

US GOVERNMENT LEASE FOR REAL PROPERTY

DATE OF LEASE

LEASE NO.

BLDG NO.

GS-05B-18101

THIS LEASE, made and entered into this date by and between **REDHILL SKYLINE PARTNERS, LLC**

Whose address is 9595 WILSHIRE BLVD.
BEVERLY HILLS, CA 90212-2512

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 29,817 rentable square feet (RSF) of office and detention space, which yields 28,521 ANSI/BOMA Office Area square feet (USF) of space located 9875 Redhill Drive, Entire Facility, Blue Ash, OH 45242-5626 to be used for such purposes as determined by the General Services Administration. Included in the rent at no additional cost to the Government are nineteen (19) on-site, indoor, secured parking spaces and nine (9) on-site, secured, surface parking spaces for exclusive use of Government employees and patrons.

2. TO HAVE AND TO HOLD the said premises with their appurtenances for the term estimated to begin on July 01, 2012 and continuing through June 30, 2027, subject to termination and renewal rights as may be hereinafter set forth, subject to beneficial occupancy. The lease term is fifteen (15) years, ten (10) years firm, with effective termination to be determined following the completion of tenant improvements and the Government's acceptance of space for beneficial occupancy. Beneficial occupancy shall be memorialized by a separate Supplemental Lease Agreement between the Lessor and the Government, per Section 5.11(I), Lease Commencement enumerated in SFO No. LOH18101, attached to this lease.

3. The Government shall pay the Lessor annual rent as follows:

| <i>(costs are per rentable square foot)</i> | Shell Rent | Operating Costs | Taxes | Amortized TIs | Amortized BLDG SPFC Security | Annual Rent | Monthly Rent | Rate/RSF |
|---|--------------|-----------------|-------------|---------------|------------------------------|----------------|--------------|----------|
| Years 1-5 | \$596,360.87 | \$237,045.15 | \$20,253.93 | \$186,351.09 | \$80,890.60 | \$1,120,901.64 | \$93,408.47 | \$37.59 |
| Year 6-10 | \$627,072.38 | \$237,045.15 | \$20,253.93 | \$186,351.09 | \$80,890.60 | \$1,151,613.15 | \$95,967.76 | \$38.62 |
| Years 11-15 | \$659,572.91 | \$237,045.15 | \$20,253.93 | N/A | N/A | \$916,871.99 | \$76,406.00 | \$30.75 |

Rent for a lesser period shall be prorated. Operating Costs are subject to CPI adjustments and Taxes are subject to actual adjustments per assessment. Rent checks shall be made payable to: **Redhill Skyline Partners, LLC, 9595 Wilshire Blvd., Beverly Hills, CA 90212-2512.**

4. The Government may terminate this lease in whole or in part at any time on or after the tenth (10th) year of the lease, 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.

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

LEASOR
[Redacted Signature]

Peter Tan

(Title)

IN PRESENCE OF
[Redacted Signature]

9595 Wilshire Blvd, Beverly Hills CA

(Address)

UNITED STATES OF AMERICA
BY [Redacted Signature]

MS. JOANNE LADWIG
Contracting Officer, General Services Administration
(Official Title)

5. Paragraph 5 intentionally omitted.

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6. 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 LOH18101 dated June 17, 2010.
- B. Build out in accordance with standards set forth in SFO LOH18101, dated June 17, 2010. All tenant alterations to be completed by the lease effective date identified under Paragraph 2 above. Lease term to be effective on actual date of beneficial occupancy, if different from the date identified in Paragraph 2 above.

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

- A. Solicitation for Offers LOH18101, dated June 17, 2010 (56 pages)
- B. [REDACTED] Facilities Standards, dated February 1, 2009 (17 pages)
- C. GSA Form 3517B entitled GENERAL CLAUSES (Rev. [06/08]) (33 pages)
- D. GSA Form 3518 entitled REPRESENTATIONS AND CERTIFICATIONS (Rev. [6/07]) (8 pages)
- E. Exhibit A: Site Plan and Floor Plan (2 pages)

8. In accordance with SFO Paragraph 3.2 entitled *Tenant Improvement Included in Offer*, the Lessor agrees to provide \$1,308,258.27 toward the cost of the Tenant Improvements. The tenant build out cost of \$1,308,258.27 (based on \$45.87 per ANSI/BOMA Office Area square foot) will be amortized at a rate of 7.50% over the firm term of ten (10) years. Upon request and prior to issuance of a Notice to Proceed, Lessor will provide GSA with a complete cost estimate of all tenant improvements. Once approved by GSA a Notice to Proceed will be issued by GSA to the Lessor. Upon completion of tenant improvements and acceptance of space by the Government, a Supplemental Lease Agreement will be issued to determine the rental rate, including any adjustments to tenant improvement costs as well as occupancy date.

9. In accordance with the SFO Paragraph 4.1(C) entitled *Common Area Factor*, the common area factor is established as 1.045.

10. In accordance with the SFO Paragraph 4.2 entitled *Tax Adjustment*, the real estate property tax base is established at \$20,253.93 per annum for 29,817 square feet of rentable office and related space. The Tax Parcel ID Number is 612-0120-0078-00.

11. In accordance with the SFO Paragraph 4.2(B)(9) entitled *Percentage of Occupancy*, the percentage of Government occupancy is established as 100%.

12. In accordance with the SFO Paragraph 4.3 entitled *Operating Costs Base*, the cost of services base is \$237,045.15 per annum for 29,817 square feet of rentable office and related space.

13. In accordance with the SFO Paragraph 4.4 entitled *Adjustment For Vacant Premises*, the rate for Adjustment for Vacant Premises is established as \$2.50 per usable square foot.

14. In accordance with the SFO Paragraph 4.6 entitled *Overtime Usage*, a rate established as \$10.00 per hour per zone. Additionally, overtime usage for areas requiring 24 hour HVAC shall be provided to the Government at a rate established as \$68.00 per day. Overtime usage must be requested orally or in writing by an authorized Government representative.

15. This paragraph is intentionally omitted.

16. Lessor shall provide janitorial service within Tenant's space Monday thru Friday, between the operating hours of 7:00 AM and 5:00 PM

17. The Lessor is a Limited Liability Company a Small Business. The Tax Identification No. is [REDACTED]. The Lessor's DUNS Number is 967 777 611. The Lessor will register and become active in the Central Contractor Registration (CCR) database immediately. Activation in CCR will be enumerated in a Supplemental Lease Agreement.

LESSOR

UNITED STATES OF AMERICA

BY _____

(Initial)

BY _____

(Initial)

18. NOVATION AND CHANGE OF NAME

- A. In the event of a transfer of ownership of the lease premises, an assignment of lease or a change in the Lessor's legal name, the Lessor must comply with the requirements of Subpart 42.12 of the Federal Acquisition Regulations (FAR).
- B. The Government and the Lessor may execute a Change of Name Agreement where only a change of the Lessor's name is involved and the Government's and the Lessor's rights and obligations remain unaffected. A sample form is found at FAR 42.1205
- C. The Government, the Lessor and the successor in interest may execute a Novation Agreement when the Lessor's rights or obligations under the lease are legally transferred.
- D. In addition to all documents required by Far 42.1204, the Contracting Officer may request additional information (i.e., copy of the deed, bill of sale, certificate of merger, contract, court decree, articles of incorporation, operation agreement, partnership certificate of good standing, etc.) from the transferor or transferee to validate the proposed changes.
- E. The transferee must submit a new GSA Form 3518, Representations and Certifications.
- F. Any separate agreement between the transferor and transferee regarding the assumption of liabilities shall be referenced specifically in the Novation Agreement.
- G. When it is in the best interest of the Government not to concur in the transfer of a contract from one entity to another, the original contractor remains under contractual obligation to the Government. The applicability of novation agreements is detailed at FAR 42.1204.
- H. When executed on behalf of the Government, a Novation Agreement will be made part of the lease via Supplemental Lease Agreement.
- I. In the event of a change in ownership, rent will continue to be paid to the prior Lessor until the Supplemental Lease Agreement is executed by the Government. New Lessors must comply with all provisions of this Lease, including but not limited to, Central Contractor Registration and the provision of all information required by the Contracting Officer.
- J. Notwithstanding anything to the contrary in this Lease, the Government has no obligation to recognize a change of ownership or interest until (1) the payment of rent has commenced; and (2) any amounts due and owing to the Government hereunder have been paid in full or completely set off against this Lease.

19. The Contracting Officer represents the General Services Administration as an agent with authority to enter into the Lease on behalf of the Government and execute this document in his/her official capacity only and not as an individual.

20. The Government assumes no responsibility for any conclusions or interpretations made by the Lessor based on information made available by the Government and/or its contractors. Nor does the Government assume any responsibility for any understanding reached or representation made concerning conditions which can affect the work by any of its officers or agents before execution of this contract unless that understanding or representation is expressly stated in the Lease.

21. All questions pertaining to this Lease shall be referred in writing to the General Services Administration Contracting Officer or their designee. The Government occupant **is not** authorized to administer this lease, and GSA assumes no responsibility for any cost incurred by the Lessor except as provided by the terms of this Lease or authorized in writing by Contracting Officer or their designee. The Lessor will not be reimbursed for any services not provided for in this lease, including but not limited to: repairs, alterations and overtime services. Additionally, rent will not be paid for occupancy in whole or in part except for the term specified herein.

LESSOR

UNITED STATES OF AMERICA

BY _____


(Initial)

BY _____


(Initial)

22. The Lessor and Broker have agreed to a cooperating lease commission of [REDACTED] of the Aggregate Lease Value for the initial firm term of the lease of ten (10) years, or [REDACTED]. In accordance with the "Broker Commission and Commission Credit" paragraph, the Broker has agreed to forego [REDACTED] of the commission that it is entitled to receive in connection with this lease transaction ("Commission Credit"). The Commission Credit is [REDACTED]. The Lessor agrees to pay the Commission less the Commission Credit, or [REDACTED] to the Broker in accordance with the "Broker Commission and Commission Credit" paragraph in the SFO attached to and forming a part of this Lease.

Notwithstanding Paragraph 3 of this Standard Form 2, 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 month of the full rental payments and will continue until the commission credit has been accounted for.

The monthly rent adjusted for the commission credit is as follows:

| Rent Period | Scheduled Monthly Rent | Scheduled Monthly Shell Rent | Commission Credit Owed | Commission Credit Remaining | Adjusted Monthly Rent Payment |
|-------------|------------------------|------------------------------|------------------------|-----------------------------|-------------------------------|
| Month 1 | \$93,408.47 | \$49,696.7392 | [REDACTED] | [REDACTED] | [REDACTED] |
| Month 2 | \$93,408.47 | \$49,696.7392 | [REDACTED] | [REDACTED] | [REDACTED] |
| Month 3 | \$93,408.47 | \$49,696.7392 | [REDACTED] | [REDACTED] | [REDACTED] |
| Month 4 | \$93,408.47 | \$49,696.7392 | [REDACTED] | [REDACTED] | [REDACTED] |
| Month 5-60 | \$93,408.47 | \$49,696.7392 | [REDACTED] | [REDACTED] | [REDACTED] |

23. Any notices required or permitted under this Lease shall be delivered in person or by first class mail as follows:

To Government: U.S. General Services Administration
 Attn: Joanne Ladwig
 Leasing Contracting Officer
 230 South Dearborn Street, Suite 3300
 Chicago, IL 60604

To Lessor: Redhill Skyline Partners, LLC
 Attn: Steve Doctor
 9595 WILSHIRE BLVD.
 BEVERLY HILLS, CA 90212

or at such other address as either party designates in writing to the other.

24. The Lessor hereby waives restoration.

LESSOR

UNITED STATES OF AMERICA

BY



(Initial)

BY



(Initial)