

LEASE NO. GS-09P-LCA03178

Simplified Lease
GSA FORM L201A (September 2013)

INSTRUCTIONS TO OFFERORS: Fill in this form with the required information where appropriate, initial each page, sign on this page (type in name and title), and have a witness to your signature sign also. Upon selection for award, GSA will countersign the Lease document.

This Lease is made and entered into between

Lessor's Full Legal Name (exactly as registered in the System for Award Management (SAM))

PCPI Shoreline Square, LLC

(Lessor), whose principal place of business address is 10188 Telesis Court, Suite 222 - San Diego, CA 92121 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 301 E. Ocean Blvd., Long Beach, CA 90802-4868 - Suite 2050 and more fully described in Section 1, Section 2 and Exhibit A through F, 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 term beginning upon acceptance of the Premises as required by this Lease and continuing for a period of

10 Years, 5 Years Firm,

subject to termination and renewal rights as may be hereinafter set forth. The commencement date of this Lease, August 17, 2014, along with any applicable termination and renewal rights, shall be more specifically be 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:

[Redacted Signature]

Name: [Redacted]
Title: CEO of Parallel Capital Partners, INC,
Agent for Lessor
Entity Name: PCPI Shoreline Square, LLC

Date: 5/29/2014

FOR THE GOVERNMENT:

[Redacted Signature]

Name: Veronica Gonzalez
Title: Lease Contracting Officer
General Services Administration, Public Buildings Service

Date: 7/21/2014

WITNESSED FOR THE LESSOR BY:

[Redacted Signature]

Name: MICHAEL BUREL
Title: CEO of Parallel Capital Partners, INC,
Agent for Lessor
Date: 5/29/2014

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 (SIMPLIFIED) (SEP 2013)

The Premises are as described under Exhibit A, Simplified Lease Proposal, GSA Form 1364A.

1.02 EXPRESS APPURTENANT RIGHTS (SIMPLIFIED) (JUN 2012)

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 parking as described under Block 16 of Exhibit A, Simplified Lease Proposal, GSA Form 1364A. 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.

1.03 RENTAL CONSIDERATION FOR SIMPLIFIED LEASES (SEP 2013)

In consideration for the Lease, the grant of all associated rights, express or implied, and the performance or satisfaction of all of the Lessor's other obligations set forth herein, the Government shall pay the Lessor annual rent to be computed using the rental rate(s) specified on Exhibit A, GSA Form 1364A and the actual ANSI BOMA Office Area (ABOA) delivered for occupancy and use by the Government, not to exceed the amount of ABOA square footage stated in the Lease. Payment shall be made monthly in arrears. Rent for a lesser period shall be prorated. Rent shall be paid by Electronic Funds Transfer to an account to be designated by Lessor. Rent shall be inclusive of all costs incurred by the Lessor for the construction of Building shell and Tenant Improvements (TIs) specified in the Lease, including those described on Exhibit A, GSA Form 1364A and the Agency Specific Requirements (ASR) attached hereto, all taxes of any kind, and all operating costs. Unless a separate rate is specified on Exhibit A, GSA Form 1364A, rights to parking areas will be deemed included in the rent.

The Government shall pay the Lessor annual rent, payable in monthly installments, in arrears, at the following rates, which are derived from the 1364A and the 1364A-1:

Effective 08/17/2014 through 08/16/2019 (Firm Term)

| | |
|-------------------|----------------------|
| Shell Rent* | \$ 126,670.00 |
| Operating Costs* | \$ 59,042.00 |
| Parking*** | \$ 14,040.00 |
| Total Rent | \$ 199,752.00 |

Effective 08/17/2019 through 08/16/2024 (Non-Firm Term)

| | |
|-------------------|----------------------|
| Shell Rent** | \$ 151,352.10 |
| Operating Costs** | \$ 63,933.90 |
| Parking*** | \$ 14,040.00 |
| Total Rent | \$ 229,326.00 |

Shell Rent Calculation:

(Firm Term) \$23.90 per RSF multiplied by 5,300 RSF
 (Non-Firm Term) \$28.557 per RSF multiplied by 5,300 RSF

Operating Costs Calculation:

(Firm Term) \$11.14 per RSF multiplied by 5,300
 (Non-Firm Term) \$12.063 per RSF multiplied by 5,300

Free Rent* Tenant shall receive four (4) months of free rent (Including Shell Rent and Operating Rent) to be taken January 1, 2015 through April 30, 2015

Total of Free Rent (Firm Term) \$61,904.00

Free Rent** Tenant shall receive four (4) months of free rent (Including Shell Rent and Operating Rent) to be taken January 1, 2021 through April 30, 2021

Total of Free Rent (Non-Firm Term) \$ 71,762.00

Parking*** \$90 per space x 13 spaces \$ 1,170.00 Monthly
 \$ 14,040.00 Annual

ADDITIONAL TERMS AND CONDITIONS WITH RESPECT TO THIS OFFER:

Tenant Improvements: Landlord shall provide tenant improvements at Landlord's sole cost and expense at a cost not to exceed ~~Twenty five~~ ^{thirty} dollars (\$35.00) per rentable square foot (\$185,500.00 in total). Such improvements must be completed within the first twelve (12) months of the lease term. Said improvements will be limited to: new carpet or carpet tiles throughout in Tenants color and product selection, repaint all painted surfaces in tenant's color choice, moving of furniture as necessary, and construction necessary to turn the western most cubicle section into an interior office, per the tenant's recent request. Landlord's approved contractors shall complete the improvements and will coordinate all work with the on-site personnel as to not disrupt business operations. Any tenant improvement work not completed within the first twelve (12) months of Lease term will expire, and in no event shall any rent credit be given to GSA in lieu of tenant improvements.

Firm Term will be 60 months. None Firm Term will be an additional 60 months.

Tenant shall receive ^{eight} ~~four~~ (8) months of Free Rent (including both Shell and Op Ex) to be taken in months January, February, March and April of 2015 and January, February, March and April of 2021

1.04 INTENTIONALLY DELETED

1.05 TERMINATION RIGHTS (SIMPLIFIED) (JUN 2012)

The Government may terminate this Lease, in whole or in part, after the Firm Term of this Lease 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 INTENTIONALLY DELETED

1.07 DOCUMENTS INCORPORATED IN THE LEASE (SIMPLIFIED) (SEP 2013)

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

| DOCUMENT NAME | NO. OF PAGES | EXHIBIT |
|--|--------------|---------|
| Simplified Lease Proposal (GSA Form 1364A & 1364A-1) | 8 | A |
| Agency Specific Requirements, Dated 09/27/2012 | 44 | B |
| Representations and Certifications (GSA Form 3518) | 10 | C |
| Seismic Form B | 4 | D |
| Floor Plan Delineating the Premises | 1 | E |
| Security Standards - Level 3 | 12 | F |

1.08 PERCENTAGE OF OCCUPANCY

As of the Lease Award Date, the Government's Percentage of Occupancy, is 1.38154% percent, (5,300 RSF / 383,630 RSF)

1.09 OPERATING COSTS

The parties agree, that the Lessor's base rate for operating costs shall be \$11.14 per RSF (\$59,042.00/annum).

1.10 INTENTIONALLY DELETED

1.11 HUBZONE SMALL BUSINESS CONCERNS ADDITIONAL PERFORMANCE REQUIREMENTS (SIMPLIFIED) (MAR 2012)

If the Lessor is a qualified HUBZone small business concern (SBC) that did not waive the price evaluation preference then as required by 13 C.F.R. 126.700, the HUBZone SBC must spend at least 50% of the cost of the contract incurred for personnel on its own employees or employees of other qualified HUBZone SBC's and must meet the performance of the work requirements for subcontracting in 13 C.F.R. § 125.6(c). If the Lessor is a HUBZone joint venture, the aggregate of the qualified HUBZone SBC's to the joint venture, not each concern separately, must perform the applicable percentage of work required by this clause.

If the Lessor is a HUBZone small business concern (SBC) that did not waive the price evaluation preference, the Lessor shall provide a certification within 10 days after Lease award to the LCO (or representative designated by the LCO) that the Lessor was an eligible HUBZone SBC on the date of award. If it is determined within 20 days after award that a HUBZone SBC Offeror that has been awarded the Lease was not an eligible HUBZone SBC at the time of award, and the HUBZone SBC Lessor failed to provide the LCO with information regarding a change to its HUBZone eligibility prior to award, then the Lease shall be subject, at the LCO's discretion, to termination, and the Government will be relieved of all obligations to the Lessor in such an event and not be liable to the Lessor for any costs, claims, or damages of any nature whatsoever.