

March 27, 2015

UPDATED

Tenant:

OrangeTheory Fitness

Project Address:

155 S. Frances St.

Location:

New mixed used development

Area of Work:

Tenant Improvement Project 2,958 USF

Scope of Work:

Build out of fitness studio to include main open workout area with exercise equipment with support facilities to include (2) single accommodation restrooms, (2) single accommodation shower rooms, (1) storage/utility room, (1) office and a general reception area. All finishes and specifications are all based on OrangeTheory Fitness cooperate standards – please refer to photos.

Proposed Use:

Fitness Studio with scheduled classes with instructors conducting each class session. One class is conducted at one time with one instructor to a maximum of 24 clients at any one time.

Typical hours of operation are:

5am – 8pm Monday to Friday

7am – 4pm Saturday to Sunday

(Attached please find sample class schedule for reference)

There will be a time gap between classes ranging from a minimum of 15 minutes to a maximum of several hours, depending on class schedules.

Peak hours are usually in the early mornings and early evenings to accommodate working clients. There are usually two to three employees at the center at all times. The instructors are only there when classes are scheduled.

*Clients are only allowed to use the facility during conducted class sessions with an instructor present.

OrangeTheory Fitness is a fitness studio that only offers instructor-led classes. The maximum number of clients to one instructor is 24 clients. Clients may not come and go as they please like a typical "big box" gym, nor is individual personal training offered. These are structured classes that are only scheduled one class at a time on a reservation basis which reduces the traffic flow and noise level. Under normal circumstances, guests/non-clients are not present in the tenant space during a designated class time.

The size of the fitness center is within the area of the available vacant suite which is approximately 2,958 USF. The construction of the space does not affect any of the exterior elements of the building other than signage. We will not modify the exterior of the building in any manner besides from attaching approved signage. The build out is a basic tenant improvement project for a fitness studio.

All activities and classes are conducted within the suite and will not filter to the outside to interfere and disrupt with the general public. Since classes are conducted one at a time with a maximum of 24 clients to one instructor; parking will not be an issue for the complex especially when the peak hours will be early mornings and evenings.

Presently there are similar OrangeTheory Fitness studios in Willow Glen, Palo Alto, Sacramento, Los Angeles, Newport Beach, Irvine, Tustin, Rancho San Margarita, San Diego as well as in other states; totaling over 130 locations. All OrangeTheory Fitness studios are operated under high standards developed by Corporate Headquarter.



ADDITIONAL NOTES:

- Property Address: 155 S. Frances Street
- Description of Project/Premise:
Premises: Approximately 2,958 square feet of floor space located within certain improvements owned by Landlord, shown crosshatched on the plan attached as Exhibit A and which is a part of the integrated multi-family residential and retail development known as "Solstice" on or near the intersection of W. Washington Ave. and Taaffe St., City of Sunnyvale, County of Santa Clara, State of California, situated upon the property described in Exhibit B. "Shopping Center" refers to (i) the property described in Exhibit B, and (ii) any adjacent property acquired (by fee title, easement or otherwise) and affirmatively integrated, from time to time, into the Shopping Center by Landlord, and (iii) the Common Areas (defined below) and the Closed Areas (defined below), as such may be modified, expanded or contracted from time to time, but (iv) excluding any part of any such property subsequently removed from the Shopping Center, from time to time, by Landlord in its sole discretion. The Shopping Center does not include the residential spaces located above, below and/or adjacent to the Shopping Center (the "Residential Project") except to the extent portions of the Common Areas or Closed Areas, as designated by Landlord from time to time in its sole discretion, are located within the Residential Project. Exhibit A sets forth the general layout of the Shopping Center, as contemplated as of the date hereof, but does not constitute a warranty, representation or agreement that the Shopping Center or stores are or will be as indicated. For the purposes of this Lease, "Closed Areas" shall mean any area within the Shopping Center or the Residential Project, other than the Premises, that Landlord may from time to time designate in its reasonable discretion as closed to any tenants thereof (including Tenant) and the general public. The square footage of the Premises as stated above shall conclusively be deemed to be the square footage of the Premises. Previous use of this property was a Japan Relocation Center. It was completely built out for business, but Owners mention they never conducted business. www.japanrelocation.net
- Membership: Single use Drop In, Pre Paid Packages and Month to Month (reoccurring monthly EFT charges) memberships are all available for purchase at our locations.
- Retail Sales: We will be providing small amounts of ancillary sales, for example: Orangetheory Fitness logo'd workout gear (t-shirts, tank tops, etc.), workout bags, hats, heart rate monitors, and bottled water.
- Staffing: At peak operation, we can have 5 total number of staff including front desk, instructor, manager and owners.
- Noise: The studio is equipped with a state of the art sound system including a wireless mic for use during the class session. Orange theory Fitness has standard soundproofing ceiling tiles for all our studios. We will also be working in conjunction with the landlord to ensure that the

sound is contained to optimize member experience and minimize any disruptions to surrounding neighbors or tenants. Attached, I have included a document titled, Soundproofing Recommendations Exhibit C, which are the recommendations provided by the landlord and included in our lease. Standard Decibel levels in all of our studios read 85-90db. **Please see attached Exhibit C – Sound Control**

- Hours of Operation: All hours and class schedules are contingent upon the number of active members we have in the studio and class availability. We typically open 30 minutes prior to first class and close 30 minutes after our last class.
- Our proposed operational hours will be similar to as follows: Monday-Friday 5:00am - 8:00pm
Saturday and Sundays: 7am- 4pm. There will be a time gap between classes ranging from a minimum of 15 minutes to a maximum of several hours, depending on class schedules.
- Parking spaces: Commercial/public parking in the garage is relegated to Level 1 - **Please attached floor plan, spaces indicated as “guest”**. Please note, the LEV locations may have changed slightly at the project closeout. So, the locations shown on this floor plan might have changed slightly as well.