

US GOVERNMENT LEASE FOR REAL PROPERTY

DATE OF LEASE

LEASE NO.

GS-08P-14444

THIS LEASE, made and entered into this date by and between LBA REALTY FUND III – COMPANY III, LLC

Whose address is 17901 VON KARMAN AVE # 950
IRVINE, CA 92614-6333

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:

A total of 2,582 rentable square feet (RSF) of office and related space, which yields 2,159 ANSI/BOMA Office Area square feet (USF) of space, consisting of a portion of the eighteenth (18th) floor and as shown on the attached Floor Plan, also known as 1855 North Tower, at Denver Place, 999 18th Street, Denver, CO 80202-1838 to be used for such purposes as determined by the Government.

2. TO HAVE AND TO HOLD the said premises with their appurtenances for the term beginning on December 1, 2010 and continuing through November 30, 2020, subject to termination and renewal rights as may be hereinafter set forth.

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

LESSOR

LBA REALTY FUND III-COMPANY III, LLC,
a Delaware limited liability company

By: LBA Realty Fund III, L.P.,
a Delaware limited partnership,
its sole Member and Manager

By: LBA Management Company III, LLC,
a Delaware limited liability company,
its General Partner

By: LBA Realty LLC,
a Delaware limited liability company,
its Manager

By: LBA Inc.,
a California corporation,
its Managing Member:

By: 
Name: Scott Perry
Title: Vice President, Leasing

IN PRESENCE OF


(Signature)

(Address)

UNITED STATES OF AMERICA

BY


(Signature)

Contracting Officer, General Services Administration
(Official Title)

3. The Government shall pay the Lessor annual rent of \$65,844.45 (approx. \$25.50/RSF) at the rate of \$5,487.46 per month in arrears for years 1 – 5, and \$ 72,296.00 (approx. \$28.00/RSF) at the rate of \$6,024.67 per month arrears for years 6 – 10.

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

LBA REALTY FUND III – COMPANY III
17901 VON KARMAN AVE # 950
IRVINE, CA 92614-6333

4. The Government may terminate this lease in whole or in part at any time on or after December 1, 2015 by giving at least 120 days' notice in writing to the Lessor and 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. The Lessor shall furnish to the Government, as part to the rental consideration, the following:

A. Those facilities, services, supplies, utilities, and maintenance in accordance with SFO 9CO2391 dated June 1, 2010.

B. Build out in accordance with standards set forth in SFO 9CO2391 dated June 1, 2010, and the Government's design intent drawings. Government space plans shall be developed subsequent to award. All tenant alterations to be completed shall be completed in accordance with the Construction Schedule. Lease term to be effective upon acceptance by the Government of the substantially completed space, if different from the date identified in Paragraph 2. The Lessor hereby waives restoration.

C. Deviations to the approved design intent drawings will not be permitted unless prior written authorization is obtained from the GSA Contracting Officer.

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

A. Solicitation for Offers 9CO2391 dated June 6, 2010.

B. GSA Form 3517 entitled GENERAL CLAUSES (Rev. [11/05])

C. GSA Form 3518 entitled REPRESENTATIONS AND CERTIFICATIONS (Rev. [1/07])

D. Floor Plan

7. In accordance with the SFO paragraph entitled *Tenant Improvement Rental Adjustment*, Tenant Improvements in the total amount of \$64,550.00 shall be amortized through the rent for 5 years at the rate of 5.0%. The total annual cost of Tenant Improvements for the amortization period shall be \$14,617.66.

8. In accordance with the SFO paragraph entitled *Percentage of Occupancy*, the percentage of Government occupancy is established as 0.29%.

9. In accordance with the SFO paragraph entitled *Operating Costs Base*, the escalation base is established as \$14,423.99 per annum (approx. \$5.59/RSF).

10. In accordance with the SFO paragraph entitled *Common Area Factor*, the common area factor is established as 1.1959 (2,582 RSF/2,159 USF).

11. In accordance with the SFO paragraph entitled *Adjustment for Vacant Premises*, the adjustment is established as \$1.00/USF for vacant space (rental reduction) only if the leased premises is vacated in its entirety.

12. In accordance with the SFO Paragraph entitled *Overtime Usage*, the rate for overtime usage is established as \$135.00 per hour for the leased premises.

LESSOR LBA Realty Fund III – Company III, LLC

UNITED STATES OF AMERICA

BY

(Initial)

BY

(Initial)