STANDARD FORM 2 FEBRUARY 1965 EDITION GENERAL SERVICES ADMINISTRATION FPR (41CFR) 1D16.601	**U.S. GOVERNMENT LEASE FOR REAL PROPERTY**
DATE OF LEASE: AUG 3 0 2011	LEASE No. GS-09B-02855

THIS LEASE, made and entered into this date between **Green and Schmitt Partnership**

whose address is: 1569 Pebblebrook Court
Walnut Creek, CA 94596

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:
8,000 rentable square feet (r.s.f.), yielding approximately 8,000 ANSI/BOMA Office Area square feet and related space located in the building located at 4703 Tidewater Avenue, Suites I-L, Oakland California 94601 as depicted on the attached Exhibit A ("Site Plan") and Exhibit B ("Floor Plan") together with 5 reserved parking spaces as depicted on the attached Exhibit A ("Site Plan"), to be used for SUCH PURPOSES AS DETERMINED BY THE GENERAL SERVICES ADMINISTRATION.

2. TO HAVE AND TO HOLD the Premises with their appurtenances for the term beginning on August 1, 2011 until July 31, 2021. This lease automatically supercedes lease number GS-09B-99014 which will be terminated effective July 31, 2011 by an SLA under that lease number.

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

Years	Shell Rate (r.s.f. per year)	Annual Base Year Service Cost (r.s.f. per year)	Annual Total Rent (r.s.f. per year)	Total Monthly Rent	Total Annual Rent
1 – 5	$17.23	$3.83	$21.06	$14,040.00	$ 168,480.00
6 - 10	$20.65	$4.57	$25.22	$16,813.33	$ 201,760.00

The maximum amortized Tenant Improvement Allowance is established at $50,000.00 ($6.25 per ANSI/BOMA Office Area square foot) and is available to the Government provided all work is complete within eighteen (18) months of Lease award. This component of the rent shall not activate until construction is complete and required improvements are delivered/accepted by the Government. Once the space is accepted, the Rent stated above will be adjusted to include the amortized tenant improvement component by Supplemental Lease Agreement.

The Government shall pay rent monthly, in arrears. Rent for a lesser period will be prorated.

Rent checks shall be payable to:

Green and Schmitt Partnership
1569 Pebblebrook Court
Walnut Creek, CA 94596

4. PARAGRAPH 4 IS INTENTIONALLY OMITTED.

5. PARAGRAPH 5 IS INTENTIONALLY OMITTED.

6. The Lessor shall furnish to the Government as part of the rental consideration, the following:

A. The parking space(s) described in Paragraph 1 and parking spaces required by local code.

B. All labor, materials, equipment, design, professional fees, permit fees, inspection fees, utilities, construction drawings (including, without limitation, plans and specifications), construction costs and services and all other similar costs and expenses associated with making the space, common areas, and related facilities ready for occupancy in accordance with the requirements of this lease and the Government's final construction drawings. Rent is subject to adjustment in accordance with Paragraph 3.3, "Tenant Improvement Rental Adjustment" of the SFO. All cost associated with services, utilities, maintenance, repair, replacement, inspections, improvements and other requirements as required by the Solicitation For Offers No. 9CA2718 and its attachments.

C. Adequate space for telecommunications antennae and transmission devices in accordance with Paragraph 8.14 entitled, "Telecommunications: Local Exchange Access," of the Solicitation for Offers.

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

All terms, conditions, and obligations of the Lessor and the Government as set forth in the following:

a) Sheets numbers 1 – 3 containing paragraphs 9- 20, 2 pages;
b) Amendment 1 to Solicitation for Offers Number 9CA2718, 1 page;
c) Solicitation for Offers Number 9CA2718 dated 5/10/11, 51 pages;
d) GSA Form 3517B entitled GENERAL CLAUSES (Rev. 11/05), 33 pages;
e) GSA Form 3518 entitled REPRESENTATIONS AND CERTIFICATIONS (Rev. 1/07), 7 pages;
f) Exhibit A - "Site Plan" indicating Premises, 1 page;
g) Exhibit B – "Floor Plan", 2 pages;

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

Paragraphs 4 and 5 of this STANDARD FORM 2 were deleted in their entirety. Paragraphs 9 through 20 have been added.

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

LESSOR:
Green and Schmitt Partnership

BY William W Schmitt 8/23/11
(Signature) (Signature)

IN PRESENCE OF:
(Signature) [redacted] (Address)

UNITED STATES OF AMERICA: **GENERAL SERVICES ADMINISTRATION, Public Buildings Service:**

BY
LEASE CONTRACTING OFFICER, GSA

9. The Lessor shall have 120 calendar days from the receipt of the Government's Notice to Proceed to complete the build-out of the ~~entire space~~ Tenant Improvements. If scope of work indicates that a longer period of time is required, the build-out period will be extended by mutual consent. All items specified in Lease Agreement and as delineated on the plans and approved working drawings shall be provided by the Lessor.

10. **TAX ADJUSTMENT:** Government occupies 8,000/19,300 rentable square feet (41.45%).

11. **ADJUSTMENT FOR VACANT PREMISES**: Pursuant to Paragraph 4.3, "Adjustment for Vacant Premises", in the event of the Government vacating in whole or in part prior to lease expiration, the rental will be reduced by an agreed upon amount per rentable square foot per annum for operating expenses.

12. **OVERTIME USAGE**: Pursuant to Paragraph 4.5, "Overtime Usage", upon request by the GSA Field Office Manager, the Lessor shall provide heating, ventilation, and air-conditioning (HVAC) at any time beyond normal service hours (7:00 a.m. – 6:00 p.m., Monday through Friday, and except Federal Holidays ("Normal Hours")), at a rate of $0.00 per hour. The Lessor will not charge the Government if Lessor otherwise provides these services to other building tenants during the Government's overtime hours. The Lessor must submit a proper invoice quarterly to GSA Building Manager or designee located at 1301 Clay Street Oakland, CA 94612-5217.

13. **24 HOUR ROOMS**: The Overtime Usage rate specified above shall not apply to the communications room which is required to have heating and cooling 24 hours per day. The charges for heating and cooling of this area (which shall not exceed 250 rsf) shall be provided at the rate of $0.00 per rsf / month after "Normal Hours".

14. **TENANT IMPROVEMENT ALLOWANCE**: The Tenant Improvement Allowance of $50,000 was established in SFO paragraph 3.2. The tenant improvement allowance shall be amortized over five (5) years at an interest rate (amortization rate) of 8.0 % per year. Rent shall be adjusted by Supplemental Lease Agreement once the tenant improvements are accepted by the Government in accordance with SFO Paragraph 3.3.

15. **BUDGET AND PRICE PROPOSALS:**

    A. Lessor shall provide to the Government the final total costs of the completed Tenant Improvements in CSI format 15 working days prior to "Substantial Completion". The space will not be considered acceptable for inspection until the Government receives the final tenant improvement costs. Failure to submit these budget and price proposals referenced above will constitute Lessor delay. In the event that either the budget proposal or price proposal exceeds the Tenant Improvement Allowance specified in the Lease, then the construction schedule shall be revised to afford the Government sufficient time to review and resolve the difference.

16. **ACCEPTANCE OF TENANT IMPROVEMENTS:**

    A. Any items that have been identified at the acceptance of the space as punchlist items to be completed or corrected and which do not affect beneficial occupancy shall be completed by the Lessor within 30 calendar days of acceptance.

    B. Neither the Government's acceptance of the Premises for occupancy or acceptance of related appurtenances, nor the Government's occupancy of the Premises, shall be construed as a waiver of any requirement or right of the Government under this lease, or as otherwise prejudicing the Government with respect to any such requirement or right, or as an acceptance of any latent defect or condition.

    C. In the event that the scope of Tenant Improvements (based on quantifiable documentation) increases the utility costs of the Premises, this increase in operating costs will be acknowledged and documented in a future SLA subject to Government review and acceptance.

17. **UNAUTHORIZED IMPROVEMENTS:** All questions pertaining to this lease agreement shall be referred in writing to the General Services Administration Contracting Officer. This contract is between GSA and the Lessor. GSA assumes no financial responsibility for any cost incurred by the Lessor except as provided by the terms of the lease agreement or authorized in writing by the GSA Contracting Officer. **If Lessor delivers space with improvements not authorized or requested in writing by the GSA Contracting Officer, then Lessor shall not be entitled to compensation.**

18. Wherever the words "Offeror", "Lessor" or "successful offeror" appear in this Lease, they shall be deemed to mean "Lessor"; wherever the words "solicitation", "Solicitation for Offers", or "SFO" appear in this Lease, they shall be deemed to mean "this Lease"; wherever the words "space offered for lease" appear in this Lease, they shall be deemed to mean "Premises".

19. **WAIVER OF RESTORATION:** The Lessor hereby waives, releases and discharges, and forever relinquishes any right to make a claim against the Government for waste, damages, or restoration arising from or related to (a) the Government's normal and customary use of

Initials: _____ & _____
Lessor Government

the leased premises during the term of the lease (including any extensions thereof), as well as (b) any initial or subsequent alteration to the leased premises, including cabling, or removal thereof, during the term of this lease (including any extensions thereof), where such alterations or removals are performed by the Lessor or by the Government with the Lessor's consent, which shall not be unreasonably withheld. The Government may, at its sole option, abandon property in the leased space following expiration of the Lease, in which case the property will become the property of the Lessor and the Government will be relieved of any liability in connection therewith.

20. BUILDING SHELL CONDITIONS

It is acknowledged that current shell conditions may not comply entirely with the following SFO requirements, and that the following deviations are acceptable to the Gvoernment, provided they are maintained in good condition as acceptable to the Contracting Officer.

1.1D Design/Layout – Existing conditions are acceptable provided they meet applicable codes except for the anticipated upgrade to the communication / telephone room to be paid for with the tenant improvement allowance as specified in the SFO;

1.1F Antenna – Tenant shall be responsible at sole cost for installation and maintenance for antenna installed on roof;

1.10 Building Appearance - Existing conditions are acceptable provided the building is well maintained and they meet applicable codes;

6.1 Accessibility – Existing Mezzanine level not serviced by a lift or elevator but is acceptable provided it meets applicable codes.

6.2 Doors Exterior - Existing doors are acceptable provided they meet applicable codes;

6.4 Floors – Existing conditions are acceptable provided they meet applicable codes;

6.5 Ceilings - Existing ceilings are acceptable provided they meet applicable codes;

6.8 Acoustical Requirements - Existing conditions are acceptable provided they meet applicable codes. If Government requires these reports, they will be contracted for and provided by Lessor at Government's cost;

6.9 General Partitions - Existing conditions are acceptable provided they meet applicable codes;

6.10 Permanent Partitions - Existing conditions are acceptable provided they meet applicable codes;

7.1 Recycled Content Products – Existing conditions are acceptable provided they meet applicable codes;

7.8 Door Hardware - Existing door hardware is acceptable provided they meet applicable codes;

7.9 Door Identification – Existing identification on doors are acceptable provided they meet applicable codes;

7.10 Partitions Subdividing – If demolition is required it will be included as part of the Tenant Improvement allowance;

7.11 Wall Finishes - Existing conditions are acceptable provided they meet applicable codes;

7.12 Painting - Existing conditions are acceptable provided they meet applicable codes. Exterior of building will be painted every five (5) years;

7.13 Floor Coverings - Existing conditions are acceptable provided they meet applicable codes;

8.1 General Mechanical, Electrical, Plumbing - Existing conditions are acceptable provided the building is well maintained, and they meet applicable codes;

8.4 Insulation - Existing conditions are acceptable provided they meet applicable codes;

8.6 Toilet Rooms - Existing toilet rooms are acceptable provided they are well maintained, and they meet applicable codes;

8.7 Toilet Rooms Fixtures - Existing fixtures in the toilet rooms are acceptable provided they are well maintained and meet applicable codes;

8.10 Ventilation - Existing ventilation is acceptable provided the building is well maintained and ventilation meets applicable codes;

8.19 Lighting Interior and Parking - Existing lighting is acceptable provided fixtures are well maintained and lighting levels and fixtures meet applicable codes;

9.1 Means of Egress - Existing conditions are acceptable provided they meet applicable codes.

Initials: WWL & RAS
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