring tenant improvements.

    A. Paragraph 1.10;
    B. Paragraph 1.11, with the exception of Paragraphs 1.11 (A)(2), 1.11 (A)(11), 1.11 (A)(13), and 1.11 (A)(15);
    C. Paragraph 4.9;
    D. Paragraphs 6.2 through 6.13;
    E. Paragraphs 7.8 through 7.13;
    F. Paragraphs 8.4 through 8.8;
    G. Paragraph 8.9, with the exception of Paragraph 8.9 (A)(9), including the 24-hour server rooms;
    H. Paragraph 8.10;
    I. Paragraphs 8.12 through 8.14;
    J. Paragraphs 8.18 through 8.19;
    K. Paragraphs 9.4 through 9.7;
    L. Paragraph 9.11;
    M. Paragraph 10.4;

21. Paragraph 10.31 "[redacted] Requirements (Nov 2005) (Building Shell)" will be a tenant improvement cost. The Government previously accepted this requirement in "as-is" condition under Lease GS-09B-01932.

22. Pursuant to Paragraph 6.1 "Accessibility (Feb 2007)," the Lessor shall provide a plan of action, within 30 days of lease award, for courtroom doors to be fully compliant with federal accessibility standards.

23. Reimbursement of the alterations on the third floor shall be amortized in the rent Pursuant to Paragraph 9 of this Lease. The scope of work consists of removal of the partitioning (west) wall in Suite 317, adjacent to the Jury Suite Hallway; installation of two windows on the demising (south) wall in Suite 312; and re-carpeting and re-painting in Suite 312. The alterations stated in this paragraph shall be completed no later than April 1, 2011.

Initials: _____ & _____
Lessor Government