

# LEASE NO. GS-09P-LCA00190

Global Lease  
GSA FORM L100 (10/2016)

This Lease is made and entered into between

## 101 WEST BROADWAY LLC

(Lessor), whose principal place of business is 101 West Broadway, Suite 1105, San Diego, CA 92101, 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

**101 West Broadway, San Diego, CA 92101**

and more fully described in Section 1, 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 following term:

**[REDACTED] Firm, commencing January 15, 2018 and continuing through January 14, 2028**

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: Steven M. Case,  
Executive Vice President,  
Title: Office Properties  
Entity Name: 101 West Broadway LLC  
Date: February 5, 2018

### FOR THE GOVERNMENT:

Name: Daniel J. McGrath  
Title: Lease Contracting Officer  
General Services Administration, Public Buildings Service  
Date: 2/07/2018

### WITNESSED FOR THE LESSOR BY:

Name: Michael T. Bennett,  
Senior Vice President Operations,  
Title: Office Properties  
Date: February 5, 2018



LEASE NO. GS-09P-LCA00190

LESSOR

GOVERNMENT:

GSA FORM L100 (10/16)

## SECTION 1 THE PREMISES, RENT, AND OTHER TERMS

### 1.01 THE PREMISES (OCT 2016)

The Premises are described as follows:

A. Office and Related Space: **46,979** rentable square feet (RSF), yielding **43,955** ANSI/BOMA Office Area (ABOA) square feet (SF) and related Space located on Floors Six (Suite 600), Seven (Suite 700), and Ten (Suite 1010) of the Building effective January 15, 2018 through July 31, 2018, and **28,750** RSF yielding **25,458** (ABOA) square feet and related space located on Floors Seven (Suite 700), and Ten (Suite 1010) effective August 1, 2018 through January 14, 2028.

B. Common Area Factor: The Common Area Factor (CAF), defined under Section 2 of the Lease, is established as **1.0687** percent effective January 15, 2018 through July 31, 2018 and **1.1293** percent effective August 1, 2018 through January 14, 2028. This factor, rounded to the nearest whole percentage, shall be used for purposes of rental adjustments in accordance with the Payment Clause of the General Clauses.

C. 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.

### 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: **47** parking spaces of which **23** shall be structured/inside parking spaces on site, and **24** off site shall be provided at Horton Plaza. 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 (OCT 2016)

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

	FIRM TERM (46,979 RSF)	FIRM TERM (28,750 RSF)	NON FIRM TERM (28,750 RSF)
	ANNUAL RENT	ANNUAL RENT	ANNUAL RENT
SHELL RENT	\$1,437,557.40	\$853,012.50	\$938,400.00
OPERATING COSTS	\$337,374.49	\$239,200.00	\$239,200.00
TENANT IMPROVEMENTS RENT <sup>1</sup>	\$0.00	\$83,165.04	\$0.00
BSAC RENT <sup>2</sup>	\$0.00	\$0.00	\$0.00
TOTAL ANNUAL RENT	\$1,774,931.89	\$1,175,377.54	\$1,177,600.00

<sup>1</sup>Tenant Improvements of \$350,000 are amortized at a rate of 7 percent per annum over 5 years. See Paragraph 1.08 for total available TIA.

<sup>2</sup>See Paragraph 1.10 for available BSAC allowance.

B. In instances where the Lessor amortizes the TI or Building Specific Amortized Capital (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.

C. INTENTIONALLY DELETED



D. Rent is subject to adjustment based upon the final Tenant Improvement (TI) and BSAC cost to be amortized in the rental rate, as agreed upon by the parties subsequent to the Lease Award Date.

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 and active 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 herein 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

#### 1.04 ~~BROKER COMMISSION AND COMMISSION CREDIT (OCT 2016)~~ INTENTIONALLY DELETED

#### 1.05 TERMINATION RIGHTS (OCT 2016)

The Government may terminate this Lease, in whole or in parts, at any time effective January 15, 2023, 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 ~~RENEWAL RIGHTS (OCT 2016)~~ INTENTIONALLY DELETED

#### 1.07 DOCUMENTS INCORPORATED IN THE LEASE (OCT 2016)

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

DOCUMENT NAME	NO. OF PAGES	EXHIBIT
AGENCY REQUIREMENTS	6	A
GSA FORM 3517B GENERAL CLAUSES	15	B
GSA FORM 3518-SAM, ADDENDUM TO SYSTEM FOR AWARD MANAGEMENT (SAM) REPRESENTATIONS AND CERTIFICATIONS (ACQUISITIONS OF LEASEHOLD INTERESTS IN REAL PROPERTY)	2	C
FACILITY REQUIREMENTS - FACILITY SECURITY LEVEL II	4	D
FLOOR PLANS FOR SUITES 600, 700, & 1010	3	E

#### 1.08 TENANT IMPROVEMENT RENTAL ADJUSTMENT (OCT 2016)

A. The Tenant Improvement Allowance (TIA) for purposes of this Lease is **\$1,456,452.18**. The TIA is the amount that the Lessor shall make available for the Government to be used for TIs. This amount or any amount less shall be amortized in the rent over the Firm Term of this Lease at an annual interest rate of 7 percent. It is anticipated a lesser amount will be required as reflected in Paragraph 1.03. The remaining funds of \$1,106,452.18 shall be left in reserve until Substantial Completion of initial occupancy.

B. 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.

C. 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.

D. If it is anticipated that the Government will spend more than the identified TIA, the Government may elect to:

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 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 ( \$ PER ABOA SF OR % OF TI CONSTRUCTION COSTS)	5%
LESSOR'S PROJECT MANAGEMENT FEE (% OF TI CONSTRUCTION COSTS)	7%

#### 1.10 BUILDING SPECIFIC AMORTIZED CAPITAL (SEP 2012)

For purposes of this Lease, the Building Specific Amortized Capital (BSAC) is **\$25.00** per ABOA SF and is only available until Substantial Completion of initial occupancy. The Lessor will make the total BSAC amount available to the Government, which will use the funds for security related improvements if applicable. Once BSAC costs have been determined and the space Substantially Completed for initial occupancy, the costs shall be amortized in the rent over the Firm Term at an annual interest rate of 7 percent. It is anticipated that none or a minimal portion of the BSAC allowance shall be used.

#### 1.11 BUILDING SPECIFIC AMORTIZED CAPITAL RENTAL ADJUSTMENT (SEP 2013)

A. The Government, at its sole discretion, shall make all decisions about the use of the Building Specific Amortized Capital (BSAC). The Government may use all or part of the BSAC. The Government may return to the Lessor any unused portion of the BSAC in exchange for a decrease in rent (where applicable) according to the agreed-upon amortization rate over the Firm Term.

B. The Government may elect to make lump-sum payments for any work covered by the BSAC. The part of the BSAC 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 a lump sum for any part or all of the remaining unpaid amortized balance of the BSAC. If the Government elects to make a lump-sum payment for the BSAC after occupancy, the payment of the BSAC 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 BSAC identified above, the Government may elect to:

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

#### 1.12 PERCENTAGE OF OCCUPANCY FOR TAX ADJUSTMENT (OCT 2016)

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 **11.61** percent. The Percentage of Occupancy is derived by dividing the total Government Space of **46,979** RSF by the total Building space of **404,510** RSF. The tax parcel number is **1092**. Effective August 1, 2018 the Governments Percentage of Occupancy is 7.11 percent (28,750 RSF/ 404,510 RSF).

#### 1.13 REAL ESTATE TAX BASE (SEP 2013)

The Real Estate Tax Base, as defined in the "Real Estate Tax Adjustment" paragraph of the Lease is **\$123,536.00**. Tax adjustments shall not occur until the tax year following lease commencement has passed.

#### 1.14 OPERATING COST BASE (OCT 2016)

The parties agree, for the purpose of applying the paragraph titled "Operating Costs Adjustment," that the Lessor's base rate for operating costs shall be **\$7.18** per RSF.

#### 1.15 RATE FOR ADJUSTMENT FOR VACANT LEASED PREMISES (SEP 2013)

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 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 **\$4.00** per ABOA SF of Space vacated by the Government.

#### 1.16 HOURLY OVERTIME HVAC RATES (OCT 2016)



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

- \$80 per hour per zone

**1.17 24-HOUR HVAC REQUIREMENT (OCT 2016)**

The 24 hour cooling service shall be provided by the Lessor at an annual rate of \$0.00 per ABOA SF of the area receiving the 24-hour cooling and is not to be included in the monthly operating costs. Also, the hourly overtime HVAC rate specified under the paragraph "Hourly Overtime HVAC Rates" shall not apply to any portion of the Premises that is required to have 24 hour cooling.

**1.18 BUILDING IMPROVEMENTS (MAR 2016) INTENTIONALLY DELETED**

**1.19 HUBZONE SMALL BUSINESS CONCERNS ADDITIONAL PERFORMANCE REQUIREMENTS (MAR 2012) INTENTIONALLY DELETED**