

LEASE NO. GS-09P-LCA03355

Standard Lease
GSA FORM L201C (September 2014)

This Lease is made and entered into between

SPUS7 235 Pine, LP

(Lessor), whose principal place of business is 515 South Flower Street, Los Angeles, CA 90071, 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

235 Pine Street, San Francisco, CA 94104-2706

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 following term:

15 Years, 10 Years Firm, commencing January 4, 2016 and continuing through January 3, 2031,

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

Signature: _____

Name: _____

Title: Vice President

Entity Name: SPUS7 235 PINE, LP

Date: 11/30/2015

FOR THE GOVERNMENT

Signature: _____

Name: Eileen Khanloo

Title: Lease Contracting Officer

General Services Administration, Public Buildings Service

Date: 12/04/15

WITNESSED FOR THE LESSOR BY:

Signature: _____

Name: Susandra Soumetho

Title: Executive Assistant

Date: 11/30/2015

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.

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: 13,783 rentable square feet (RSF) including 13,678 RSF of office Space and 105 RSF of storage Space, yielding 10,349 ANSI/BOMA including 10,244 ANSI/BOMA Office Area (ABOA) square feet (SF) of office Space comprised of 6,594 ABOA SF on the entire 9th floor, Suite 900, and 3,650 ABOA SF for a portion of the 8th floor, Suite 800, and 105 ABOA of storage Space located on the basement level, of the Building, as depicted on the floor plans attached hereto as Exhibit A.

B. Common Area Factor: The Common Area Factor (CAF) for the office Space on the entire 9th floor, Suite 900, is established at 30.2 percent for the office Space, and the CAF for the portion of the 8th floor, Suite 800, is established as 39.5 percent for the office Space. The CAF for the storage Space is established as 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: 11 parking spaces as depicted on the plan attached hereto as Exhibit A-1, reserved for the exclusive use of the Government, of which 11 shall be structured/inside valet parking spaces, and 0 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 antenna approximately 2 inches diameter and up to 8 feet height, (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 (SEP 2013)

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

PERIOD	SHELL RENT ¹ (ANNUAL RENT)	TENANT IMPROVEMENTS RENT ² (ANNUAL RENT)	OPERATING COSTS ³ (ANNUAL RENT)	BUILDING SPECIFIC AMORTIZED CAPITAL (BSAC) ⁴ (ANNUAL RENT)	PARKING ⁵ (ANNUAL RENT)	STORAGE ⁶ (ANNUAL RENT)	TOTAL ANNUAL RENT
01/04/2016- 04/03/2016	\$ 0.00	\$0.00	\$150,734.03	\$0.00	\$60,720.00	\$2,520.00	\$ 213,974.03*
04/04/2016- 01/03/2017	\$ 738,335.97	\$0.00	\$150,734.03	\$0.00	\$60,720.00	\$2,520.00	\$ 952,310.00**
01/04/2017- 01/03/2018	\$ 771,705.50	\$0.00	\$150,734.03	\$0.00	\$62,541.60	\$2,595.60	\$ 987,576.73
01/04/2018- 01/03/2019	\$ 806,065.16	\$0.00	\$150,734.03	\$0.00	\$64,417.85	\$2,673.30	\$1,023,890.34
01/04/2019- 01/03/2020	\$ 841,444.38	\$0.00	\$150,734.03	\$0.00	\$66,350.38	\$2,754.15	\$1,081,282.94
01/04/2020- 01/03/2021	\$ 877,873.45	\$0.00	\$150,734.03	\$0.00	\$68,340.89	\$2,836.05	\$1,099,784.42
01/04/2021- 01/03/2022	\$ 915,383.60	\$0.00	\$150,734.03	\$0.00	\$70,391.12	\$2,921.10	\$1,139,429.85
01/04/2022- 01/03/2023	\$ 954,006.96	\$0.00	\$150,734.03	\$0.00	\$72,502.86	\$3,009.30	\$1,180,253.15
01/04/2023- 01/03/2024	\$ 993,776.61	\$0.00	\$150,734.03	\$0.00	\$74,677.94	\$3,099.60	\$1,222,288.18
01/04/2024- 01/03/2025	\$1,034,726.65	\$0.00	\$150,734.03	\$0.00	\$76,918.28	\$3,192.00	\$1,265,570.96
01/04/2025- 01/03/2026	\$1,076,892.16	\$0.00	\$150,734.03	\$0.00	\$79,225.83	\$3,287.55	\$1,310,139.57
01/04/2026- 01/03/2027	\$1,092,953.28	\$0.00	\$150,734.03	\$0.00	\$81,602.60	\$3,386.25	\$1,328,676.16
01/04/2027- 01/03/2028	\$1,137,659.23	\$0.00	\$150,734.03	\$0.00	\$84,050.68	\$3,488.10	\$1,375,932.04
01/04/2028- 01/03/2029	\$1,183,692.33	\$0.00	\$150,734.03	\$0.00	\$86,572.20	\$3,593.10	\$1,424,591.66
01/04/2029- 01/03/2030	\$1,231,092.04	\$0.00	\$150,734.03	\$0.00	\$89,169.37	\$3,700.20	\$1,474,695.64
01/04/2030- 01/03/2031	\$1,279,899.00	\$0.00	\$150,734.03	\$0.00	\$91,844.45	\$3,811.50	\$1,526,288.98

*Monthly rent for period 01/04/2016 – 04/03/2016 is \$17,831.17

**Monthly rent for period 04/04/2016 – 01/03/2017 is \$79,359.17

Rental Rate Summary Table

	SHELL RENT (\$/RSF)	PARKING RENT (\$/RSF)	STORAGE RENT (\$/RSF) ⁶
01/04/2016- 04/03/2016	\$ 0.000000	\$4.439246	\$24.000000
04/04/2016- 01/03/2017	\$ 53.979819	\$4.439246	\$24.000000
01/04/2017- 01/03/2018	\$ 56.419469	\$4.572423	\$24.720000
01/04/2018- 01/03/2019	\$ 58.931508	\$4.709596	\$25.460000
01/04/2019- 01/03/2020	\$ 61.518086	\$4.850883	\$26.230000
01/04/2020- 01/03/2021	\$ 64.181419	\$4.996410	\$27.010000
01/04/2021- 01/03/2022	\$ 66.923790	\$5.146302	\$27.820000
01/04/2022- 01/03/2023	\$ 69.747548	\$5.300691	\$28.660000
01/04/2023- 01/03/2024	\$ 72.655111	\$5.459712	\$29.520000
01/04/2024- 01/03/2025	\$ 75.648973	\$5.623503	\$30.400000
01/04/2025- 01/03/2026	\$ 78.731698	\$5.792208	\$31.310000
01/04/2026- 01/03/2027	\$ 79.905928	\$5.965975	\$32.250000
01/04/2027- 01/03/2028	\$ 83.174384	\$6.144954	\$33.220000
01/04/2028- 01/03/2029	\$ 86.539869	\$6.329303	\$34.220000
01/04/2029- 01/03/2030	\$ 90.005267	\$6.519182	\$35.240000
01/04/2030- 01/03/2031	\$ 93.573549	\$6.714757	\$36.300000

¹Shell rent calculation: Summarized in Rental Rate Summary Table above

²The Tenant Improvement Allowance, not to exceed a maximum of \$726,197.16, will be amortized after acceptance of TIs by the Government at a rate of 8 percent per annum over the remaining firm term of the Lease. The amount of the final Tenant Improvement Allowance, the date of the Government's acceptance of TIs, and applicable rental adjustments will be memorialized by Lease Amendment.

³Operating Costs rent calculation: \$11,020,181 per RSF multiplied by 13,678 RSF.

⁴Building Specific Amortized Capital (BSAC), not to exceed a maximum of \$27,544.00, will be amortized after acceptance of TIs by the Government at a rate of 8 percent per annum over the remaining firm term of the Lease. The amount of the final BSAC, the date of the Government's acceptance of BSAC, and applicable rental adjustments will be memorialized by Lease Amendment.

⁵Parking costs summarized in Rental Rate Summary Table above.

⁶Storage costs summarized in Rental Rate Summary Table above. Storage Rental rates based upon storage rent divided by 105 RSF.

B. Rent is subject to adjustment based upon a mutual on-site measurement of the Space upon acceptance, not to exceed 10,244 ABOA SF of Office Space 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.

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 Central Contractor Registration (CCR), now 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, 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 \$460.00 per parking space per month (structured/inside) during the first year of the lease. Parking rent shall increase at 3% per annum as shown in the rent table above.

I. Storage rent for 105 square feet of storage space within the basement level of the building shall be provided at a rate of \$24.00 per square foot per year during the first year of the lease. Storage rent shall increase at 3% per annum as shown in the rent table above. Storage area is not included in the Office Area, however, is included in the Fully Serviced Rental Rate.

1.04 BROKER COMMISSION AND COMMISSION CREDIT (JUN 2012)

A. Carpenter/Robbins Commercial Real Estate, Inc. subcontractor for Savills Stedley, 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 Carpenter/Robbins Commercial Real Estate, Inc. 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 4 Rental Payment \$79,359.17 minus prorated Commission Credit of \$ [REDACTED] equals \$ [REDACTED] adjusted 4th Month's Rent *

1.05 TERMINATION RIGHTS (AUG 2011)

The Government may terminate this Lease, in whole or in part, at any time effective after January 3, 2026, by providing not less than 120 days' prior written notice to the Lessor. Partial termination shall be limited to whole floors or complete suites on partial floors. 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

1.07 DOCUMENTS INCORPORATED IN THE LEASE (SEP 2013)

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

DOCUMENT NAME	NO. OF PAGES	EXHIBIT
FLOOR PLANS	2	A
PARKING PLANS	3	A-1
SECURITY REQUIREMENTS	5	B
SECURITY UNIT PRICE LIST	2	C
GSA FORM 3517B, GENERAL CLAUSES	47	D
GSA FORM 3518, REPRESENTATIONS AND CERTIFICATIONS	13	E
SEISMIC FORM B	1	F

1.08 TENANT IMPROVEMENT ALLOWANCE (AUG 2011)

The Tenant Improvement Allowance (TIA) for purposes of this Lease is \$70.89 per ABOA SF of the office Space. No TIA is provided with respect to the storage Space. The TIA is the amount that the Lessor shall make available for the Government to be used for TIs. This amount shall be amortized in the rent over the remaining Firm Term of this Lease, by Lease Amendment upon space acceptance, at an annual interest rate of 8 percent.

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)	ACTUAL COSTS, NOT TO EXCEED 8%
LESSOR'S PROJECT MANAGEMENT FEE (% OF TI CONSTRUCTION COSTS)	3%

1.11 INTENTIONALLY DELETED

1.12 INTENTIONALLY DELETED

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 8.38 percent. The Percentage of Occupancy is derived by dividing the total Government Space of 13,678 RSF by the total Building space of 163,177 RSF.

1.14 INTENTIONALLY DELETED

1.15 OPERATING COST BASE (SEP 2013)

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 \$11.02 per RSF (\$150,734.03/annum).

1.16 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 \$3.72 per ABOA SF of Space vacated by the Government.

1.17 HOURLY OVERTIME HVAC RATES (AUG 2011)

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

- \$80.00 per hour per floor, with a 4-hour minimum charge per request. If multiple tenants on the same floor request service, the service charge shall be equitably divided among them and the rate charged to the Government shall be reduced accordingly.

1.18 INTENTIONALLY DELETED

1.19 BUILDING IMPROVEMENTS (SEP 2012)

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

- A. Relocate an exit sign on the 9th floor from above a work station to the exit access area;
- B. Install a fire alarm strobe in the 9th floor break room;
- C. Perform fire extinguisher inspection, maintenance and/or replacement so all fire extinguishers have current inspection tags prior to lease commencement.

1.20 INTENTIONALLY DELETED