

U.S. GOVERNMENT
LEASE FOR REAL PROPERTY

DATE OF LEASE: MAY 26 2011

LEASE No. GS-11B-02296

THIS LEASE, made and entered into this date by and between 830 First Street, LLC whose address is:

830 First Street, LLC
6922 Hollywood Boulevard
Suite 900
Los Angeles, CA 90028-6129

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 consideration hereinafter mentioned, covenant and agree as follows:

1. The Lessor hereby leases to the Government the following described premises:

A total of 247,337 BOMA rentable square feet (BRSF) equivalent to 216,558 ANSI/BOMA Office Area square feet (ABOA) of office and related space, consisting of the entire Lower Level and the entire First (1st) through Eleventh (11th) Floors, being the areas cross hatched on the floor plans attached as Exhibit A and made part hereof, as well as twenty-four (24) structured, reserved parking spaces in the building's parking garage in an area acceptable to the Government, in the building known as Union Center Plaza III and located at 830 First Street, NE, Washington, DC 20002-8019.

2. TO HAVE AND TO HOLD the said premises with their appurtenances for a fifteen (15) year firm term commencing in accordance with the terms of Solicitation for Offers No. 9DC2439 (SFO) on August 1, 2011 and ending on July 31, 2026.
3. In years one (1) through five (5) of the lease term, the Government shall pay the Lessor the annual rent of \$9,645,493.32 (\$39.00 per BRSF or \$44.54 per ABOA) at the rate of \$803,791.11 per month in arrears. In years six (6) through ten (10) of the lease term, the Government shall pay the Lessor the annual rent of \$10,141,411.14 (\$41.00 per BRSF or \$46.83 per ABOA) at the rate of \$845,117.60 per month in arrears. In years eleven (11) through fifteen (15) of the lease term, the Government shall pay the Lessor the annual rent of \$10,635,163.38 (\$43.00 per BRSF or \$49.11 per ABOA) at the rate of \$886,263.62 per month in arrears.

Rent for a lesser period shall be prorated. Rent checks shall be made payable to: 830 First Street LLC c/o CIM Urban REIT Properties VI, LLC, 6922 Hollywood Boulevard, Suite 900, Los Angeles, CA 90028-6129, or in accordance with the provision on electronic payment of funds. Notwithstanding the foregoing, the rent shall be fully abated for the first eight (8) months of the lease term, equivalent in value to \$6,430,328.88. In addition, a portion of the monthly rent shall be partially abated during the ninth (9th), tenth (10th) and eleventh (11th) months of the lease term, in monthly amounts of \$476,371.06, \$476,371.06 and \$476,371.07, for a total of \$1,429,113.19, as more fully set forth in Paragraph 6(S) below.

4. [Intentionally Deleted]
5. [Intentionally Deleted]
6. The Lessor shall furnish to the Government, as part of the rental consideration, the following:
 - A) All services, improvements, alterations, repairs, and utilities as defined by this lease.
 - B) The annual rent set forth in Paragraph 3 of this Standard Form 2 includes a \$20.00 per ABOA Tenant Improvement allowance amortized at 0.0% over the initial firm term, which amortization amount equals \$1.33 per ABOA (\$1.17 per BRSF) per year. The total amount of the Tenant Improvement allowance is \$4,331,160.00. The Government shall be entitled to utilize the Tenant Improvement allowance to pay for any improvements performed by the Lessor at the Government's expense. Should the Government require an additional Tenant Improvement allowance above the initial \$20.00 per ABOA, any additional funds (not to exceed \$25.00 per ABOA) shall be provided by the Lessor upon provision of reasonable notice and amortized at a rate of 9.5% over the balance of the firm lease term. It shall be understood that the initial and the

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, as a result of any unutilized Tenant Improvement allowance, provided all rights within the General Clauses remain.

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additional Tenant Improvement allowance shall not exceed \$45.00 per ABOA. Should the Government use less than the initial Tenant Improvement allowance, the Government's sole option shall be to convert the unused portion of the allowance, not to exceed \$10.00 per ABOA, to free rent until exhausted; provided, however that such conversion shall not be applied until after the application of the Commission Credit (described in Section 6(S) below) has been completed. The Government shall not have any right to decrease the rental rate over the term. Notwithstanding anything to the contrary set forth in the Lease, the Government's right to elect to convert any unused portion of the allowance to free rent, or to utilize any amounts in addition to the allowance, shall be in effect throughout the term of the Lease.

- C) In the event the Government vacates any portion of the leased premises, the rent for such space shall be adjusted downward by \$2.35 per ABOA following proper notice from the Government in accordance with Paragraph 4.4 of SFO No. 9DC2439.
- D) Pursuant to Paragraph 4.2 of the SFO, the Government's percentage of Occupancy is 100% for tax purposes, as calculated: 247,337 BRSF/ 247,337 BRSF. If any tax credit is due to the Government as a result of Lessor's appeal of the tax assessment during the lease term, the credit to the Government will be net of the Government's percentage of occupancy share of the Lessor's reasonable and actual out-of-pocket costs of the appeal.
- E) Pursuant to Paragraph 4.1(C) of the SFO, the "Common Area Factor" is calculated to be 1.1421, as calculated: 247,337 BRSF/ 216,558 ABOA.
- F) The base amount for annual operating costs adjustments is \$2,039,788.00, which shall be adjusted annually by the CPI in accordance with Paragraph 4.3 of SFO No. 9DC2439. The Real Estate Tax Base shall be the actual amount of Real Estate Taxes for Tax Year 2012 (i.e., October 1, 2011 - September 30, 2012).
- G) Notwithstanding anything in the SFO or the attachments thereto to the contrary, the rate for overtime HVAC services shall be \$60.00 per hour per floor for the initial floor. Additional floors are \$10.00 per hour per floor. Such rate shall be subject to increase from time to time to reflect the actual increases in utility rates upon prior written notice from Lessor. "Normal Hours" are from 7:00 a.m. to 6:00 p.m. except Saturdays, Sundays and federal holidays. On Saturdays, Sundays and federal holidays, a four (4) hour minimum will be required. Normal Hours shall not be extended seasonally or otherwise. The Government currently has specialized equipment in place that functions twenty-four (24) hours per day, such as Liebert units in the computer center and supplemental cooling for telephone closets, as more fully set forth in Paragraph 6(H) below. Lessor acknowledges that the electricity consumed by such equipment is currently provided without additional cost under Lease No. LDC00196, and Lessor will continue to provide the same at no extra cost under the new lease. If in the future, new equipment is added or the current equipment is upgraded or replaced with equipment that draws additional electricity, the Government and the Lessor shall negotiate and enter into a Supplemental Lease Agreement (SLA) that appropriately compensates the Lessor for the additional utility costs to operate the new or upgraded equipment.
- H) Notwithstanding anything to the contrary in the Solicitation (including, without limitation, Section 1.2(C) of the SFO), Lessor shall not be responsible for the maintenance, repair or replacement of any Government-owned equipment, except as specifically set forth below. Furthermore, the Government shall be responsible for making all repairs within the premises which are the direct result of, and result solely from, the gross negligence or willful misconduct of any Government employee, agent or invitee. Notwithstanding the foregoing, as part of the rental consideration, Lessor will be responsible for the utility usage and routine maintenance of special HVAC equipment installed in the Government space. This equipment is - two (2) twenty (20) ton Liebert HVAC units in the Ninth (9th) Floor server room, one (1) conference center air handling unit on the First (1st) Floor, and eleven (11) ceiling hung self-contained HVAC units in the telephone closets on the First (1st) through Eleventh (11th) Floors. During the term of the Lease, should the Government remove or replace any of such HVAC units, the Government will advise Lessor in advance and a mutually agreed upon SLA will memorialize such change and may include a rental adjustment to account for utility usage maintenance of the new units. Lessor shall not be responsible for extraordinary or major repairs or replacement of units. An extraordinary or major repair as used herein shall mean a repair costing more than \$5,000.00 or a series of repairs in a single calendar year or on an individual piece of equipment totaling more than \$7,000.00. Any cost above \$5,000.00 or \$7,000.00, as applicable, for such major repairs, or replacement of a unit, shall be at the Government's sole cost and expense above said thresholds.
- I) Pursuant to Paragraph 1.1(B) of the SFO, the twenty-four (24) structured, reserved parking spaces discussed in Paragraph 1 of this Standard Form 2 shall be at no additional charge to the Government. The Government shall lease, pursuant to a separate service agreement with the Tenant Agency, an additional 140 parking spaces (i.e., not less than all of the available spaces) in the building garage at an annual rate of \$324,720.00 plus annual escalations of 3% per year. If at any time the Tenant Agency provides notice to reduce their parking requirement, the Lessor shall be permitted to allow for public parking at the prevailing market rate.

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- J) The Tenant Improvement Allowance will include the following fees: (1) General Conditions fee shall not exceed [REDACTED] of the Construction Costs; (2) General Contractor's fee shall not exceed [REDACTED] of the Construction Costs; (3) Architectural and Engineering fees shall not exceed [REDACTED] per ABOA; and (4) Lessor's Project Management fees shall not exceed [REDACTED] of the Construction Costs.
- K) The parties acknowledge that the Government is currently in occupancy of the premises pursuant to a prior lease and the Government shall accept and continue to occupy the premises in their existing condition and Lessor shall have no obligation whatsoever to make any structural or other improvements in or to any part of the premises, the building parking garage or the building (including, without limitation, the current configuration of the building lobby and lobby HVAC system) in the preparation for the Government's occupancy under this Lease, except that Lessor shall not be relieved of any repair or maintenance set forth in the SFO or performance obligation (i.e., ASHRAE Standard 55-2004). Notwithstanding the foregoing, Lessor shall install window film in accordance with paragraph 10.31 of the SFO. The Energy Star Certificate and LEED scorecard have been submitted to the Government. Any LEED-CI SFO specifications shall not apply to the Building or Lease, except all work shall be consistent with LEED-CI practices.
- L) The Government shall have the right during the lease term to make alterations, attach fixtures, and erect structures or signs (collectively, "Alterations") in or upon the premises; provided, however, that the Government shall first obtain the prior written consent of Lessor (which consent shall not be unreasonably withheld, conditioned or delayed). Lessor shall have thirty (30) calendar days from its receipt of notice from the Government to approve or disapprove such Alterations. Any increased costs associated with the premises as a result of such Alterations shall be paid for by the Government.
- M) Since the Government currently occupies the entire building, Section 5.7 of the SFO is hereby deleted.
- N) Notwithstanding anything to the contrary in the Lease, the Government's right to affix security, communications equipment, and antennae or similar equipment to the roof, parapet or building envelope shall be subject to space availability, code compliance, governmental approvals, the preexisting rights of other tenants (if any), and Lessor's prior written approval, which shall not be unreasonably withheld, and shall not interfere with the Building's systems.
- O) Notwithstanding anything to the contrary in the Lease, the Government's right to terminate the Lease for a partial casualty, which is defined as being no more than one-third of the premises, shall not apply if the premises can be restored within 270 days of the date of such casualty.
- P) Notwithstanding anything to the contrary in the Lease, the Government's right to sublease or assign the Lease shall be subject to the Lessor's reasonable approval.
- Q) Notwithstanding anything to the contrary in the Lease (including, without limitation, Section 7 of Form 3517B), the Government agrees not to substitute, without the Lessor's prior written consent, any agency which intends to use the premises for any non-office use such as jails, prisons, or prisoner detainee processing operations. The Government shall pay any increase in costs associated with the substitution of a Government agency or agencies, if applicable.
- R) The Lessor, at its sole cost, shall complete all of the correction items on Rider Number One prior to the commencement date of the lease term.
- S) In accordance with Form L-101-A Paragraph VI. Broker Commission and Commission Credit, CB Richard Ellis, Inc. ("Broker") is the authorized real estate broker representing GSA in connection with this lease transaction. The Lessor and Broker have agreed to a cooperating lease commission of [REDACTED] of the firm term value of this lease for the first ten (10) years and [REDACTED] of the firm term value of this lease for years eleven (11) through fifteen (15) ("Commission"). 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. Due to the Commission Credit described in Paragraph VI.B, only [REDACTED] of the Commission, will be payable to CB Richard Ellis, Inc. The remaining [REDACTED] which is the "Commission Credit", shall 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 (1st) month of the rental payments and continue until the credit has been fully recaptured in equal monthly installments over the shortest time period practicable.

Notwithstanding Paragraph 3 of this Lease, 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 (1st) month of the rental payments, which shall be the ninth (9th) month of the lease term after the rental abatement outlined in Paragraph 3 has been exhausted, and shall continue as indicated in this schedule for

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adjusted Monthly Rent:

First (1st) Month's Rental Payment \$803,791.11 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted First (1st) Month's Rent;

Second (2nd) Month's Rental Payment \$803,791.11 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted Second (2nd) Month's Rent;

Third (3rd) Month's Rental Payment \$803,791.11 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted Third (3rd) Month's Rent.

7. The following are attached and made a part hereof:

- A) Exhibit A - Floor plans of leased area, 12 pages;
- B) Solicitation for Offers #9DC2439, 57 pages;
- C) Pre-Lease Security Plan, 14 pages;
- D) Fire Protection & Life Safety Evaluation, 14 pages;
- E) GSA Form 1217, Lessor's Cost Statement, 2 pages;
- F) GSA Form 3517B, General Clauses, 33 pages;
- G) GSA Form 3518, Representations And Certifications, 7 pages;
- H) GSA Form 1364, Proposal to Lease Space, 2 pages;
- I) Certificate of Seismic Compliance, 5 pages;
- J) Rider Number One, Fire Protection & Life Safety, 1 page

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

Paragraphs 4 and 5 of this SF2 have been deleted in their entirety.

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

830 First Street, LLC,
a District of Columbia limited liability company

By [Signature]
(Signature)

Avraham Shemesh, Treasurer
(Printed Name and Title)

Date: April 18, 2011 6922 Hollywood Blvd., Ste. 900, Los Angeles, CA 90028

IN PRESENCE OF:

[Signature]
(Signature)

UNITED STATES OF AMERICA

GENERAL SERVICES ADMINISTRATION

BY [Signature]
Kevin M. Terry

Contracting Officer
(Official title)

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