

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended September 30, 2000

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission File Number 000-31293

EQUINIX, INC.

(Exact name of registrant as specified in its charter)

Delaware 77-0487526
(State of incorporation) (I.R.S. Employer Identification No.)

2450 Bayshore Parkway, Mountain View, California 94043
(Address of principal executive offices, including ZIP code)

(650) 316-6000
(Registrant's telephone number, including area code)

901 Marshall Street, Redwood City, California 94063
(Former name, former address and former fiscal year,
if changed since last report)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports) Yes X No and (2) has been

subject to such filing requirements for the past 90 days. Yes X . No .

The number of shares outstanding of the Registrant's Common Stock as of September 30, 2000 was 76,589,827.

EQUINIX, INC.

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PART I. FINANCIAL INFORMATION

Item 1. Condensed Consolidated Financial Statements

EQUINIX, INC.

Condensed Consolidated Balance Sheets
(in thousands)

	September 30,	December
	2000	1999
	-----	-----
31,		

	(unaudited)	
<S>	<C>	<C>
Assets		
Current assets:		
Cash and cash equivalents.....	\$ 273,869	\$ 203,165
Short-term investments.....	36,709	19,809
Accounts receivable, net.....	5,420	178
Current portion of restricted cash and short-term investments.....	26,312	25,111
Prepays and other current assets.....	3,946	1,597

Total current assets.....	346,256	249,860
Property and equipment, net.....	195,964	28,444
Construction in progress.....	130,643	18,312
Restricted cash and short-term investments, less current portion.....	17,837	13,498
Debt issuance costs, net.....	6,596	7,125
Other assets.....	3,412	2,707

Total assets.....	\$ 700,708	\$ 319,946
=====		
Liabilities, Redeemable Convertible Preferred Stock and Stockholders' Equity		
Current liabilities:		
Accounts payable and accrued expenses.....	\$ 10,287	\$ 4,143
Accrued construction costs.....	61,136	9,772
Current portion of debt facilities and capital lease obligations.....	6,535	4,395
Accrued interest payable.....	9,364	2,167
Other current liabilities.....	2,951	205

Total current liabilities.....	90,273	20,682
Debt facilities and capital lease obligations, less current portion.....	9,398	8,808
Senior notes.....	185,418	183,955
Other liabilities.....	2,916	802

Total liabilities.....	288,005	214,247

Redeemable convertible preferred stock.....	-	97,227
Stockholders' equity:		
Common stock.....	77	12
Additional paid-in capital.....	561,629	43,962
Deferred stock-based compensation.....	(50,209)	

(13,706)		
Accumulated other comprehensive income (loss).....	(79)	14
Accumulated deficit.....	(98,715)	
(21,810)		
-----	-----	-----
Total stockholders' equity.....	412,703	8,472
-----	-----	-----
Total liabilities, redeemable convertible preferred stock and stockholders' equity.....	\$ 700,708	\$ 319,946
	=====	

</TABLE>

See accompanying notes to condensed consolidated financial statements.

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EQUINIX, INC.

Condensed Consolidated Statements of Operations
(in thousands, except per share data)

<TABLE>

<CAPTION>

months ended	Three months ended		Nine
	September 30,		
September 30,	September 30,		September 30,
-----	-----	-----	-----
1999	2000	1999	2000
-----	-----	-----	-----
		(unaudited)	
<S>	<C>	<C>	<C>
<C>			
Revenues	\$ 3,933	\$ -	\$ 4,961
\$ -			
Cost of revenues (excludes stock-based compensation of \$220 and \$65 for the three months ended September 30, 2000 and 1999, respectively, and \$434 and \$73 for the nine months ended September 30, 2000 and 1999, respectively)	12,419	595	20,828
935	-----	-----	-----

Gross loss	(8,486)	(595)	(15,867)
(935)	-----	-----	-----

Operating expenses:			
Sales and marketing (excludes stock-based compensation of \$2,351 and \$273 for the three months ended September 30, 2000 and 1999, respectively, and \$5,321 and \$385 for the nine months ended September 30, 2000 and 1999, respectively)	2,695	853	8,433
1,459			
General and administrative (excludes stock-based compensation of \$7,515 and \$2,560 for the three months ended September 30, 2000 and 1999, respectively, and \$14,360 and \$3,564 for the nine months ended September 30, 2000 and 1999, respectively)	8,683	1,938	24,007
4,367			
Stock-based compensation	10,086	2,898	20,115
4,022	-----	-----	-----

Total operating expenses	21,464	5,689	52,555
9,848	-----	-----	-----

Loss from operations	(29,950)	(6,284)	(68,422)
(10,783)			
Interest income	4,347	238	11,879
410			
Interest expense	(6,482)	(242)	(20,362)

(380)			
Net loss	\$ (32,085)	\$ (6,288)	\$ (76,905)
Net loss per share:			
Basic and diluted	\$ (0.70)	\$ (2.45)	\$ (3.45)
Weighted average shares	45,534	2,562	22,289

See accompanying notes to condensed consolidated financial statements.

EQUINIX, INC.

Condensed Consolidated Statements of Cash Flows
(in thousands)

	Nine months September 2000
Cash flows from operating activities:	
Net loss	\$ (76,905)
Adjustments to reconcile net loss to net cash used in operating activities:	
Depreciation	6,830
Amortization of deferred stock-based compensation	20,115
Amortization of debt related costs and discount	2,454
Amortization of sales acquisition costs	452
Amortization of rent discount	84
Changes in operating assets and liabilities:	
Accounts receivable	(5,242)
Prepays and other current assets	(2,349)
Other assets	(987)
Accounts payable and accrued expenses	6,144
Accrued interest payable	7,197
Other current liabilities	2,746
Other liabilities	2,114
Net cash used in operating activities	(37,347)
Cash flows from investing activities:	
Purchase of short-term investments	(52,710)
Sales and maturities of short-term investments	35,717

8,042	Purchases of property and equipment	(169,646)
(2,645)	Additions to construction in progress	(102,754)
(22,559)	Accrued construction costs	51,364
8,687	Purchase of restricted cash and short-term investments	(18,540)
-	Sale of restricted cash and short-term investments	13,000
-		
	-----	-----
	Net cash used in investing activities	(243,569)
(24,612)		
	-----	-----
	Cash flows from financing activities:	
	Proceeds from issuance of common stock	253
-	Proceeds from initial public offering of common stock, net	251,710
-	Proceeds from exercise of stock options	3,055
266	Proceeds from issuance of debt facilities and capital lease obligations	6,884
6,115	Repayment of debt facilities and capital lease obligations	(4,687)
(272)	Repurchase of redeemable convertible preferred stock	-
(10)	Repurchase of common stock	(13)
-	Proceeds from issuance of redeemable convertible preferred stock, net	94,418
55,850		
	-----	-----
	Net cash provided by financing activities	351,620
61,949		
	-----	-----
	Net increase in cash and cash equivalents	70,704
29,230	Cash and cash equivalents at beginning of period	203,165
4,164		
	-----	-----
	Cash and cash equivalents at end of period	\$ 273,869
\$ 33,394		
	=====	=====
	Supplemental cash flow information:	
	Cash paid for taxes	\$ -
\$ 68		
	-----	-----
	Cash paid for interest	\$ 14,135
\$ 68		
	-----	-----
	Noncash financing and investing activities:	
	Preferred stock warrants issued for financing commitments	\$ -
\$ 3,096		
	-----	-----
	Common stock warrants issued for services	\$ 10,624
\$ 1,508		
	-----	-----
	Revaluation of common stock warrants issued for services	\$ 6,879
\$ -		
	-----	-----
	Assets recorded under capital lease	\$ 5,339
\$ 661		
	-----	-----
	Deferred compensation on grants of stock options	\$ 56,618
\$ 13,705		
	-----	-----

</TABLE>

See accompanying notes to condensed consolidated financial statements.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. Basis of Presentation

The accompanying unaudited condensed consolidated financial statements have been prepared by Equinix, Inc. ("Equinix" or the "Company") and reflect all adjustments, consisting only of normal recurring adjustments, which in the opinion of management are necessary to present fairly the financial position and the results of operations for the interim periods presented. The balance sheet at December 31, 1999 has been derived from audited financial statements at that date. The financial statements have been prepared in accordance with the regulations of the Securities and Exchange Commission ("SEC"), but omit certain information and footnote disclosure necessary to present the statements in accordance with generally accepted accounting principles. For further information, refer to the Consolidated Financial Statements and Notes thereto included in Equinix's Registration Statement on Form S-1, declared effective by the Securities and Exchange Commission on August 10, 2000. Results for the interim periods are not necessarily indicative of results for the entire fiscal year.

The preparation of consolidated financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the condensed consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates.

2. Restricted Cash and Short-Term Investments

In May 2000, the Company posted a letter of credit in the amount of \$10.0 million related to the iStar lease (see Note 7).

In June 2000, the Company made its first interest payment of \$13.0 million on the Senior Notes from our restricted cash and short-term investment accounts.

In September 2000, the Company posted a letter of credit in the amount of \$5.5 million related to the Amsterdam, The Netherlands lease (see Note 7).

3. Property and Equipment

Property and equipment is comprised of the following (in thousands):

<TABLE>
<CAPTION>

	September 30, 2000	December 31, 1999
	----- (unaudited)	-----
	<C>	<C>
Leasehold improvements.....	\$ 115,666	\$ 16,664
IBX plant and machinery.....	32,433	8,236
Computer equipment and software.....	38,833	3,126
IBX equipment.....	15,314	659
Furniture and fixtures.....	1,084	373
	-----	-----
	203,330	29,058
Less accumulated depreciation.....	(7,366)	(614)
	-----	-----
	\$ 195,964	\$ 28,444
	=====	=====

</TABLE>

Leasehold improvements, certain computer equipment, IBX plant and machinery, software and furniture and fixtures recorded under capital leases aggregated \$6,000,000 and \$661,000 as of September 30, 2000 and December 31, 1999, respectively. Amortization on the assets recorded under capital leases is included in depreciation expense.

Included within leasehold improvements is the value attributed to the earned portion of the WorldCom Warrant and Bechtel Warrant totaling \$4,562,000 and \$472,000, respectively, as of September 30, 2000 and \$330,000 and none, respectively, as of December 31, 1999. Amortization on such warrants within leasehold improvements is included in depreciation expense.

4. Construction in Progress

Construction in progress includes direct and indirect expenditures for the construction of IBX centers and is stated at original cost. The Company has contracted out substantially all of the construction of the IBX centers to independent contractors under construction contracts. Construction in progress includes certain costs incurred under a construction contract including project management services, site identification and evaluation services, engineering and schematic design services, design development and construction services and other construction-related fees and services. In addition, the Company has capitalized certain interest costs during the construction phase. Once an IBX center becomes operational, these capitalized costs are depreciated at the appropriate rate consistent with the estimated useful life of the underlying asset.

Included within construction in progress is the value attributed to the unearned portion of warrants issued to certain fiber carriers and our contractor totaling \$13,714,000 as of September 30, 2000 and \$4,136,000 as of December 31, 1999.

Interest incurred is capitalized in accordance with Statement of Financial Accounting Standards ("SFAS") No. 34, Capitalization of Interest Costs. Total interest cost incurred and total interest capitalized during the three months ended September 30, 2000, was \$7,979,000 and \$1,497,000, respectively. Total interest cost incurred and total interest capitalized during the nine months ended September 30, 2000, was \$23,826,000 and \$3,464,000, respectively. No interest was capitalized for the three and nine months ended September 30, 1999.

5. Redeemable Convertible Preferred Stock

In May 2000, the Company amended and restated its Certificate of Incorporation to change the authorized share capital to 43,000,000 shares of redeemable convertible preferred stock, of which 20,000,000 was designated as Series A, 16,000,000 was designated as Series B and 7,000,000 was designated as Series C.

In May and June 2000, the Company completed the closing of the Series C redeemable convertible preferred stock financing. The Company raised approximately \$94.4 million and issued 6,262,161 shares of Series C redeemable convertible preferred stock.

All shares of redeemable convertible preferred stock were converted to shares of common stock upon the closing of the Company's initial public offering in August 2000. All outstanding warrants to purchase preferred stock are now exercisable for common stock.

6. Stockholders' Equity

Public Offering

On August 11, 2000, the Company completed an initial public offering of 20,000,000 shares of its common stock. On September 7, 2000, the underwriters exercised their option to purchase 2,704,596 shares to cover the over-allotment of shares. As a result of the public offering, all outstanding shares of preferred stock automatically converted into 40,704,222 shares of common stock.

Common Stock

In May 2000, the Company amended and restated its Certificate of Incorporation to change the authorized share capital to 80,000,000 shares of common stock.

In May 2000, the board of directors agreed to waive the repurchase right with respect to one of its founder's unvested shares.

In August, 2000, the Company filed its amended and restated certificate of incorporation, which, among other things, increased its authorized common stock to 300,000,000 shares.

Stock Plans

In May 2000, the Company's stockholders approved an amendment to the 1998 Stock Plan increasing the aggregate number of common shares available for issuance over the term of the Plan by 3,000,000 to a total of 15,012,810 shares.

During the nine months ended September 30, 2000, the Company granted additional stock options to employees to purchase 7,465,675 shares of common stock under the 1998 Stock Plan resulting in an additional deferred stock-based compensation charge of approximately \$56.6 million.

In July 2000, the Company's stockholders approved an amendment to the 1998 Stock Plan increasing the aggregate number of common shares available for issuance over the term of the Plan by 300,000 to a total of 15,312,810 shares.

In May 2000, the board of directors approved the 2000 Equity Incentive Plan under which 5,000,000 shares of common stock have been reserved. Any shares not issued under the 1998 Stock Plan are available for grant under this plan. On each January 1, commencing with the year 2001, the number of shares in reserve will automatically increase by 6% of the total number of shares of common stock that are outstanding at that time or, if less, by 6,000,000 shares. The board has elected to extend the change in control acceleration feature of the 2000 Equity Incentive Plan to all outstanding options and unvested shares. Previously, options granted under the 1998 Stock Plan provided that vesting of the shares would accelerate only if not assumed by the acquiring entity.

In May 2000, the Company approved the Employee Stock Purchase Plan under which 1,000,000 shares of common stock have been reserved. On each January 1, commencing with the year 2001, the number of shares in reserve will automatically increase by 2% of the total number of shares of common stock outstanding at that time, or, if less, by 600,000 shares. The plan permits purchases of common stock via payroll deductions. The maximum payroll deduction is 15% of the employee's cash compensation. Purchases of the common stock will occur on February 1 and August 1 of each year. The price of each share purchased will be 85% of the lower of:

- . The fair market value per share of common stock on the date immediately before the first day of the applicable offering period (which lasts 24 months); or
- . The fair market value per share of common stock on the purchase date.

The value of the shares purchased in any calendar year may not exceed \$25,000.

In May 2000, the board of directors also approved the 2000 Directors' Stock Option Plan under which 200,000 shares of common stock have been reserved. On each January 1, commencing with the year 2001, the number of shares in reserve will automatically increase by 50,000 shares. Non-employee members of the board of directors will be eligible for option grants under the 2000 Directors' Stock Option Plan. Each non-employee director who is serving on our board on the effective date of the plan who has not already received an initial option for 40,000 shares and each non-employee director who joins the board after the effective date of the plan will receive an initial option of 40,000 shares. The initial options vest in four equal annual installments following the date of grant. At each annual stockholder's meeting, beginning in 2000, each non-employee director will automatically be granted an annual option for 10,000 shares of the common stock. A new non-employee director who receives the initial option will not receive the 10,000 share annual option in the same calendar year. These options vest fully on the first anniversary of the date of the grant. The exercise price of the option will be equal to the fair market value of the common stock on the option grant date. The non-employee directors' options have a 10-year term, and expire one year after a director leaves the board. Upon a change in control of the Company, the options become fully vested.

EQUINIX, INC.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS - (Continued)

A summary of stock option plan activity under the stock option plans is as follows:

	Shares	Weighted-average exercise price
	-----	-----
Outstanding at December 31, 1999.....	2,780,988	\$ 0.64
Granted.....	952,075	3.97
Forfeited.....	(155,594)	0.07
Exercised.....	(680,904)	1.05

Outstanding at March 31, 2000.....	2,896,565	1.67
Granted.....	5,114,050	5.12
Forfeited.....	(74,500)	0.47
Exercised.....	(478,490)	2.54

Outstanding at June 30, 2000.....	7,452,425	3.99
Granted.....	1,399,550	7.00
Forfeited.....	(172,783)	0.82
Exercised.....	(261,520)	2.28

Outstanding at September 30, 2000.....	8,417,672	4.58

Shares available for future grant.....	5,227,622	
Exercisable at end of period.....	111,040	0.14

Warrants

In April 2000, the Company entered into a definitive agreement with AT&T whereby AT&T agreed to install high-bandwidth local connectivity services to a number of the Company's IBX centers in exchange for colocation space and related benefits in such IBX centers. In connection with this agreement, the Company granted AT&T a warrant to purchase up to 540,000 shares of the Company's common stock at \$4.00 per share. The warrant is immediately exercisable and expires five years from date of grant. A total of 140,000 shares are immediately vested and the remaining 400,000 shares are subject to repurchase at the original exercise price if certain performance commitments are not completed by a pre-determined date. The warrant was originally valued at \$5,372,000 using the Black-Scholes option-pricing model and has been recorded initially to construction in progress until installation is complete. The following assumptions were used in determining the fair value of the warrant: deemed fair market value per share of \$11.82, dividend yield of 0%, expected volatility of 80%, risk-free interest rate of 6.56% and a contractual life of 5 years. Under the applicable guidelines in EITF 96-18, the underlying shares of common stock associated with this warrant subject to repurchase are revalued at each balance sheet date to reflect their current fair value until the performance commitment is complete. Any resulting increase in fair value of the warrant will ultimately be recorded as a leasehold improvement. As of September 30, 2000 the fair market value of this warrant was \$4,257,000.

EQUINIX, INC.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS - (Continued)

In June 2000, the Company entered into a strategic agreement with COLT Telecommunications ("Colt") whereby Colt agreed to install high-bandwidth local connectivity services to a number of the Company's European IBX centers in exchange for colocation space and related benefits in such IBX centers. In connection with this agreement, the Company granted Colt a warrant to purchase up to 250,000 shares of the Company's common stock at \$5.33 per share. The warrant is immediately exercisable and expires five years from the date of grant. The shares are subject to repurchase at the original exercise price if certain performance commitments are not completed by a pre-determined date. The warrant was originally valued at \$2,795,000 using the Black-Scholes option-pricing model and has been recorded initially to construction in progress until installation is complete. The following assumptions were used in determining the fair value of the warrant: deemed fair market value per share of \$13.58, dividend yield of 0%, expected volatility of 80%, risk-free interest rate of 6.23% and a contractual life of 5 years. Under the applicable guidelines in EITF 96-18, the underlying shares of common stock associated with this warrant subject to repurchase are revalued at each balance sheet date to reflect their current fair value until the performance commitment is complete. Any resulting increase in fair value of the warrant will ultimately be recorded as a leasehold improvement. As of September 30, 2000 the fair market value of this warrant was \$1,698,000.

In June 2000, the Company entered into a strategic agreement with WorldCom and UUNET, an affiliate of WorldCom (the "UUNET Strategic Agreement"), which supersedes the definitive agreement entered into with WorldCom in November 1999 and which amends the related warrant for 675,000 shares issued to WorldCom in November 1999 (the "First WorldCom Warrant"). Under the UUNET Strategic Agreement, WorldCom agreed to install high-bandwidth local connectivity services and UUNET agreed to provide high-speed data entrance facilities to a number of the Company's IBX centers in exchange for colocation services and related benefits in such IBX centers. In connection with this strategic agreement, the Company granted WorldCom Venture Fund a warrant (the "WorldCom Venture Fund Warrant") to purchase up to 650,000 shares of Company's common stock at \$5.33 per share. In addition, upon signing the UUNET Strategic Agreement all but 37,500 of the unearned shares under the First WorldCom Warrant are immediately vested.

Both the First WorldCom Warrant and the WorldCom Venture Fund Warrant are immediately exercisable and expire five years from the date of grant. Both warrants are subject to repurchase at the original exercise price if certain performance commitments are not completed by a pre-determined date. The First WorldCom Warrant was originally valued at \$2,969,000 using the Black-Scholes option-pricing model and has been recorded initially to construction in progress until installation is complete. The following assumptions were used in determining the fair value of the warrant: deemed fair market value per share of \$4.80, dividend yield of 0%, expected volatility of 80%, risk-free interest rate

of 5.5% and a contractual life of 5 years. Under the applicable guidelines in EITF 96-18, the remaining 37,500 shares of common stock associated with this warrant subject to repurchase are revalued at each balance sheet date to reflect their current fair value until the performance commitment is complete. Any resulting increase in fair value of the warrant will ultimately be recorded as a leasehold improvement. As of September 30, 2000 the fair market value of this warrant was \$5,546,000.

The WorldCom Venture Fund Warrant was originally valued at \$7,255,000 using the Black-Scholes option-pricing model and has been recorded initially to construction in progress until installation is complete. The following assumptions were used in determining the fair value of the warrant: deemed fair market value per share of \$13.58, dividend yield of 0%, expected volatility of 80%, risk-free interest rate of 6.23% and a contractual life of 5 years. Under the applicable guidelines in EITF 96-18, the underlying shares of common stock associated with this warrant subject to repurchase are revalued at each balance sheet date to reflect their current fair value until the performance commitment is complete. Any resulting increase in fair value of the warrant will ultimately be recorded as a leasehold improvement. As of September 30, 2000 the fair market value of this warrant was \$4,416,000.

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EQUINIX, INC.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS - (Continued)

7. Commitments and Contingencies

In April 2000, the Company entered into an operating lease agreement for its Amsterdam, The Netherlands, IBX center for a minimum term of 15 years. The Company has two options to extend the term of the lease for a period of five years each. In September 2000, the Company posted a letter of credit in the amount of \$5.5 million related to the Amsterdam lease.

In May 2000, Equinix entered into an agreement to purchase approximately 80 acres of land in San Jose, California for approximately \$82.1 million. On June 21, 2000, before the closing on this property, the Company assigned its interest in the purchase agreement to iStar San Jose, LLC ("iStar"), and, concurrently, entered into a 20-year lease with iStar for the property. Under the terms of the lease, the Company has an option to extend the lease period for an additional 60 years, in six renewal terms of ten years each, for a total lease term of 80 years. In addition, the Company has an option to purchase the property from iStar after 10 years. The total annual rent payments during years one through five are approximately \$9.6 million. Beginning the sixth lease year and every five years thereafter, the rent payments will increase by the percentage increase in the CPI, but in no event will the annual cumulative increase exceed 3.5% per annum.

Concurrent with the execution of the iStar lease, the Company posted a letter of credit in the amount of \$10.0 million. This letter of credit shall increase to \$35.0 million if the Company does not meet certain financing targets. This security deposit shall be reduced on a pro rata basis based on the status of construction activity. On the tenth anniversary and every tenth year thereafter, Equinix shall have the right to purchase the property at the then fair market value, but at no less than the original purchase price.

During the third quarter of 2000, the Company entered into operating lease agreements for its London, United Kingdom; Paris, France; Frankfurt, Germany; and New York IBX centers. The London agreement is for a term of 25 years. The Company has the right to terminate the lease upon the 15th or the 20th anniversary of the commencement date of the lease. The term of the Paris agreement is for a minimum of 6 years. The Company has the option to extend the term of the lease for up to an additional 18 years. The Frankfurt lease is for a term of 20 years. The Company has two options to extend the term of the lease for a period of five years each. The New York lease is for a term of 15 years. The Company has three options to extend the term of the lease for a period of five years each.

From time to time, the Company may have certain contingent liabilities that arise in the ordinary course of its business activities. The Company accrues contingent liabilities when it is probable that future expenditures will be made and such expenditures can be reasonably estimated. In the opinion of management, there are no pending claims of which the outcome is expected to result in a material adverse effect in the financial position or results of operations of the Company.

8. Comprehensive Loss

The components of comprehensive loss are as follows (in thousands):

<TABLE>
<S>

Three months ended
September 30,

Nine months ended
September 30,

	2000	1999	2000	1999
<S>	<C>	<C>	<C>	<C>
Net loss.....	\$ (32,085)	\$ (6,288)	\$ (76,905)	\$ (10,753)
Unrealized loss on available for sale securities.....	(74)	(10)	(126)	--
Foreign currency translation gain.....	33	--	33	--
Comprehensive loss.....	\$ (32,126)	\$ (6,298)	\$ (76,998)	\$ (10,753)

</TABLE>

There were no significant tax effects on comprehensive loss for the three and nine months ended September 30, 2000 and 1999.

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EQUINIX, INC.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS - (Continued)

9. Historical Net Loss per Share

Basic and diluted net loss per share are computed using the weighted average number of common shares outstanding. Options, warrants and preferred stock were not included in the computation of diluted net loss per share because the effect would be anti-dilutive.

The following table sets forth the computation of historical basic and diluted net loss per share for the periods indicated (in thousands, except per share data) (unaudited):

<TABLE>
<CAPTION>

	Three months ended September 30,		Nine months ended September 30,	
	2000	1999	2000	1999
<S>	<C>	<C>	<C>	<C>
Numerator:				
Net loss.....	\$ (32,085)	\$ (6,288)	\$ (76,905)	\$ (10,753)
Historical:				
Denominator:				
Weighted average shares.....	50,908	9,870	27,586	7,617
Weighted average unvested shares subject to repurchase.....	(5,374)	(7,308)	(5,297)	(5,640)
Total weighted average shares.....	45,534	2,562	22,289	1,977
Net loss per share:				
Basic and diluted.....	\$ (0.70)	\$ (2.45)	\$ (3.45)	\$ (5.44)

</TABLE>

The following table sets forth potential shares of common stock that are not included in the diluted net loss per share calculation above because to do so would be anti-dilutive for the periods indicated:

<TABLE>
<CAPTION>

	September 30,	
	2000	1999
<S>	<C>	<C>
Series A redeemable convertible preferred stock.....	--	18,682,500
Series B redeemable convertible preferred stock.....	--	10,471,930
Series C redeemable convertible preferred stock.....	--	--
Series A preferred stock warrants.....	--	1,245,000
Common stock warrants.....	7,113,745	--
Common stock options.....	8,417,672	1,777,233

</TABLE>

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EQUINIX, INC.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS - (Continued)

10. Segment Information

The Company and its subsidiaries are principally engaged in the design, build-out and operation of neutral IBX centers. All revenues result from the operation of these IBX centers. Accordingly, the Company considers itself to operate in a single segment. The Company's chief operating decision-maker evaluates performance, makes operating decisions and allocates resources based on financial data consistent with the presentation in the accompanying consolidated financial statements.

For the three and nine months ended September 30, 2000 and 1999, the majority of the Company's operations and assets are based in the United States.

Revenues from two customers accounted for a combined 34% and 28%, respectively, of the Company's revenues for the three and nine months ended September 30, 2000.

11. Recent Accounting Pronouncements

In September 1998, the Financial Accounting Standards Board issued Statement of Financial Accounting Standards, or SFAS, No. 133, Accounting for Derivative Instruments and Hedging Activities. SFAS No. 133 establishes accounting and reporting standards for derivative instruments, including derivative instruments embedded in other contracts, and for hedging activities. SFAS No. 133, as amended by SFAS No. 137, Deferral of the Effective Date of FASB Statement No. 133, is effective for all fiscal quarters of fiscal years beginning after September 15, 2000. This statement does not currently apply to us as we do not have any derivative instruments or engage in hedging activities.

In December 1999, the SEC issued Staff Accounting Bulletin 101, or SAB 101, Revenue Recognition, which outlines the basic criteria that must be met to recognize revenue and provides guidance for presentation of revenue and for disclosure related to revenue recognition policies in financial statements filed with the SEC. The adoption of SAB 101 did not have a material impact on our financial position and results of operations.

In March 2000, the FASB issued Interpretation No. 44, or FIN 44, Accounting for Certain Transactions Involving Stock Compensation - an Interpretation of APB 25. This Interpretation clarifies (a) the definition of employee for purposes of applying Opinion 25, (b) the criteria for determining whether a plan qualifies as a noncompensatory plan, (c) the accounting consequence of various modifications to the terms of a previously fixed stock option or award, and (d) the accounting for an exchange of stock compensation awards in a business combination. This Interpretation is effective July 1, 2000, but certain conclusions in this Interpretation cover specific events that occur after either December 15, 1998, or January 12, 2000. The adoption of certain of the conclusions of FIN 44 covering events occurring during the period after December 15, 1998 or January 12, 2000 did not have a material effect on the Company's financial position and results of operations. The Company does not expect that the adoption of the remaining conclusions will have a material effect on the financial position and results of operations.

12. Subsequent Events

The Company is currently having discussions with a group of lenders to obtain a senior secured credit facility. Although the Company believes it will secure commitments for this contemplated credit facility, the Company does not know that it will receive satisfactory commitments from lenders or that the Company will be able to negotiate satisfactory terms for and ultimately enter into a credit facility. Moreover, the Company expects that the credit facility will contain financial covenants and borrowing limitations that may prevent some or all of the funds potentially available to the Company from actually becoming available. If the Company is not successful in entering into this contemplated credit facility, or if funds are not ultimately made available to the Company under this credit facility, the Company may have to obtain funds from an alternative source. The Company is not currently pursuing any financing alternatives and does not know if any alternatives will be available.

Item 2.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The information in this discussion contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Act of 1934, as amended. Such statements are based upon current expectations that involve risks and uncertainties. Any statements contained herein that are not statements of historical fact may be deemed to be forward-looking statements. For example, the words "believes," "anticipates," "plans," "expects," "intends" and similar expressions are intended to identify

forward-looking statements. Our actual results and the timing of certain events may differ significantly from the results discussed in the forward-looking statements. Factors that might cause such a discrepancy include, but are not limited to, those discussed in "Other Factors Affecting Operating Results, Liquidity and Capital Resources" below. All forward-looking statements in this document are based on information available to us as of the date hereof and we assume no obligation to update any such forward-looking statements.

Overview

We design, build and operate neutral IBX centers where Internet businesses place their equipment and their network facilities in order to partner and interconnect with each other. Our neutral IBX centers provide content providers, application service providers, or ASPs, e-commerce and enterprise companies with the ability to directly interconnect with a choice of bandwidth providers, Internet service providers, or ISPs, infrastructure service providers and content distribution companies.

We currently have IBX centers totaling an aggregate of 323,000 gross square feet in the Washington, D.C. metropolitan area, the New York metropolitan area, Silicon Valley, Los Angeles and Dallas. We intend to complete construction of three additional IBX centers and several expansion projects by the end of 2001, resulting in IBX centers covering eight markets in the United States and Europe. As of September 30, 2000, 61% of the available cabinets in our opened IBX centers were booked.

Our annual contract value as of September 30, 2000 was \$62.4 million. Our annual contract value reflects signed sales orders and includes both installed and uninstalled cabinets in both open and unopened IBX centers. A number of our larger contracts include ramps that allow customers a number of months to install their equipment and commence payment. Because we may alter our rollout schedule and because customers may not install or may delay installations, we cannot predict when and whether we will realize the full value of these contracts.

Since inception, we have experienced operating losses and negative cash flow. As of September 30, 2000 we had an accumulated deficit of \$98.7 million and accumulated cash used in operating and construction activities of \$319.7 million. Given the revenue and income potential of our service offerings is still unproven and we have limited operating history, we may not generate sufficient operating results to achieve desired profitability. We therefore believe that we will continue to experience operating losses for the foreseeable future. See "Other Factors Affecting Operating Results".

In August 2000, we successfully completed our initial public offering and obtained aggregate net proceeds of \$251.7 million, which included proceeds from the exercise of the underwriters' over-allotment of 2,704,596 shares.

For the three months and nine months ended September 30, 2000, revenues from enterprise and infrastructure companies accounted for more than 85% of our revenues, versus less than 15% from dot.com companies. For the three and nine months ended September 30, 2000, two customers accounted for a combined 34% and 28%, respectively, of our revenues. While the level of sales to any

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specific customer is anticipated to vary from period to period, we expect that we will continue to have significant customer concentration for the foreseeable future.

Net revenues consist of recurring and non-recurring revenues derived primarily from the leasing of the cabinet space, installation charges and the provisioning of direct interconnections between our customers. Also, we offer value-added and professional services including "Smart Hands" service for customer equipment installations and maintenance. In addition, we recently announced the introduction of "IBXflex" space that allows customers to deploy mission critical operations, equipment and personnel in or near Equinix IBX centers.

Our customer contracts are renewable and typically range from one to three years with payments for services made on a monthly basis. Non-recurring revenues, which are comprised of installation charges, are billed upon the successful installation of our customer cabinets, interconnections, switch ports, other service offerings and custom installation charges. Both recurring and non-recurring revenues are recognized ratably over the term of the contract. Custom installation charges are recognized upon completion of the services provided.

Cost of revenues consist primarily of lease payments on our existing and proposed IBX centers, site employees' salaries and benefits, utility costs, amortization and depreciation of IBX center build-out costs and equipment and engineering, power, redundancy and security systems support and services. In addition, cost of revenues includes certain costs related to real estate

obtained for future IBX facilities in the United States and Europe. These costs have been expensed as incurred. We will continue to fund these costs and certain future costs as the Company continues to expand its IBX centers in the United States and Europe. As a result, we expect our cost of revenues to increase significantly for the foreseeable future as we continue our rollout of additional IBX centers and expansion projects.

Sales and marketing expenses consist primarily of compensation and related costs for the sales and marketing personnel, sales commissions, marketing programs, public relations, promotional materials and travel. Our sales and marketing expenses will increase significantly as we continue our rollout of additional IBX centers and expansion projects.

General and administrative expenses consist primarily of costs associated with recruiting, training and managing of employees, salaries and related costs of our operations, customer fulfillment and support functions costs and finance and administrative personnel and related professional fees. Our general and administrative expenses, will increase significantly as we continue our rollout of additional IBX centers and expansion projects.

Amortization of deferred stock-based compensation is a result of stock options granted to employees with an exercise price subsequently determined to be below the fair market per share for financial reporting purposes of our common stock. The options granted are typically subject to a four-year vesting period. We are amortizing the deferred stock-based compensation on an accelerated basis over the vesting periods of the applicable options in accordance with FASB Interpretation No. 28. We expect amortization of deferred stock-based compensation expense to impact our reported results through December 31, 2004.

Interest income has been generated primarily from the proceeds derived from our public and private stock offerings and funds received from various other financing events. We anticipate interest income will decrease as funds generated from financing activities are deployed into the construction and operations of our IBX centers.

Interest expense includes interest attributed to our senior notes, debt facilities and capital lease obligations as well as interest expense derived from the amortization of our debt issuance costs and interest accretion attributed to the senior note warrants. We are currently having discussions with a group of lenders to obtain a senior secured credit facility. Assuming the successful completion of the senior credit facility, we expect interest expense to increase over the term of the facility.

Income taxes have no significant impact on the Company and have been limited to nominal amounts since inception of the Company. We have recorded a full valuation allowance for any deferred tax assets,

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consisting primarily of net operating loss carry-forwards, because of uncertainty regarding its recoverability.

Our adjusted net loss before net interest and other expense, income taxes, depreciation and amortization of capital assets, amortization of stock-based compensation and other non-cash charges ("Adjusted EBITDA") is calculated to enhance an understanding of our operating results. Adjusted EBITDA is a financial measurement commonly used in capital-intensive telecommunication and infrastructure industries. Other companies may calculate Adjusted EBITDA differently than ours. It is not intended to represent cash flow or results of operations in accordance with generally accepted accounting principles nor a measure of liquidity. The Company measures Adjusted EBITDA at both the IBX center and total company level.

Results of Operations

Three Months Ended September 30, 1999 and 2000

Revenues. We recognized revenues of \$3.9 million for the three months ended September 30, 2000. Revenues consisted of recurring revenues of \$3.1 million primarily from the leasing of cabinet space, and non-recurring revenues of \$857,000 related to the recognized portion of deferred installation revenue and custom installation revenues. Installation and service fees are recognized ratably over the term of the contract. Custom installation revenues are recognized upon completion of the services. We did not recognize any revenues during the three months ended September 30, 1999.

Cost of Revenues. Cost of revenues increased from \$595,000 for the three months ended September 30, 1999 to \$12.4 million for the three months ended September 30, 2000. Cost of revenues consists primarily of rental payments for our leased IBX centers, site employees' salaries and benefits, utility costs, power and redundancy system engineering support services and related costs, security services and related costs and depreciation and amortization of our IBX center build-out and other equipment costs. The increase in cost of revenues was due to additional leases and increased expenses related to our opening of

additional IBX centers.

Sales and Marketing. Sales and marketing expenses increased from \$853,000 for the three months ended September 30, 1999 to \$2.7 million for the three months ended September 30, 2000. These amounts exclude \$273,000 and \$2.4 million, respectively, of stock-based compensation expense. Sales and marketing expenses consist primarily of compensation and related costs for the sales and marketing personnel, sales commissions, marketing programs, public relations, promotional materials and travel. The increase in sales and marketing expense resulted from the addition of personnel in our sales and marketing organizations, reflecting our increased selling effort and our efforts to develop market awareness. We anticipate that sales and marketing expenses will increase in absolute dollars as we increase our investment in these areas to coincide with the rollout of additional IBX centers.

General and Administrative. General and administrative expenses increased from \$1.9 million for the three months ended September 30, 1999 to \$8.7 million for the three months ended September 30, 2000. These amounts exclude \$2.6 million and \$7.5 million, respectively, of stock-based compensation expense. General and administrative expenses consist primarily of salaries and related expenses, accounting, legal and administrative expenses, professional service fees and other general corporate expenses. The increase in general and administrative expenses was primarily the result of increased expenses associated with additional hiring of personnel in management, finance and administration, as well as other related costs associated with supporting the Company's expansion. We anticipate that general and administrative expenses will increase in absolute dollars due to increased staffing levels consistent with the growth in our infrastructure and related operating costs associated with our regional and international expansion efforts.

EBITDA loss increased for the three months ended September 30, 1999 from \$3.2 million to \$16.7 million for the three months ended September 30, 2000. Although many factors affect EBITDA and costs vary from IBX market to IBX market, as of September 30, 2000, three of our five IBX centers achieved positive EBITDA status. We anticipate EBITDA loss to increase for the three months ended December 31, 2000 as we incur increased expenses for existing and future IBX centers.

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Interest Income. Interest income increased for the three months ended September 30, 1999 from \$238,000 to \$4.4 million for the three months ended September 30, 2000. Interest income increased substantially due to higher cash, cash equivalent and short-term investment balances held in interest bearing accounts, resulting from the proceeds of the initial public offering and preferred stock financing activities.

Interest Expense. Interest expense increased from \$242,000 for the three months ended September 30, 1999 to \$6.5 million for the three months ended September 30, 2000. The increase in interest expense was attributed to interest on the senior notes, interest related to an increase in our debt facilities and capital lease obligations and amortization of the senior notes, debt facilities and capital lease obligations discount.

Nine Months Ended September 30, 1999 and 2000

Revenues. We recognized revenues of \$5.0 million for the nine months ended September 30, 2000. Revenues consisted of recurring revenues of \$4.1 million, primarily from the leasing of cabinet space, and non-recurring revenue of \$0.9 million related to the recognized portion of deferred installation revenue and custom installation revenues. Installation and service fees are recognized ratably over the term of the contract. Custom installation revenues are recognized upon completion of the services. We did not recognize any revenues during the nine months ended September 30, 1999.

Cost of Revenues. Cost of revenues increased from \$935,000 for the nine months ended September 30, 1999 to \$20.8 million for the nine months ended September 30, 2000. Cost of revenues consists primarily of rental payments for our leased IBX centers, site employees' salaries and benefits, utility costs, power and redundancy system engineering support services and related costs, security services and related costs and depreciation and amortization of our IBX center build-out and other equipment costs. The increase in cost of revenues was due to additional leases and increased expenses related to our opening of additional IBX centers.

Sales and Marketing. Sales and marketing expenses increased from \$1.5 million for the nine months ended September 30, 1999 to \$8.4 million for the nine months ended September 30, 2000. These amounts exclude \$385,000 and \$5.3 million, respectively, of stock-based compensation expense. Sales and marketing expenses consist primarily of compensation and related costs for the sales and marketing personnel, sales commissions, marketing programs, public relations, promotional materials and travel. The increase in sales and marketing expense resulted from the addition of personnel in our sales and marketing organizations, reflecting our increased selling effort and our efforts to develop market awareness. We anticipate that sales and marketing expenses will

increase in absolute dollars as we increase our investment in these areas to coincide with the rollout of additional IBX centers.

General and Administrative. General and administrative expenses increased from \$4.4 million for the nine months ended September 30, 1999 to \$24.0 million for the nine months ended September 30, 2000. These amounts exclude \$3.6 million and \$14.4 million, respectively, of stock-based compensation expense. General and administrative expenses consist primarily of salaries and related expenses, accounting, legal and administrative expenses, professional service fees and other general corporate expenses. The increase in general and administrative expenses was primarily the result of increased expenses associated with additional hiring of personnel in management, finance and administration, as well as other related costs associated with supporting the Company's expansion. We anticipate that general and administrative expenses will increase in absolute dollars due to increased staffing levels consistent with the growth in our infrastructure and related operating costs associated with our regional and international expansion efforts.

Adjusted EBITDA. Adjusted EBITDA loss increased for the nine months ended September 30, 1999 from \$6.5 million to \$41.3 million for the three months ended September 30, 2000. Although many factors affect adjusted EBITDA and costs vary from IBX market to IBX market, as of September 30, 2000, three of our five IBX centers achieved positive adjusted EBITDA status.

Interest Income. Interest income increased for the nine months ended September 30, 1999 from \$410,000 to \$11.8 million for the nine month period ended September 30, 2000. Interest income

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increased substantially due to higher cash, cash equivalent and short-term investment balances held in interest bearing accounts, resulting from the proceeds of the initial public offering and preferred stock financing activities.

Interest Expense. Interest expense increased from \$380,000 for the three months ended September 30, 1999 to \$20.4 million for the three months ended September 30, 2000. The increase in interest expense was attributed to interest on the senior notes, interest related to an increase in our debt facilities and capital lease obligations and amortization of the senior notes, debt facilities and capital lease obligations discount.

Liquidity and Capital Resources

Since inception, we have financed our operations and capital requirements primarily through the issuance of senior notes, the private sale of preferred stock, our initial public offering and debt financing for aggregate gross proceeds of approximately \$686.2 million. As of September 30, 2000, we had approximately \$310.6 million in cash, cash equivalents and short-term investments. Furthermore, we have an additional \$44.1 million of restricted cash, cash equivalents and short-term investments to fund interest expense through June 2001 on our 13% senior notes due 2007, provide collateral under a number of separate security agreements for standby letters of credit and escrow accounts entered into and in accordance with certain lease agreements. Our principal sources of liquidity consists of our cash, cash equivalent and short-term investment balance and, subject to the negotiation and execution of definitive loan documentation, a proposed senior secured credit facility. As of September 30, 2000, our total indebtedness from our senior notes, debt facilities and capital lease obligations was \$217.8 million.

Net cash used in operating activities was \$37.3 million and \$8.1 million for the nine months ended September 30, 2000 and 1999, respectively. We used cash primarily to fund our net loss from operations.

Net cash used in investing activities was \$243.6 million and \$24.6 million for the nine months ended September 30, 2000 and 1999, respectively. Net cash used in investing activities was primarily attributable to the construction of our IBX centers and the purchase of restricted cash and short-term investments.

Net cash generated by financing activities was \$351.6 million and \$61.9 million for the nine months ended September 30, 2000 and 1999, respectively. Net cash generated by financing activities during the nine months ended September 30, 2000 was primarily attributable to the proceeds from the initial public offering and issuance of Series C redeemable convertible preferred stock. Net cash generated by financing activities during the nine months ended September 30, 1999 was primarily attributable to the proceeds from the issuance of Series B redeemable convertible preferred stock and the drawdown on the debt facilities and capital lease obligations.

In March 1999, we entered into a loan and security agreement in the amount of \$7.0 million bearing interest at 7.5% to 9.0% per annum repayable in 36 to 42 equal monthly payments with a final interest payment equal to 15% of the advance amounts due at maturity. In May 1999, we entered into a master lease agreement in the amount of \$1.0 million. This master lease agreement was increased by addendum in August 1999 by \$5.0 million. This agreement bears interest at either

7.5% or 8.5% and is repayable over 42 months in equal monthly payments with a final interest payment equal to 15% of the advance amounts due on maturity. In August 1999, we entered into a loan agreement in the amount of \$10.0 million. This loan agreement bears interest at 8.5% and is repayable over 42 months in equal monthly payments with a final interest payment equal to 15% of the advance amounts due on maturity. At September 30, 2000, we had total debt and capital lease financings available of \$23.0 million, which had been fully drawn down.

In December 1999, we issued \$200.0 million aggregate principal amount of 13% senior notes due 2007 for aggregate net proceeds of \$193.4 million, net of offering expenses. Of the \$200.0 million gross proceeds, \$16.2 million was allocated to additional paid-in capital for the fair market value of the common stock warrants and recorded as a discount to the senior notes. Senior notes, net of the unamortized discount, are \$185.4 million as of September 30, 2000.

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In December 1999, we completed the private sale of our Series B redeemable convertible preferred stock, net of issuance costs, in the amount of \$81.7 million.

In May 2000, we entered into a purchase agreement regarding approximately 80 acres of real property in San Jose, California. In June 2000, before the closing on this property, we assigned our interest in the purchase agreement to iStar San Jose, LLC. On the same date, iStar purchased this property and entered into a 20-year lease with us for the property. Under the terms of the lease, we have the option to extend the lease for an additional 60 years, for a total lease term of 80 years. In addition, we have the option to purchase the property from iStar after 10 years.

In June 2000, we completed the private sale of our Series C redeemable convertible preferred stock in the amount of \$94.4 million.

In August 2000, we completed an initial public offering of 20,000,000 shares of common stock. In addition, in September 2000, the underwriters exercised their option to purchase 2,704,596 shares to cover over-allotments of shares. Total net proceeds from the offering and over-allotment were \$251.7 million.

We expect that our cash on hand and anticipated cash flow from operations, and assuming the negotiation, execution and drawdown of our proposed senior secured credit facility, should be sufficient to build an additional three IBX centers and expansion projects on built IBX centers by the end of 2001. Assuming sufficient customer demand and the availability of additional financing, we will build additional IBX centers and expand certain existing IBX centers. We are continually evaluating the location, number and size of our facilities based upon the availability of suitable sites, financing and customer demand. If we cannot raise additional funds on acceptable terms or funds under our proposed credit facility are unavailable to us or our losses exceed our expectations, we may delay the currently planned projects, the rollout of additional IBX centers or permanently reduce our rollout plans. Additional financing may take the form of debt or equity. If we are unable to raise additional funds to further our rollout, we anticipate that the cash flow generated from the eight IBX centers, for which we will have obtained financing if the credit facility is available, will be sufficient to meet the working capital, debt service and corporate overhead requirements associated with those IBX centers.

Recent Accounting Pronouncements

In September 1998, the Financial Accounting Standards Board issued Statement of Financial Accounting Standards, or SFAS, No. 133, Accounting for Derivative Instruments and Hedging Activities. SFAS No. 133 establishes accounting and reporting standards for derivative instruments, including derivative instruments embedded in other contracts, and for hedging activities. SFAS No. 133, as amended by SFAS No. 137, Deferral of the Effective Date of FASB Statement No. 133, is effective for all fiscal quarters of fiscal years beginning after September 15, 2000. This statement does not currently apply to us as we do not have any derivative instruments or engage in hedging activities.

In December 1999, the SEC issued Staff Accounting Bulletin 101, or SAB 101, Revenue Recognition, which outlines the basic criteria that must be met to recognize revenue and provides guidance for presentation of revenue and for disclosure related to revenue recognition policies in financial statements filed with the SEC. The adoption of SAB 101 did not have a material impact on our financial position and results of operations.

In March 2000, the FASB issued Interpretation No. 44, or FIN 44, Accounting for Certain Transactions Involving Stock Compensation - an Interpretation of APB 25. This Interpretation clarifies (a) the definition of employee for purposes of applying Opinion 25, (b) the criteria for determining whether a plan qualifies as a noncompensatory plan, (c) the accounting consequence of various modifications to the terms of a previously fixed stock option or award, and (d) the accounting for an exchange of stock compensation awards in a business combination. This Interpretation is effective July 1, 2000, but certain conclusions in this Interpretation cover specific events that occur after either

12, 2000. The adoption of certain of the conclusions of FIN 44 covering events occurring during the period after December 15, 1998 or January 12, 2000 did not have a material effect on the Company's financial position and results of operations. The Company does not expect that the adoption of the remaining conclusions will have a material effect on the financial position and results of operations.

Impact of the Year 2000

We have not experienced any year 2000-related disruption in the operation of our systems. Although most year 2000 problems should have become evident on January 1, 2000, additional year 2000-related problems may become evident only after that date.

Other Factors Affecting Operating Results

Risks Related to Our Business

Our business model is new and unproven and we may not succeed in generating sufficient revenue to sustain or grow our business.

We were founded in June 1998. We did not recognize any revenue until November 1999. Our limited history and lack of meaningful financial or operating data makes evaluating our operations and the proposed scale of our business difficult. Moreover, the neutrality aspect of our business model is unique and largely unproven. We expect that we will encounter challenges and difficulties frequently experienced by early-stage companies in new and rapidly evolving markets, such as our ability to generate cash flow, hire, train and retain sufficient operational and technical talent, and implement our plan with minimal delays. We may not successfully address any or all of these challenges and the failure to do so would seriously harm our business plan and operating results, and affect our ability to raise additional funds.

We have a history of losses, and we expect our operating expenses and losses to increase significantly.

As an early-stage company, we have experienced operating losses since inception. As of September 30, 2000, we had cumulative net losses of \$98.7 million and cumulative cash used by operating activities of \$48.1 million since inception. We expect to incur significant losses in the future. In addition, as we commence operations, our losses will increase as we:

- . increase the number and size of IBX centers;
- . increase our sales and marketing activities, including expanding our direct sales force; and
- . enlarge our customer support and professional services organizations.

As a result, we must significantly increase our revenues to become profitable.

Because our ability to generate enough revenues to achieve profitability depends on numerous factors, we may not become profitable.

Our IBX centers may not generate sufficient revenue to achieve profitability. Our ability to generate sufficient revenues to achieve profitability will depend on a number of factors, including:

- . the timely completion of our IBX centers;
- . demand for space and services, including private interconnection services, at our IBX centers;
- . our pricing policies and the pricing policies of our competitors;
- . the timing of customer installations and related payments;

- . competition in our markets;
- . the timing and magnitude of our expenditures for sales and marketing;
- . direct costs relating to the expansion of our operations;
- . growth of Internet use;
- . governmental regulation;

- . conditions related to international operations;
- . economic conditions specific to the Internet industry; and
- . general economic factors.

We are substantially leveraged and we may not generate sufficient cash flow to meet our debt service and working capital requirements.

We are highly leveraged. As of September 30, 2000, we had total indebtedness of \$217.8 million and we expect to incur further debt to fund our IBX construction plans. Our highly leveraged position could have important consequences, including:

- . impairing our ability to obtain additional financing for working capital, capital expenditures, acquisitions or general corporate purposes;
- . requiring us to dedicate a substantial portion of our operating cash flow to paying principal and interest on our indebtedness, thereby reducing the funds available for operations;
- . limiting our ability to grow and make capital expenditures due to the financial covenants contained in our debt arrangements;
- . impairing our ability to adjust rapidly to changing market conditions, invest in new or developing technologies, or take advantage of significant business opportunities that may arise; and
- . making us more vulnerable if a general economic downturn occurs or if our business experiences difficulties.

In the past, we have experienced unforeseen delays in connection with our IBX construction activities. We will need to successfully implement our business strategy on a timely basis to meet our debt service and working capital needs. We may not successfully implement our business strategy, and even if we do, we may not realize the anticipated results of our strategy or generate sufficient operating cash flow to meet our debt service obligations and working capital needs.

In the event our cash flow is inadequate to meet our obligations, we could face substantial liquidity problems. If we are unable to generate sufficient cash flow or otherwise obtain funds needed to make required payments under our indebtedness, or if we breach any covenants under our indebtedness, we would be in default under its terms and the holders of such indebtedness may be able to accelerate the maturity of such indebtedness, which could cause defaults under our other indebtedness.

If we do not obtain significant additional funds, we may not be able to complete our rollout plan on a timely basis, or at all.

We expect that our current cash, cash equivalents and short-term investments, together with the proposed senior secured credit facility, will allow us to pursue three additional IBX centers and several expansion projects, resulting in a total of eight IBX centers in the United States and Europe by the end of 2001. If we cannot raise sufficient additional funds on acceptable terms or funds under our proposed

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credit facility are unavailable to us or our losses exceed our expectations, we may be required to delay the rollout of our currently planned IBX centers or permanently reduce our rollout plans. There can be no assurance that we will enter into the proposed credit facility. Additional financing could take the form of debt or equity. In the past, we have had difficulties obtaining debt financing due to the early stage of our company's development. Financing may not be available to us at the time we seek to raise additional funds, or if such financing is available, it may only be available on terms, or in amounts, which are unfavorable to us.

The anticipated timing and amount of our capital requirements is forward-looking and therefore inherently uncertain. In the past, we have experienced unforeseen delays and expenses in connection with our IBX construction activities. Our future capital requirements may vary significantly from what we currently project, and the timing of our rollout plan may be affected by unforeseen construction delays and expenses and the amount of time it takes us to lease space within our IBX centers. If we encounter any of these problems or if we have underestimated our capital expenditure requirements or the operating losses or working capital requirements, we may require significantly more financing than we currently anticipate.

Our rollout plan is preliminary and we may need to alter our plan and reallocate funds.

Our IBX center rollout plan is preliminary and has been developed from our

current market data and research, projections and assumptions. If we are able to secure additional funds, we expect to pursue additional IBX projects and to reconsider the timing and approach to IBX projects. We expect to continually reevaluate our business and rollout plan in light of evolving competitive and market conditions and the availability of suitable sites, financing and customer demand. As a result, we may alter our IBX center rollout and reallocate funds, or eliminate segments of our plan entirely if there are:

- . changes or inaccuracies in our market data and research, projections or assumptions;
- . unexpected results of operations or strategies in our target markets;
- . regulatory, technological, and competitive developments, including additional market developments and new opportunities; or
- . changes in, or discoveries of, specific market conditions or factors favoring expedited development in other markets.

We rely upon Bechtel and suitable site availability to complete our IBX center rollout plans on time.

We have agreed to use Bechtel Corporation exclusively as our contractor to provide program management, site identification and evaluation and construction services to build our IBX centers under mutually agreed upon guaranteed completion dates. Problems in our relationship with Bechtel, including Bechtel rendering services to our potential competitors, could have a material adverse effect on our ability to achieve our business objectives on a timely and cost-effective basis.

In addition, our success will depend upon our ability to timely identify and acquire suitable locations, on acceptable terms, with proximity to adequate power and fiber networks. We have encountered competition for suitable sites from potential competitors and we expect this to increase in the future.

We depend on third parties to provide Internet connectivity to our IBX centers; if connectivity is not established or is delayed, our operating results and cash flow will be adversely affected.

The presence of diverse Internet fiber from communications carriers' fiber networks to an Equinix IBX center is critical to our ability to attract new customers. We believe that the availability of such carrier capacity will directly affect our ability to achieve our projected results.

We are not a communications carrier, and as such we rely on third parties to provide our customers

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with carrier facilities. We intend to rely primarily on revenue opportunities from our customers to encourage carriers to incur the expenses required to build facilities from their points of presence to our IBX centers. Carriers will likely evaluate the revenue opportunity of an IBX center based on the assumption that the environment will be highly competitive. There can be no assurance that, after conducting such an evaluation, any carrier will elect to offer its services within our IBX centers.

The construction required to connect multiple carrier facilities to our IBX centers is complex and involves factors outside of our control, including regulatory processes and the availability of construction resources. For example, in the past carriers have experienced delays in connecting to our facilities. If the establishment of highly diverse Internet connectivity to our IBX centers does not occur or is materially delayed, our operating results and cash flow will be adversely affected.

We will operate in a new highly competitive market and we may be unable to compete successfully against new entrants and established companies with greater resources.

In a market that we believe will likely have an increasing number of competitors, we must be able to differentiate ourselves from existing providers of space for telecommunications equipment and web hosting companies. We may also face competition from persons seeking to replicate our IBX concept. Our competitors may operate more successfully than we do or form alliances to acquire significant market share. Furthermore, enterprises that have already invested substantial resources in peering arrangements may be reluctant or slow to adopt our approach that may replace, limit or compete with their existing systems. If we are unable to complete our IBX centers in a timely manner, other companies may be able to attract the same customers that we are targeting. Once customers are located in our competitors' facilities, it will be extremely difficult to convince them to relocate to our IBX centers.

Some of our potential competitors have longer operating histories and significantly greater financial, technical, marketing and other resources than we do. Because of their greater financial resources, some of these companies

have the ability to adopt aggressive pricing policies. As a result, in the future, we may suffer from pricing pressure which would adversely affect our ability to generate revenues and affect our operating results.

Because we depend on the development and growth of a balanced customer base, failure to attract this base of customers could harm our business and operating results.

Our ability to maximize revenues depends on our ability to develop and grow a balanced customer base, consisting of a variety of companies, including content providers, application service providers, e-commerce companies, bandwidth providers and site and performance management companies. Our ability to attract customers to our IBX centers will depend on a variety of factors, including the presence of multiple carriers, the overall mix of our customers, our operating reliability and security and our ability to effectively market our services. Construction delays, our inability to find suitable locations to build additional IBX centers, equipment and material shortages or our inability to obtain necessary permits on a timely basis could delay our IBX center rollout schedule and prevent us from developing our anticipated customer base.

A customer's decision to lease cabinet space in our IBX centers typically involves a significant commitment of resources and will be influenced by, among other things, the customer's confidence that other Internet and e-commerce related businesses will be located in a particular IBX center. In particular, some customers will be reluctant to commit to locating in our IBX centers until they are confident that the IBX center has adequate carrier connections. As a result, we have a long sales cycle. We generally incur significant expenses in sales and marketing prior to getting customer commitments for our services. Delays due to the length of our sales cycle may adversely affect our business, financial condition and results of operations.

Our success will also depend upon generating significant interconnection revenues from customers which may depend upon a balanced customer base, as well as upon the success of our IBX centers at facilitating business among customers. In addition, some of our customers will be Internet companies that face many competitive pressures and that may not ultimately be successful. If these customers do not

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succeed, they will not continue to use our IBX centers. This may be disruptive to our business and may adversely affect our business, financial condition and results of operations.

If not properly managed, our growth and expansion could significantly harm our business and operating results.

Our anticipated growth may significantly strain our resources as a result of an increase in the number of our employees, the number of operating IBX centers and our international expansion. Any failure to manage growth effectively could seriously harm our business and operating results. To succeed, we will need to:

- . hire, train and retain new employees and qualified engineering personnel at each IBX center;
- . implement additional management information systems;
- . locate additional office space for our corporate headquarters;
- . improve our operating, administrative, financial and accounting systems and controls; and
- . maintain close coordination among our executive, engineering, accounting, finance, marketing, sales and operations organizations.

We face risks associated with international operations that could harm our business.

We intend to construct IBX centers outside of the United States and we will commit significant resources to our international sales and marketing activities. Our management has limited experience conducting business outside of the United States and we may not be aware of all the factors that affect our business in foreign jurisdictions. We will be subject to a number of risks associated with international business activities that may increase our costs, lengthen our sales cycles and require significant management attention. These risks include:

- . increased costs and expenses related to the leasing of foreign centers;
- . difficulty or increased costs of constructing IBX centers in foreign countries;
- . difficulty in staffing and managing foreign operations;

- . increased expenses associated with marketing services in foreign countries;
- . business practices that favor local competition and protectionist laws;
- . difficulties associated with enforcing agreements through foreign legal systems;
- . general economic and political conditions in international markets;
- . potentially adverse tax consequences, including complications and restrictions on the repatriation of earnings;
- . currency exchange rate fluctuations;
- . unusual or burdensome regulatory requirements or unexpected changes to those requirements;
- . tariffs, export controls and other trade barriers; and
- . longer accounts receivable payment cycles and difficulties in collecting accounts receivable.

To the extent that our operations are incompatible with, or not economically viable within, any given

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foreign market, we may not be able to locate an IBX center in that particular foreign jurisdiction.

We must attract and retain key personnel to maintain and grow our business.

We require the services of additional personnel in positions related to our growth. For example, we need to expand our marketing and direct sales operations to increase market awareness of our IBX centers, market our services to a greater number of enterprises and generate increased revenues. We also require highly capable technical personnel to provide the quality services we are promoting. As a result, we plan to hire additional personnel in related capacities. Our success depends on our ability to identify, hire, train and retain additional qualified personnel, including managers, particularly in areas related to our anticipated growth and geographic expansion.

We may not be successful in attracting, assimilating or retaining qualified personnel. In addition, due to generally tight labor markets, our industry, in particular, suffers from a lack of available qualified personnel. If we lose one or more of our key employees, we may not be able to find a replacement and our business and operating results could be adversely affected.

Any failure of our physical infrastructure or services could lead to significant costs and disruptions which could reduce our revenue and harm our business reputation and financial results.

Our business depends on providing our customers with highly reliable service. The services we provide are subject to failure resulting from numerous factors, including:

- . human error;
- . physical or electronic security breaches;
- . fire, earthquake, flood and other natural disasters;
- . power loss; and
- . sabotage and vandalism.

Problems at one or more of our centers, whether or not within our control, could result in service interruptions or significant equipment damage. To date, our power uptime has been in excess of 99.99% across all our operational IBX centers; however, in the past, we experienced temporary losses of power that led to a short-term unavailability of our services. Any loss of services, particularly in the early stage of our development, could reduce the confidence of our customers and could consequently impair our ability to obtain and retain customers which would adversely affect our ability to generate revenues and affect our operating results.

Risks Related to Our Industry

If use of the Internet and electronic business does not continue to grow, a viable market for our IBX centers may not develop.

Rapid growth in the use of and interest in the Internet has occurred only recently. Acceptance and use may not continue to develop at historical rates and

a sufficiently broad base of consumers may not adopt or continue to use the Internet and other online services as a medium of commerce. Demand and market acceptance for recently introduced Internet services and products are subject to a high level of uncertainty and there are few proven services and products. As a result, we cannot be certain that a viable market for our IBX centers will emerge or be sustainable.

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We must respond to rapid technological change and evolving industry standards in order to meet the needs of our customers.

The market for IBX centers will be marked by rapid technological change, frequent enhancements, changes in customer demands and evolving industry standards. Our success will depend, in part, on our ability to address the increasingly sophisticated and varied needs of our current and prospective customers. Our failure to adopt and implement the latest technology in our business could negatively affect our business and operating results.

In addition, we have made and will continue to make assumptions about the standards that may be adopted by our customers and competitors. If the standards adopted differ from those on which we have based anticipated market acceptance of our services or products, our existing services could become obsolete. This would have a material adverse effect on our business, financial condition and results of operations.

Government regulation may adversely affect the use of the Internet and our business.

Laws and regulations governing Internet services, related communications services and information technologies, and electronic commerce are beginning to emerge but remain largely unsettled, even in areas where there has been some legislative action. It may take years to determine whether and how existing laws, such as those governing intellectual property, privacy, libel, telecommunications, and taxation, apply to the Internet and to related services such as ours. In addition, the development of the market for online commerce and the displacement of traditional telephony services by the Internet and related communications services may prompt increased calls for more stringent consumer protection laws or other regulation, both in the United States and abroad, that may impose additional burdens on companies conducting business online and their service providers. The adoption or modification of laws or regulations relating to the Internet, or interpretations of existing law, could have a material adverse effect on our business, financial condition and results of operations.

Item 3. Qualitative and Quantitative Disclosures about Market Risk

Interest Rate Risk

Our exposure to market risk for changes in interest rates relates primarily to our investment portfolio. Our interest income is sensitive to changes in the general level of U.S. interest rates, particularly since the majority of our investments are in short-term instruments. Due to the short-term nature of our investments, we believe that we are not subject to any material market risk exposure. An increase or decrease in interest rates would not significantly increase or decrease interest expense on debt obligations due to the fixed nature of our debt obligations.

The fair market value of long-term fixed interest rate debt is subject to interest rate risk. Generally, the fair market value of fixed interest rate debt will increase as interest rates fall and decrease as interest rates rise. The interest rate changes affect the fair market value but do not impact earnings or cash flows. The effect of an immediate 10% change in interest rates would not have a material impact on our future operating results or cash flows. Fair market values were determined from quoted market prices.

Foreign Currency Risk

To date, all of our recognized revenue has been denominated in U.S. dollars and from customers in the United States, and our exposure to foreign currency exchange rate changes has been minimal. We have signed a number of lease agreements in Europe and expect that future revenues may also be derived from international markets and may be denominated in the currency of the applicable market. As a result, our operating results may become subject to significant fluctuations based upon changes in exchange rates of certain currencies in relation to the U.S. dollar. Furthermore, to the extent that we engage in international sales denominated in U.S. dollars, an increase in the value of the U.S. dollar relative to foreign currencies could make our products less competitive in international markets. Although we will continue to monitor our exposure to currency fluctuations, and, when appropriate, may use financial hedging techniques in the future to minimize the effect of these fluctuations, we cannot assure that exchange rate fluctuations will not adversely affect our financial results in the future.

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EQUINIX, INC.

Item 1. Legal Proceedings.

None.

Item 2. Changes in Securities and Use of Proceeds.

(b) Through the Company's (i) Loan Agreement, dated August 16, 1999, among Venture Lending & Leasing and other lenders and Equinix, Inc. and (ii) the Indenture, dated December 1, 1999 governing the Senior Notes, certain restrictions are imposed on the ability of the Company to make dividend payments as defined in those agreements.

(c) During the quarter ended September 30, 2000, we have issued and sold the following securities:

1. We granted stock options to purchase 1,399,550 shares of common stock at an exercise prices of \$7.00 per share to employees, consultants and directors pursuant to our 1998 stock option plan and 2000 directors' stock option plan.

2. We issued and sold an aggregate of 261,520 shares of common stock to employees, consultants and directors for aggregate consideration of approximately \$626,226 pursuant to exercises of options granted under our 1998 Stock Option Plan.

3. In August 2000, and prior to the closing of our initial public offering, we gifted 65,000 shares of our common stock to Community Foundation Silicon Valley pursuant to a Restricted Stock Grant Agreement.

The sale of the above securities was determined to be exempt from registration under the Securities Act in reliance on Rule 701 promulgated under the Securities Act, Section 4(2) of the Securities Act or Regulation D promulgated thereunder as transactions by an issuer not involving any public offering or transactions under compensation benefit plans and contracts relating to compensation as provided under 701. In addition, the recipients of securities in each such transaction represented their intentions to acquire the securities for investment only and not with a view to or for sale in connection with any distribution thereof and appropriate legends were affixed to the share certificates issued in these transactions. All recipients had adequate access, through their relationships with us, to information about us.

(d) The effective date of the Registration Statement for our initial public offering, filed on Form S-1 under the Securities Act of 1933 (File No. 333-93749), was August 10, 2000. The class of securities registered was Common Stock. The managing underwriters for the offering were Goldman, Sachs & Co., Salomon Smith Barney Inc., Chase Securities Inc. and Epoch Securities, Inc.

The offering commenced on August 11, 2000 and terminated on September 7, 2000 after we had sold all of the 22,704,596 shares of common stock registered under the Registration Statement for an aggregate gross offering price of \$272,455,152.

We incurred expenses of approximately \$20,745,000, of which \$19,071,860 represented underwriting discounts and commissions and approximately \$1,673,140 represented other expenses related to the offering. The net offering proceeds after total expenses was \$251,710,000.

We expect to use the proceeds for general corporate proceeds, including working capital and to fund the construction of new IBX centers and expansion projects on built IBX centers. A portion of the net proceeds may also be used for the acquisition of businesses, products and technologies that are complimentary to ours. We have no current agreements or commitments for acquisitions of complimentary businesses, products or technologies. Pending these uses, the net proceeds have been invested in investment grade and interest-bearing securities. The use of proceeds from the offering does

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not represent a material change in the use of proceeds described in the prospectus.

Item 3. Defaults Upon Senior Securities.

None.

Item 4. Submission of Matters to a Vote of Security Holders.

In the quarter ended September 30, 2000, the following matters were submitted to the security holders of the Company:

In August 2000, we solicited the approval of our stockholders through

a Written Consent of Stockholders to amend and restate our certificate of incorporation, amend and restate our bylaws, approve our form indemnification agreement, and approve the 2000 Equity Incentive Plan, 2000 Employee Stock Purchase Plan and the 2000 Director Option Plan. Stockholders holding approximately 83% of the 53,772,931 shares outstanding at that time gave their consent.

Item 5. Other Information.

None.

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Item 6. Exhibits and Reports on Form 8-K.

(a) Exhibits.

Exhibit

No. Description

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- 3.1* Amended and Restated Certificate of Incorporation of the Registrant, as amended to date.
- 3.2* Bylaws of the Registrant.
- 4.1 Reference is made to Exhibits 3.1 and 3.2.
- 4.2** Form of Registrant's Common Stock certificate.
- 4.6* Common Stock Registration Rights Agreement (See Exhibit 10.3).
- 4.9* Amended and Restated Investors' Rights Agreement (See Exhibit 10.6).
- 10.1* Indenture, dated as of December 1, 1999, by and among the Registrant and State Street Bank and Trust Company of California, N.A. (as trustee).
- 10.2* Warrant Agreement, dated as of December 1, 1999, by and among the Registrant and State Street Bank and Trust Company of California, N.A. (as warrant agent).
- 10.3* Common Stock Registration Rights Agreement, dated as of December 1, 1999, by and among the Registrant, Benchmark Capital Partners II, L.P., Cisco Systems, Inc., Microsoft Corporation, ePartners, Albert M. Avery, IV and Jay S. Adelson (as investors), and the Initial Purchasers.
- 10.4* Registration Rights Agreement, dated as of December 1, 1999, by and among the Registrant and the Initial Purchasers.
- 10.5* Form of Indemnification Agreement between the Registrant and each of its officers and directors.
- 10.6* Amended and Restated Investors' Rights Agreement, dated as of May 8, 2000, by and between the Registrant, the Series A Purchasers, the Series B Purchasers, the Series C Purchasers and members of the Registrant's management.
- 10.8* The Registrant's 1998 Stock Option Plan.
- 10.9** Lease Agreement with Carlyle-Core Chicago LLC, dated as of September 1, 1999.
- 10.10** Lease Agreement with Market Halsey Urban Renewal, LLC, dated as of May 3, 1999.
- 10.11** Lease Agreement with Laing Beaumeade, dated as of November 18, 1998.
- 10.12** Lease Agreement with Rose Ventures II, Inc., dated as of September 10, 1999.
- 10.13** Lease Agreement with 600 Seventh Street Associates, Inc., dated as of August 6, 1999.
- 10.14** First Amendment to Lease Agreement with TrizecHahn Centers, Inc. (dba TrizecHahn Beaumeade Corporate Management), dated as of October 28, 1999.
- 10.15** Lease Agreement with Nexcomm Asset Acquisition I, L.P., dated as of January 21, 2000.
- 10.16** Lease Agreement with TrizecHahn Centers, Inc. (dba TrizecHahn Beaumeade Corporate Management), dated as of December 15, 1999.
- 10.17* Lease Agreement with ARE-2425/2400/2450 Garcia Bayshore LLC, dated as of January 28, 2000.
- 10.18* Sublease Agreement with Insweb Corporation, dated as of November 1, 1998.
- 10.19** Master Agreement for Program Management, Site Identification and Evaluation, Engineering and Construction Services between Equinix, Inc. and Bechtel Corporation, dated November 3, 1999.
- 10.20** Agreement between Equinix, Inc. and WorldCom, Inc., dated November 16, 1999.
- 10.21* Customer Agreement between Equinix, Inc. and WorldCom, Inc., dated November 16, 1999.
- 10.22** Lease Agreement with GIP Airport B.V., dated as of April 28, 2000.
- 10.23* Purchase Agreement between International Business Machines Corporation and Equinix, Inc. dated May 23, 2000.
- 10.24** 2000 Equity Incentive Plan
- 10.25** 2000 Director Option Plan
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- 10.27** Ground Lease by and between iStar San Jose, LLC and Equinix, Inc., dated June 21, 2000
- 10.28+ Lease Agreement with TrizecHahn Beaumeade Technology Center LLC, dated as of July 1, 2000.
- 10.29+ Lease Agreement with TrizecHahn Beaumeade Technology Center LLC, dated

- 10.30+ Lease Agreement with 600 Seventh Street Associates, Inc., dated as of August 24, 2000.
- 10.31+ Lease Agreement with Burlington Associates III Limited Partnership, dated as of July 24, 2000.
- 10.32+ Lease Agreement with Naxos Schmirdelwerk Mainkur GmbH and A.A.A. Aktiengesellschaft Allgemeine Anlageverwaltung vorm. Seilwolff AG von 1890, dated as of August 7, 2000.
- 10.33+ Lease Agreement with Quattrocento Limited, dated as of June 1, 2000.
- 10.34 Lease Agreement with ARE-2425/2400/2450 Garcia Bayshore, LLC, dated as of March 20, 2000.
- 10.35 First Supplement to the Lease Agreement with Naxos Schmirdelwerk Mainkur GmbH and A.A.A. Aktiengesellschaft Allgemeine Anlageverwaltung vorm. Seilwolff AG von 1890, dated as of October 11, 2000.
- 27.1 Financial Data Schedule.

- * Incorporated herein by reference to the exhibit of the same number in the Registrant's Registration Statement on Form S-4 (file No. 333-93749).
- ** Incorporated herein by reference to the exhibit of the same number in the Registrant's Registration Statement in Form S-1 (file No. 333-39752).
- + Confidential treatment has been requested for certain portions which are omitted in the copy of the exhibit electronically filed with the Securities and Exchange Commission. The omitted information has been filed separately with the Securities and Exchange Commission pursuant to Equinix's application for confidential treatment.

(b)Reports on Form 8-K.

None.

EQUINIX, INC.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

EQUINIX, INC.

Date: November 9, 2000

By: /s/ Philip J. Koen

 Chief Financial Officer, Corporate
 Development Officer and Secretary
 (Principal Financial and Accounting Officer)

Index to Exhibits

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(b) Reports on Form 8-K.

None.

*CONFIDENTIAL TREATMENT REQUESTED. CONFIDENTIAL PORTION HAS BEEN FILED SEPARATELY WITH THE SECURITIES AND EXCHANGE COMMISSION.

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DEED OF LEASE
FOR
WAREHOUSE SPACE

*CONFIDENTIAL TREATMENT REQUESTED. CONFIDENTIAL PORTION HAS BEEN FILED SEPARATELY WITH THE SECURITIES AND EXCHANGE COMMISSION.

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- Exhibit B - Declaration of Acceptance
- Exhibit C - Cold Dark Shell Condition Specifications
- Exhibit D-1 - Rules and Regulations
- Exhibit D-2 - Declaration of Protective Covenants [*]
- Exhibit E - Parking
- Exhibit F - Description of the Land
- Exhibit G - Special Tenant Requirements
- Exhibit H - Tenant's Financial Statement
- Exhibit I - Form of Memorandum of Lease
- Exhibit J - Form of Nondisclosure Agreement
- Exhibit K - Form of Escrow Agreement

*CONFIDENTIAL TREATMENT REQUESTED. CONFIDENTIAL PORTION HAS BEEN FILED SEPARATELY WITH THE SECURITIES AND EXCHANGE COMMISSION.

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DEED OF LEASE

THIS DEED OF LEASE (the "Lease") is made and entered into this 1st day of July, 2000, by and between TRIZECHAHN [*] LLC, a Delaware limited liability company ("Landlord") and EQUINIX, INC., a Delaware corporation ("Tenant").

In consideration of the Rent hereinafter reserved and the agreements hereinafter set forth, Landlord and Tenant mutually agree as follows:

1. DEFINITIONS. Except as otherwise expressly provided or unless the context otherwise requires, the following terms shall have the meanings assigned to them in this Section:

A. Alterations: Any improvements, alterations, fixed decorations or modifications, structural or otherwise, to the Premises, the Building or the Land, as defined below, including but not limited to the installation or modification of carpeting, partitions, counters, doors, air conditioning ducts, plumbing, piping, lighting fixtures, wiring, hardware, locks, ceilings and window and wall coverings.

B. Building: The building located at [*] in Ashburn, Virginia, in the
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Park (as hereinafter defined) in which the Premises are located. Except as expressly indicated otherwise, the term "Building" shall include all portions of said building, including but not limited to the Premises and the common areas of said building.

C. Consumer Price Index (Regular and Base): [Intentionally omitted.]

D. Default Rate: That rate of interest which is [*] percentage points
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above the annual rate of interest which is publicly announced by Bank of America or its successor entity, if applicable ("Bank of America"), from time to time as its "prime" rate of interest, irrespective of whether such rate is the lowest rate of interest charged by Bank of America to commercial borrowers. In the event that Bank of America ceases to announce such a prime rate of interest, Landlord, in Landlord's reasonable discretion, shall designate the prime rate of interest by another bank located in the Washington, D.C. metropolitan area, which shall be the prime rate of interest used to calculate the default rate.

E. Fiscal Year: Each consecutive twelve (12) month period during the Term of this Lease that commences on January 1 and concludes on December 31 inclusive.

F. Ground Leases: All ground and other underlying leases from which Landlord's title to the Land and/or the Building is or may in the future be derived. "Ground Lessors" shall denote those persons and entities holding such ground or underlying leases.

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G. Holidays: New Year's Day, Presidents' Day, Martin Luther King, Jr.'s Birthday, Memorial Day, Independence Day, Labor Day, Columbus Day, Veteran's Day, Thanksgiving Day, Christmas Day and any other holidays designated by an executive order of the President of the United States or by Act of Congress.

H. Land: The real estate that supports the Building as more fully described on Exhibit F attached hereto and made a part hereof, and all associated easements.

I. Park Common Areas: All areas, improvements, facilities and equipment from time to time designated by Landlord for the common use or benefit of Tenant, other tenants of the Building or the Park and their agents, including, without limitation, roadways, entrances and exits, landscaped areas, open areas, park areas, exterior lighting, service drives, loading areas, pedestrian walkways, sidewalks, atriums, courtyards, concourses, stairs, ramps, washrooms, maintenance and utility rooms and closets, exterior utility lines, hallways, lobbies, elevators and their housing and rooms, common window areas, common walls, common ceilings, common trash areas and parking facilities.

J. Landlord's Work: All work to be performed by Landlord as set forth on Exhibit C attached hereto and made a part hereof.

K. Lease Commencement Date: The date this Lease commences, as determined pursuant to Subsection 2.A. below.

L. Lease Year: That period of twelve (12) consecutive calendar months that commences on the first day of the calendar month in which the Lease Commencement Date occurs, and each consecutive twelve (12) month period thereafter. The earliest such twelve (12) month period shall be referred to as the "first Lease Year," and each of the following Lease Years shall similarly be numbered for identification purposes.

M. Mortgages: All mortgages, deeds of trust and similar security instruments which may now or in the future encumber or otherwise affect the Building or the Land, including mortgages related to both construction and permanent financing. "Mortgagees" shall denote those persons and entities holding such mortgages, deeds of trust and similar security instruments.

N. Park Common Area Maintenance Expenses: All costs and expenses incurred by Landlord during any Fiscal Year in owning, managing, operating and maintaining the Park Common Areas, as determined by Landlord in accordance with an accounting system established and regularly applied by Landlord. Such costs and expenses shall include, but not be limited to the cost of insurance for the Building and the Park; labor costs (including social security taxes and contributions and fringe benefits); charges under maintenance and service contracts (including but not limited to chillers, boilers, elevators, window and security services); the cost of water, gas, sanitary sewer, storm sewer, electricity, and other utilities to Park Common Areas; the cost of services to Park Common Areas and facilities and systems related thereto (including but not limited to, paving and parking areas, lighting and sound facilities, storm and sanitary drainage systems, utility conduits, systems and ducts, fire protection systems, sprinkler systems, security systems, Building signs, whether or not located on the Land, retaining walls, curbs,

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gutters, fences, sidewalks, canopies, steps, ramps, grass, trees and shrubbery), which services may include, among other things, ice and snow removal, lighting, cleaning, landscaping, gardening, sweeping, painting, and resurfacing; that portion of management fees which does not exceed three percent (3%) of the aggregate gross revenues received by Landlord from the Park from all sources; business taxes, license fees, public space and vault rentals and charges; assessments imposed by any association now or hereafter established to maintain the Park Common Areas (including, but not limited to, assessments imposed by any association with respect to the Park); and the cost of any equipment or services provided by Landlord in connection with the servicing, operation, maintenance repair and protection of the Park Common Areas and related exterior appurtenances (whether or not provided on the Lease Commencement Date). Park Common Area Maintenance Expenses shall include the cost of capital improvements made by Landlord to manage, operate or maintain the Park Common Areas together with any financing charges incurred in connection therewith, provided that such costs shall be amortized over the useful life of the improvements and only the portion attributable to the Fiscal Year shall be included in Park Common Area Maintenance Expenses for the Fiscal Year; further provided, that such expenditures shall be (a) limited to those replacements of Park components (other than buildings) with other Park components (other than buildings) which serve similar purposes and which are reasonably necessary to keep the Park in good repair, in Landlord's reasonable judgment, and which will not change the character of the Park, (b) improvements or Park components (other than buildings) added to the Park which in Landlord's reasonable judgment will increase the efficiency of the Park (i.e., are reasonably anticipated by Landlord to reduce Park Common Area Maintenance Expenses as they relate to the item which is the subject of the capital expenditure or to reduce the rate of increase in the Park Common Area Maintenance Expense which relates to the item which is the subject of the capital expenditure from what it otherwise may have been reasonably anticipated to be in the absence of such capital expenditure), and (c) improvements or replacements which are required to comply with the requirements of any laws, regulations or insurance or utility company requirements, except for conditions existing in violation thereof on the Lease Commencement Date. Common Area Maintenance Expenses shall not include (i) Real Estate Tax Expenses, (ii) payments of principal and interest on any Mortgages, (iii) leasing commissions, (iv) costs of preparing, improving or altering any spaces in preparation for occupancy of any new or renewal tenant, (v) costs incurred by Landlord on account of utilities, char services or other services attributable to space occupied by any tenant of the Building, (vi) the cost of damage and repairs necessitated by the gross negligence or willful misconduct of Landlord or of Landlord's agents and employees, (vii) any cost or expense incurred by reason of the remediation or clean-up of any contamination of the Building, the Land or the Park, or the soils or ground water underlying the Building, the Land or the Park, by hazardous materials or toxic substances to the extent that either (A) such contamination existed prior to the Lease Commencement Date and was not caused by Tenant or any of its employees, agents or contractors, or (B) such contamination arose on or after the Lease Commencement Date and was caused by any other tenant of the Park or by Landlord or any of its employees, agents or contractors, (viii) overhead costs and profit increment paid to subsidiaries or affiliates of Landlord for services on or for the Building, the Land or the Park, to the extent only that the cost of such services exceed the competitive costs of such services were they not so rendered by a subsidiary or affiliate of Landlord, (ix) any deductible on Landlord's insurance policy in excess of Fifty Thousand Dollars (\$50,000.00), (x) the costs, including permit, license and inspection costs, incurred with respect to the construction of the Building,

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(xi) the cost of any services provided to other tenants of the Park which are not made available to Tenant, (xii) legal fees, brokerage commissions, advertising costs, or other related expenses incurred in connection with the leasing of the Building or the Park or associated with monetary disputes with tenants or other occupants of the Building or the Park or with the enforcement of any monetary provision of any lease or defense of Landlord's title to or interest in the Building or the Park or any part thereof, (xiii) except to the

extent allocable to the Park, salaries of personnel to the extent that such personnel perform services other than in connection with the management, operation, repair or maintenance of the Building, the Land or the Park, and (xiv) Landlord's general corporate overhead and general and administrative expenses not related to the Building, the Land or the Park.

O. Park: That certain business park located in Ashburn, Virginia known as [*] which as of the date of this Lease contains approximately [*] rentable
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square feet in six (6) buildings, known as [*] and [*], Ashburn, Virginia.
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P. Premises: [*] square feet of rentable area on the first (1st) floor of
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the Building, including, but not limited to, the roof of the Building, as shown on the floor plan attached hereto as Exhibit A. However, the area and plan of the Premises may change in the event of the exercise of any option to expand or contract the Premises set forth in this Lease. The rentable area of the Premises has been determined in accordance with the Greater Washington Commercial Association of REALTORS⁷ Standard Method of Measurement dated June 13, 1995 (the "GWCAR Standard Method of Measurement"). Tenant shall have the option, exercisable by written notice to Landlord within thirty (30) days following the Lease Commencement Date, to verify the rentable area of the Premises by having the Premises remeasured by Tenant's architect in the manner provided for in the GWCAR Standard Method of Measurement (the "Tenant's Remeasurement"). If the rentable area of the Premises resulting from the Tenant's Remeasurement is within two percent (2%) of the rentable area of the Premises as stated above (the "Stated Area"), the rentable area of the Premises shall be equal to the Stated Area. If the Tenant's Remeasurement is not within two percent (2%) of the Stated Area, Landlord and Tenant shall negotiate in good faith for ten (10) days to attempt to reach agreement as to the rentable area of the Premises. If within such 10-day period the parties have not mutually agreed on the rentable area of the Premises, then within five (5) days following such 10-day period Landlord's architect and Tenant's architect shall jointly appoint a third architect. The third architect shall independently make his determination of the rentable area of the Premises within ten (10) days after his appointment. The highest and the lowest measurements among the three (3) architects shall be disregarded and the remaining determination shall be deemed to be the rentable area of the Premises. Each party shall pay for the cost of its architect and one-half of the cost of the third architect. In the event that Landlord's architect and Tenant's architect do not agree on a third architect within such 10-day period, the dispute shall be resolved by arbitration in accordance with the then prevailing Commercial Rules of the American Arbitration Association. For purposes of this Section 1.P., an "architect" shall mean an architect certified by The American Institute of Architects and licensed or registered to practice architecture in the Commonwealth of Virginia.

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If the rentable area of the Premises as determined above is not within two percent (2%) of the Stated Area, then within fifteen (15) days after final determination of the rentable area of the Premises, Landlord shall prepare, and Landlord and Tenant shall each promptly execute, an amendment to this Lease pursuant to which the Base Rent, Tenant's Share of Park Common Area Maintenance Expenses and Tenant's Share of Real Estate Tax Expenses and any other affected provisions of this Lease are recalculated to reflect such increase or decrease in the rentable area of the Premises, which amendment shall be effective retroactive to the Lease Commencement Date.

Q. Premises' Standard Electrical Capacity: [Intentionally omitted.]

R. Real Estate Tax Expenses: All taxes and assessments, general or special, ordinary or extraordinary, and foreseen or unforeseen, that are assessed, levied or imposed upon the Park, including, but not limited to, the Building and the Land, under any current or future taxation or assessment system or modification of, or supplement or substitute for, such system, whether or not based on or measured by the receipts or revenues from the Park (including all taxes and assessments for public improvements or any other purpose and any gross receipts or similar taxes). Real Estate Tax Expenses also shall include all reasonable expenses incurred by Landlord in obtaining or attempting to obtain a reduction of any such taxes, rates or assessments, including but not limited to legal fees, but shall not include any taxes on Tenant's Personal Property or other tenants' personal property, which taxes are the sole obligation of each tenant.

S. Rent: All Base Rent and Additional Rent.

(1) Base Rent: The amount payable by Tenant pursuant to Subsection 4.A. below.

(2) Additional Rent: All sums of money payable by Tenant pursuant to this Lease other than Base Rent.

(3) Monthly Rent: A monthly installment of Base Rent and Additional Rent, if any, which shall equal one-twelfth (1/12th) of Base Rent and Additional Rent then in effect.

T. Tenant's Personal Property: All Alterations, equipment, improvements, furnishings and/or other property now or hereafter installed or placed in or on the Premises by and at the sole expense of Tenant or with Tenant's permission (other than any property of Landlord), with respect to which Tenant has not been granted any credit or allowance by Landlord, and which: (i) is removable without damage to the Premises, the Building and the Land, unless such damage is repaired by Tenant at its sole cost and expense, and (ii) is not a replacement of any property of Landlord, whether such replacement is made at Tenant's expense or otherwise.

U. Tenant's Share:

(1) Tenant's Share of Park Common Area Maintenance Expenses shall be that percentage of Park Common Area Maintenance Expenses which is equal to the number of square

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feet of rentable area in the Premises divided by the total number of square feet of rentable area in the Park ([*] on the Lease Commencement Date). As of the Lease Commencement Date, Tenant's Share of Park Common Area Maintenance Expenses shall be [*] percent ([*] %).

(2) Tenant's Share of Real Estate Tax Expenses shall be that percentage of Real Estate Tax Expenses which is equal to the number of square feet of rentable area in the Premises divided by the total number of square feet of rentable area in the Park ([*] on the Lease Commencement Date). As of the Lease Commencement Date, Tenant's Share of Real Estate Tax Expenses shall be [*] percent ([*] %).

(3) Tenant's Share of Park Common Area Maintenance Expenses and Tenant's Share of Real Estate Tax Expenses shall change any time the number of square feet of rentable area leased hereunder by Tenant or the number of square feet of rentable area in the Park increases or decreases.

V. Unavoidable Delay: Any delays due to strikes, labor disputes, shortages of material, labor or energy, acts of God, governmental restrictions, enemy action, civil commotion, fire, unavoidable casualty or any other causes beyond the control of Landlord.

W. Work Agreement: [Intentionally omitted.]

2. TERM.

A. Term of Lease: The term of this Lease (the "Term") shall commence on a date (the "Lease Commencement Date"), as defined below, and shall terminate at midnight on May 31, 2010, or such earlier date on which this Lease is terminated pursuant to the provisions hereof (the "Lease Expiration Date"). The Lease Commencement Date shall be the earlier of (a) that date on which Landlord notifies Tenant that the Premises is in "substantially complete" Cold Dark Shell Condition (as hereinafter defined), as certified by Landlord's architect based upon practices as are detailed by The American Institute of Architects, or (b) the date on which Tenant commences the construction or installation of any leasehold improvements in the Premises or stores any equipment in the Premises; provided, however, in the event that Tenant requests that Landlord perform Additional Tenant Work, as hereinafter defined, or if Landlord's delivery of the Premises to Tenant in "substantially complete" Cold Dark Shell Condition, as hereinafter defined, is delayed due to any Tenant Delay, as hereinafter defined, then the Lease Commencement Date shall be the earlier of (i) July 1, 2000 or (ii) the date on which Landlord permits Tenant to commence the construction or installation of any leasehold improvements in the Premises or to store any equipment in the Premises. Landlord hereby leases the Premises to Tenant and Tenant hereby leases the Premises from Landlord for the Term. Landlord shall deliver the Premises to Tenant in "substantially complete" Cold Dark Shell Condition (as hereinafter defined), as certified by Landlord's architect based upon practices as are detailed by The American Institute of Architects.

Landlord shall use reasonable efforts to substantially complete Landlord's Work on or before July 1, 2000. However, Landlord shall in no event be liable or subject to any claim

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for failure to substantially complete Landlord's Work by such date or for delay or inability to deliver possession of the Premises to Tenant for any reason.

Notwithstanding anything contained herein to the contrary, if Landlord shall be delayed in substantially completing Landlord's Work as a result of:

(a) Tenant's failure to furnish to Landlord, on or before the dates reasonably requested by Landlord, the information, requirements and/or approvals for any work to be done hereunder;

(b) Tenant's request for changes in any plans subsequent to March 20, 2000;

(c) Tenant's failure to approve the plans, specifications or cost estimates for Additional Tenant Work (as hereinafter defined) or make any payment within the time required under Section 3 hereof;

(d) Tenant's request for materials, finishes or installations other than Landlord's Park standard;

(e) The result of Tenant's or its agents' or employees' acts, failure to act, or failure to act in a timely manner;

(f) Landlord's provision for Tenant's contractor to commence Tenant's initial buildout of the Premises prior to completion of Landlord's Work pursuant to the Cold Dark Shell Specifications; or

(g) Delays caused by coordination of Additional Tenant Work and delivery of the Cold Dark Shell Specifications (items set forth in clauses (a) through (g) of this sentence being referred to herein individually and collectively as "Tenant Delay");

then, solely for the purposes of determining the commencement date of Tenant's liability for Base Rent and other charges under this Lease, such Tenant Delay shall neither postpone the Lease Commencement Date nor the date of substantial completion by Landlord of the Premises.

B. Declarations: If requested by Landlord at any time during the Term, Tenant promptly will execute a declaration in the form attached hereto as Exhibit B.

C. Effective Date: The rights and obligations set forth in this Lease, except for the obligation to pay Rent and as otherwise specifically provided herein to the contrary, shall become effective on the date of final execution of this Lease.

3. CONDITION OF PREMISES. Landlord shall deliver the Premises to Tenant in a "Cold Dark Shell Condition", which shall be in accordance with the specifications set forth on Exhibit C (the "Cold Dark Shell Specifications"). Except as set forth in Exhibit C attached hereto, Landlord shall have no obligation to make any improvements or alterations to the Premises.

If Tenant shall desire any work to be performed by Landlord in the Premises, other than Landlord's Work, that is, any work not contained in the Cold Dark Shell

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Specifications ("Additional Tenant Work"), then (i) such Additional Tenant Work shall be subject to Landlord's sole and absolute discretion, (ii) Landlord shall cooperate with Tenant in order to obtain the approval of the [*] Owners Association, Inc. (the "[*] Association") with respect to Additional Tenant Work, if such approval is required pursuant to Section 8.A. hereof, and (iii) all Additional Tenant Work shall be performed at Tenant's sole cost and expense, including, but not limited to, the costs incurred by Landlord relating to attempts to obtain the approval of such Additional Tenant Work by the [*] Association, if any. Tenant shall pay the full amount of the costs thereof to Landlord, as Additional Rent hereunder, as follows: Not later than three (3) business days following Tenant's receipt from Landlord of written notice of the cost of the Additional Tenant Work (the "Additional Tenant Work Cost"), Tenant shall deposit in escrow with Commercial Settlements, Inc. ("CSI") the full amount of the Additional Tenant Work Cost as set forth in Landlord's notice. Such amount deposited in escrow, or such lesser amount as remains therein after disbursements therefrom, is hereinafter referred to as the "Additional Tenant Work Cost Escrow". At each time that a portion of the Additional Tenant Work has been substantially completed, Landlord shall have the right to request from Tenant that Tenant authorize the disbursement from the Additional Tenant Work Cost Escrow of such portion of the Additional Tenant Work Cost as is allocable to such portion of the Additional Tenant Work, which request shall be made in writing and accompanied by copies of the relevant disbursement request from the contractor(s) or supplier(s) requesting such disbursement. Within three (3) business days following receipt of Landlord's request for approval by Tenant of a disbursement from the Additional Tenant Work Cost Escrow, Tenant shall either notify Landlord of any objections thereto or approve such request in writing, which approval shall not be unreasonably withheld, conditioned or delayed. In the event that Tenant does not approve a disbursement request, CSI shall not disburse the funds to Landlord, and Tenant shall indemnify Landlord against, and hold Landlord harmless from, any and all losses, costs, damages, liabilities,

claims of action and expenses (including, but not limited to, late charges, penalties, reasonable costs and reasonable attorneys' fees) incurred by Landlord as a result, direct or indirect, of Tenant's failure to timely approve a disbursement request. The Additional Tenant Work Cost Escrow shall be handled and disbursed in accordance with an Escrow Agreement by and among Tenant, Landlord and CSI in the form attached hereto as Exhibit K and made a part hereof.

4. RENT. From and after the Lease Commencement Date, Tenant shall pay to Landlord such Base Rent and Additional Rent as are set forth in this Section 4 and in Section 5 below.

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A. Base Rent: Base Rent shall equal: The following amounts:

<TABLE>
<CAPTION>

Monthly Time Period	Base Rent Per Square Foot	Base Rent Per Annum	Base Rent
Lease Commencement Date-May 31, 2001	\$[*]	\$[*]	\$[*]
June 1, 2001-May 31, 2002	\$[*]	\$[*]	\$[*]
June 1, 2002-May 31, 2003	\$[*]	\$[*]	\$[*]
June 1, 2003-May 31, 2004	\$[*]	\$[*]	\$[*]
June 1, 2004-May 31, 2005	\$[*]	\$[*]	\$[*]
June 1, 2005-May 31, 2006	\$[*]	\$[*]	\$[*]
June 1, 2006-May 31, 2007	\$[*]	\$[*]	\$[*]
June 1, 2007-May 31, 2008	\$[*]	\$[*]	\$[*]
June 1, 2008-May 31, 2009	\$[*]	\$[*]	\$[*]
June 1, 2009-May 31, 2010	\$[*]	\$[*]	\$[*]

Tenant shall pay Base Rent to Landlord in equal monthly installments ("Monthly Base Rent") in advance on the first day of each calendar month during the Term, without notice, except that the first monthly installment of Base Rent shall be paid upon execution of this Lease. If the Lease Commencement Date occurs on a date other than the first day of a calendar month, Tenant shall receive a credit equal to the Monthly Base Rent multiplied by the number of days in said calendar month prior to the Lease Commencement Date and divided by the number of days in such month, which credit shall be applied toward the installment of Monthly Base Rent next due hereunder. If the Lease Expiration Date occurs after the expiration of the last numbered Lease Year set forth above in this Section 4.A. for which an amount of Monthly Base Rent is specified, then Monthly Base Rent shall continue to be payable by Tenant at such rate for each month or portion of a month thereafter which is prior to the Lease Expiration Date.

B. Payment: All Base Rent and Additional Rent due and payable to Landlord under this Lease shall be made payable to TrizecHahn Centers, Inc. dba TrizecHahn [*] Corporate Management and delivered to TrizecHahn Centers, Inc. dba TrizecHahn [*] Corporate Management at Bank of America, P.O. Box #631577, Baltimore, MD 21263-1577. Payments of Rent (other than in cash), if initially dishonored, shall not be considered rendered until ultimately honored as cash by Landlord's depository. Except as expressly set forth otherwise in this Lease, Tenant will pay all Rent to Landlord without demand, deduction, set-off or counter-claim.

C. Late Fee: If Tenant fails to make any payment of Rent on or before the date when payment is due, then Tenant also shall pay to Landlord a late fee equal to [*] percent ([*] %) of the amount that is past due for each month or part thereof until such Rent is fully paid; provided, however, that, if, during each of the first three (3) Lease Years, Tenant has made all

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payments of Rent on or before the date when such payments are due and payable hereunder, then, commencing on the first day of the fourth (4th) Lease Year and continuing for the remainder of the Term, in lieu of the foregoing, the late fee provided for in this Section 3.C. shall not be assessed unless Tenant fails to make full payment of Rent within five (5) days after the day on which such payment is due. Said late fee shall be deemed reimbursement to Landlord for its costs of carrying and processing Tenant's delinquent account. Acceptance by Landlord of said late fee shall not waive or release any other rights or remedies to which Landlord may be entitled on account of such late payment.

D. Arbitration: Any statement provided to Tenant by Landlord pursuant to Section 5 below shall be conclusive and binding upon Tenant unless, within

thirty (30) days after receipt thereof, Tenant notifies Landlord of the respects in which the statement is claimed to be incorrect. Unless otherwise mutually agreed, any such dispute shall be determined by arbitration in the jurisdiction in which the Premises are located, in accordance with the then current commercial rules of the American Arbitration Association. The costs of the arbitration shall be divided equally between Landlord and Tenant, except that each party shall bear the cost of its own legal fees, unless (i) the arbitration results in a determination that Landlord's statement contained a discrepancy of less than five percent (5%) in Landlord's favor, in which event Tenant shall bear all costs incurred in connection with such arbitration, including, without limitation, reasonable legal fees, or (ii) the arbitration results in a determination that Landlord's statement contained a discrepancy of at least five percent (5%) in Landlord's favor, in which event Landlord shall bear all costs incurred in connection with such arbitration, including, without limitation, reasonable legal fees. Pending determination of any dispute, Tenant shall pay all amounts due pursuant to the disputed statement, but such payments shall be without prejudice to Tenant's position. Upon at least fifteen (15) days notice to Landlord, Tenant shall have reasonable access during normal business hours and at Tenant's expense, to appropriate books and records of Landlord relating to the amount of expenses covered by the disputed statement, for the purpose of verifying the statement. Any such review shall be made only by Tenant's employees and/or by an auditor hired by Tenant who is a Certified Public Accountant and who is employed on other than a contingent fee basis.

5. ADDITIONAL RENT.

A. To Cover Consumer Price Index Increases: [Intentionally omitted.]

B. To Cover Park Common Area Maintenance Expenses and Real Estate Tax Expenses: In addition to all other Rent set forth herein, for each Fiscal Year, Tenant shall pay to Landlord as Additional Rent an amount equal to the sum of Tenant's Share of Park Common Area Maintenance Expenses and Tenant's Share of Real Estate Tax Expenses; provided, however, that for the Fiscal Years during which the Term begins and ends, Tenant's Share of the aforesaid sum shall be prorated based upon the greater of: (i) the number of days during such Fiscal Year that this Lease is in effect, or (ii) the number of days that Tenant actually occupies the Premises or any portion thereof.

C. Statements:

(1) [Intentionally omitted.]

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(2) For each Fiscal Year, Landlord shall deliver to Tenant a statement estimating Tenant's Share of Park Common Area Maintenance Expenses and Tenant's Share of Real Estate Tax Expenses for such Fiscal Year, which Tenant shall pay in equal monthly installments in advance on the first day of each calendar month during each Fiscal Year. Tenant shall continue to pay such estimated Tenant's Share of Park Common Area Maintenance Expenses and Tenant's Share of Real Estate Tax Expenses until Tenant receives the next such statement from Landlord, at which time Tenant shall commence making monthly payments pursuant to Landlord's new statement. With the first payment of Monthly Base Rent which is due at least fifteen (15) days after Tenant's receipt of a statement from Landlord specifying estimated Tenant's Share of Park Common Area Maintenance Expenses and Tenant's Share of Real Estate Tax Expenses payable during the Fiscal Year, Tenant shall pay the difference between its monthly share of such sums for the preceding months of the Fiscal Year and the monthly installments which Tenant has actually paid for said preceding months.

D. Retroactive Adjustments: After the end of each Fiscal Year, Landlord shall determine and shall provide to Tenant a statement of Tenant's Share of Park Common Area Maintenance Expenses and Tenant's Share of Real Estate Tax Expenses for the Fiscal Year. Within thirty (30) days after delivery of any such statement, Tenant shall pay to Landlord any deficiency between the amount shown as Tenant's Share of Park Common Area Maintenance Expenses and Tenant's Share of Real Estate Tax Expenses for the Fiscal Year and the estimated payments made by Tenant. Tenant shall be credited with any excess estimated payments toward payments by Tenant of its share of estimated Tenant's Share of Park Common Area Maintenance Expenses and Tenant's Share of Real Estate Tax Expenses, or if the Term has expired, Landlord shall refund such amount to Tenant within thirty (30) days following the date of issuance of Landlord's statement, provided that Tenant is not then in default under this Lease, or if Tenant is then in default under this Lease, such refund shall be made within thirty (30) days following the date that such default is cured.

E. Change In or Contest of Taxes: In the event of any change by any taxing body in the period or manner in which any of the Real Estate Tax Expenses are levied, assessed or imposed, Landlord shall have the right, in its sole discretion, to make appropriate adjustments with respect to computing increases in Real Estate Tax Expenses. Real Estate Tax Expenses which are being contested by Landlord shall be included in computing Tenant's Share of Real Estate Tax Expenses under this Section, but if Tenant shall have paid Rent on account of contested Real Estate Tax Expenses and Landlord thereafter receives a refund of such taxes, Tenant shall receive a credit toward subsequent estimated payments

in an amount equal to Tenant's Share of such refund.

F. Sales, Use or Other Taxes: If during the Term any governmental authority having jurisdiction over the Building or the Land levies, assesses or imposes any tax on Landlord, the Premises, the Building, the Land or the Rent payable hereunder, in the nature of a sales tax, use tax or any tax except (i) taxes on Landlord's income, (ii) estate or inheritance taxes, or (iii) Real Estate Tax Expenses, then Tenant shall pay its proportionate share to Landlord within fifteen (15) days after receipt by Tenant of notice of the amount of such tax.

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6. USE.

A. Permitted Use: Tenant shall use and occupy the Premises solely for general office use and as a telecommunications service center with related legal uses, and for no other purpose.

B. Legal and Other Restrictions of Tenant's Use: In its use of the Premises, Tenant shall comply with all present and future laws, regulations (including but not limited to fire and zoning regulations) and ordinances of all other public and quasi-public agencies having jurisdiction over the Land or the Building. Tenant shall not use the Park, the Land, the Building or use or occupy the Premises for any unlawful, disorderly or hazardous purposes or in a manner which will interfere with the rights of Landlord, other tenants or their invitees or in any way injure or annoy any of them; Landlord acknowledges that Tenant's permitted uses as set forth in Section 6.A. above which are in accordance with the provisions of this Lease and all applicable laws and governmental regulations shall not be deemed to cause such interference. Notwithstanding the foregoing, Tenant shall not be responsible for (i) any such noncompliance of the Cold Dark Shell Condition existing on the Lease Commencement Date, (ii) making any Alterations to the Premises, except to the extent that such Alterations are required either due to Tenant's particular use of the Premises, due to Alterations made by Tenant within the Premises, or due to any requirements of applicable law or any governmental requirements, or (iii) any remediation of Hazardous Materials (as hereinafter defined), except to the extent caused by Tenant or any of its employees, agents or contractors.

7. CARE OF PREMISES. Tenant shall at its expense keep the Premises (including all improvements, fixtures and other property located therein) in a neat and clean condition and in good order and repair, and will suffer no waste or injury thereto. Tenant shall surrender the Premises at the end of the Term in as good order and condition as they were in on the Lease Commencement Date, ordinary wear and tear excepted.

8. ALTERATIONS BY TENANT.

A. Making of Alterations; Landlord's Consent; [*] Association's Consent: Tenant shall not make or permit to be made any Alterations without the prior written consent of Landlord both as to whether the Alterations may be made and as to how and when they will be made, which consent shall not be unreasonably withheld or delayed with respect to any proposed Alteration which would not be visible from outside of the Premises nor affect any of the structural components of the Building; provided, however, that the consent of Landlord shall not be required for (i) painting or carpeting of the Premises or (ii) Alterations costing less than Fifty Thousand Dollars (\$50,000) in the aggregate which are not visible from outside of the Premises and which do not affect any of the structural components of the Building; further provided, that Tenant shall give Landlord at least ten (10) days' prior written notice of any such Alterations not requiring Landlord's consent and Tenant shall observe all reasonable rules and regulations promulgated by Landlord with respect to the performance of Alterations. Any Alterations shall be made at Tenant's expense, by its contractors and subcontractors and in accordance with

*CONFIDENTIAL TREATMENT REQUESTED. CONFIDENTIAL PORTION HAS BEEN FILED SEPARATELY WITH THE SECURITIES AND EXCHANGE COMMISSION.

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complete plans and specifications approved in advance in writing by Landlord, and only after Tenant: (i) has obtained all necessary permits from governmental authorities having jurisdiction and has furnished copies thereof to Landlord, (ii) has submitted to Landlord an architect's certificate that the Alterations will conform to all applicable laws and regulations, and (iii) has complied with all other requirements reasonably imposed by Landlord, including without limitation any requirements due to the underwriting guidelines of Landlord's insurance carriers. Landlord's consent to any Alterations and approval of any plans and specifications constitutes approval of no more than the concept of these Alterations and not a representation of warranty with respect to the quality or functioning of such Alterations, plans and specifications. Tenant shall be and is solely responsible for the Alterations and for the proper integration thereof with the Building, the Building's systems and existing conditions. Landlord shall have the right, but not the obligation, to supervise

the making of any Alterations. If any Alterations are made without the prior written consent of Landlord or the [*] Association, if applicable, or which do not conform to plans and specifications approved by Landlord or the [*] Association, if applicable, or to other conditions imposed by Landlord or the [*] Association, if applicable, and such nonconformity is not fully corrected by Tenant within fifteen (15) days after notice from Landlord to Tenant or such shorter notice period as Landlord, in good faith, reasonably believes to be necessary in order to comply with the requirements of any applicable law, governmental regulation or insurance company requirement, then Landlord may, in its sole discretion, correct or remove such Alterations at Tenant's expense. Following completion of any Alterations, at Landlord's request, Tenant either shall deliver to Landlord a complete set of "as built" plans showing the Alterations or shall reimburse Landlord for any expense incurred by Landlord in causing the Building plans to be modified to reflect the Alterations. In addition to the foregoing, any Alterations which are visible from outside of the Premises are subject to the prior review and approval of the [*] Association, which approval may be granted or denied in the sole and absolute discretion of the [*] Association, and which approval Tenant is solely responsible for obtaining.

B. No Liens: Tenant shall take all necessary steps to ensure that no mechanic's or materialmen's liens are filed against the Premises, the Building or the Land as a result of any Alterations made by the Tenant. If any mechanic's lien is filed, Tenant shall discharge the lien within ten (10) days thereafter, at Tenant's expense, by paying off or bonding the lien.

9. EQUIPMENT.

A. Permitted Equipment: With the exception of the items of equipment or machinery which are reflected on Tenant's plans for Tenant's initial build-out of the Premises, Tenant shall not install or operate in the Premises any equipment or other machinery without: (i) obtaining the prior written consent of Landlord, who may condition its consent upon the payment by Tenant of Additional Rent for additional wiring or other expenses resulting therefrom, which consent shall not be unreasonably withheld, conditioned or delayed, unless Landlord determines, in its sole and absolute discretion, that such equipment or machinery causes noise or vibration which would disturb any other tenant of the Park, (ii) securing all necessary permits from governmental authorities and utility companies and furnishing copies thereof to Landlord, and

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(iii) complying with all other requirements reasonably imposed by Landlord. Tenant shall not install any equipment or machinery which may necessitate any changes, replacements or additions to or material changes in the use of the water system of the Building without obtaining the prior written consent of Landlord, who may withhold its consent in its absolute discretion.

B. Payment For Excess Utility Usage: [Intentionally omitted.]

C. Noise; Vibration; Floor Load: Business machines and equipment belonging to Tenant, which cause noise or vibration that may be transmitted to any part of the Building to such a degree as to be objectionable to Landlord or to any tenant of the Park, shall be installed and maintained by Tenant at Tenant's expense on devices that eliminate the noise and vibration. Tenant shall not place any load upon the floor of the Premises which exceeds the per square foot load the floor was designed to carry (it being understood and agreed that the floor is a six inch (6") slab with a capacity of two hundred fifty (250) pounds per square foot).

10. OWNERSHIP AND REMOVAL OF PROPERTY.

A. Landlord's Property: Any Alterations, including, but not limited to, Additional Tenant Work and Tenant's initial buildout of the Premises, and other improvements and any equipment, machinery, furnishings and other property, installed or located in the Premises, the Building or the Land by or on behalf of Landlord or Tenant, except for Tenant's Personal Property: (i) shall immediately become the property of Landlord, and (ii) shall be surrendered to Landlord with the Premises as a part thereof at the end of the Term; provided, however, that if Landlord requests Tenant to remove any Alterations installed by or on behalf of Tenant, Tenant shall cause the same to be removed at Tenant's expense on or before the Lease Expiration Date, or shall reimburse Landlord for the cost of such removal, as elected by Landlord (unless Landlord expressly waives in writing the right to require such removal at the time Landlord give its consent to the making of such Alterations). Notwithstanding the foregoing, Tenant, upon submitting its request to Landlord to make Alterations, including, but not limited to, Additional Tenant Work, shall have the right to request therein that Landlord specify whether and to what extent Landlord will require Tenant to remove the Alterations in question at the end of the Term, provided that Tenant refers therein to the provisions of this Section 10.A. If Tenant shall fail to request such information in its request to make any Alterations,

such right shall be deemed null and void as to the Alterations in question, and all such Alterations shall thereafter be subject to the exercise of Landlord's rights and to Tenant's obligations set forth in the first sentence of this Section 10.A. If Tenant submits its request for such information in accordance with the foregoing provisions and Landlord consents to the Alterations requested, Landlord shall, together with its consent, specify in writing whether and to what extent it will require Tenant to remove the Alterations in question at the end of the Term, and if Landlord fails so to specify, Tenant shall have no further obligation to remove the Alterations which were the subject of Tenant's request.

B. Removal of Property At End of Term: Tenant shall remove all of Tenant's Personal Property, and all computer cabling and wiring installed by or on behalf of Tenant (irrespective of whether such cabling and wiring constitutes Tenant's Personal Property under the terms of this Lease, and at Tenant's expense, using a contractor approved in advance by Landlord in writing), from the Building and the Land on or before the Lease Expiration Date. Any

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personal property belonging to Tenant or to any other person or entity which is left in the Building or on the Land after the date this Lease is terminated for any reason shall be deemed to have been abandoned. In such event, Landlord shall have the right to store such property at Tenant's sole cost and/or to dispose of it in whatever manner Landlord considers appropriate, without waiving its right to claim from Tenant all expenses and damages caused by Tenant's failure to remove such property, and Tenant and any other person or entity shall have no right to compensation from or any other claim against Landlord as a result.

11. LANDLORD'S ACCESS TO PREMISES. Upon such notice as is reasonable under the circumstances (which notice shall not be of less than forty-eight (48) hours, except in an emergency, and which notice may be given orally), Landlord may at any reasonable time enter the Premises to examine them, to make alterations or repairs thereto or for any other purposes which Landlord considers necessary or advisable; however, in the case of any emergency, Landlord and its agents may enter the Premises at any time and in any manner. Tenant shall allow the Premises to be exhibited by Landlord upon such notice as is reasonable under the circumstances (which notice shall not be of less than forty-eight (48) hours and which notice may be given orally): (i) at any reasonable time to representatives of lending institutions or to prospective purchasers of the Building, and (ii) at any reasonable time to persons who may be interested in leasing the Premises during the last twelve (12) months of the Term. Landlord reserves the right and shall be permitted reasonable access to the Premises to install facilities within and through the Premises and to install and service any systems deemed advisable by Landlord to provide services or utilities to any tenant of the Building. Notwithstanding the foregoing, Landlord shall not enter the Premises without being accompanied by a representative of Tenant; provided, however, that, in consideration for such right granted to Tenant by Landlord, (i) Tenant hereby authorizes Landlord and any of its employees, agents and contractors to break any locks and the doors and walls to which locks are attached, if Landlord deems such action necessary, and to enter the Premises without accompaniment by Tenant's representative (a) in the event of an emergency, if Tenant's representative is not reached immediately, or (b) in the event of the need to make inspections, repairs, maintenance or improvements and Tenant's failure to provide Landlord access to the Premises when requested by Landlord pursuant to this Section 11, and (ii) Tenant hereby indemnifies Landlord (including its shareholders, partners, members, employees, agents and contractors) against and holds Landlord (including its shareholders, partners, members, employees, agents and contractors) harmless from, any and all liabilities, losses, damages, causes of action, suits, claims, demands, judgments, costs and expenses of any kind (including court costs and reasonable attorneys' fees) asserted against Landlord by any third party relating to or arising from or in connection with Landlord's exercise of its rights under this sentence.

12. SERVICES AND UTILITIES.

A. Utilities Provided: Tenant will provide, at its expense, for the separate metering of all utilities to be supplied to the Premises, and shall contract directly with the appropriate public utility companies for the supplying of all such utilities to the Premises. Tenant shall pay all submetered utility charges to the appropriate utilities, as and when due. In the event the Premises cannot be submetered for a particular utility, Landlord may, at its option, cause a survey to be made by an independent electrical engineering or consulting firm, at Tenant's expense, to measure Tenant's consumption of such utility. For all utility consumption measured

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by survey, Tenant shall pay to Landlord, as Additional Rent, all sums necessary to reimburse Landlord for its costs of providing such utilities, within ten (10) days after Landlord submits to Tenant any statement setting forth such costs. It is expressly understood that, in the event Tenant is unable to have the Premises submetered for a particular utility, in lieu of causing a survey to be done, Landlord shall have the option to charge Tenant for its equitable share of the cost of such utility to all non-submetered rentable areas in the Building.

B. Right to Discontinue: [Intentionally omitted.]

C. No Liability: Except as otherwise specifically set forth herein, Landlord shall have no liability to Tenant or others based on any failure by Landlord to furnish any utilities and services to be furnished by Landlord hereunder, due to Unavoidable Delays, repair or maintenance work or any other reason, and such failure shall neither render Landlord liable for damages to either person or property, nor be construed as an eviction of Tenant, nor cause a diminution or abatement of Rent nor relieve Tenant of any of Tenant's obligations hereunder.

D. Conservation: Tenant hereby agrees to comply with all energy conservation procedures, controls and requirements instituted by Landlord pursuant to any government regulations or otherwise in good faith, including but not limited to controls on the permitted range of temperatures, the volume of energy consumption or the hours of operation of the Building. Institution by Landlord of such controls and requirements shall not entitle Tenant to terminate this Lease or to an abatement of any Rent payable hereunder.

E. Recycling: Without limiting the foregoing, Tenant covenants and agrees, at its sole cost and expense, to comply with all present and future laws, orders, and regulations of the jurisdiction in which the Building is located and of the federal, municipal, and local governments, departments, commissions, agencies and boards having jurisdiction over the Building to the extent that they or this Lease impose on Tenant duties and responsibilities regarding the collection, sorting, separation, and recycling of trash. Tenant shall pay all costs, expenses, fines, penalties, or damages that may be imposed on Landlord or Tenant by reason of Tenant's failure to comply with the provisions of this Section 12.D., and, at Tenant's sole cost and expense, shall indemnify, defend and hold Landlord harmless (including legal fees and expenses) from and against any actions, claims, and suits arising from such noncompliance, using counsel reasonably satisfactory to Landlord.

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13. RULES AND REGULATIONS. Tenant shall abide by and observe (i) the rules and regulations attached hereto as Exhibit D-1 and such other rules and regulations as may be made by Landlord from time to time, provided that such rules and regulations shall not be inconsistent with the provisions of this Lease, and (ii) the obligations imposed upon users of space in [*], as set forth in Exhibit D-2 attached hereto ("Declaration of Protective Covenants [*]"), by the [*] Association and any additions and any modifications thereto adopted from time to time by the [*] Association. Nothing contained in this Lease or in any rules and regulations shall be interpreted to impose upon Landlord any obligations to enforce against any tenant its rules and regulations, or the provisions of any lease with any other tenant, and Landlord shall not be liable to Tenant or any other entity for any violation of said rules, regulations or lease provisions.

14. REPAIR OF DAMAGE CAUSED BY TENANT: INDEMNIFICATION.

A. Repairs: Except as otherwise expressly provided in this Lease, all injury, breakage and damage to the Land, the Building or the Premises, caused by any act or omission of Tenant shall be repaired by and at the sole expense of Tenant, except Landlord shall have the right, at its option, to make such repairs and to charge Tenant for all costs and expenses incurred in connection therewith as Additional Rent payable within ten (10) days after the rendering of a bill therefor. Tenant shall notify Landlord promptly of any injury, breakage or damage to the Land, the Building, or the Premises caused by Tenant.

B. Indemnification: Tenant hereby agrees to indemnify and hold Landlord harmless from and against all costs, damages, claims, liabilities and expenses, including attorneys' fees, suffered by or claimed against Landlord, directly or indirectly, based on, arising out of or resulting from: (i) Tenant's use and occupancy of the Premises or the business conducted by Tenant therein or Tenant's presence in the Building or on the Land (ii) the making by Tenant of any Alterations, (iii) any act or omission of Tenant or its employees, agents or invitees, and (iv) any breach or default by Tenant in the observance or performance of its covenants and obligations under this Lease. In the event that Landlord intends to settle any claim against Landlord which is the subject of Tenant's indemnification and hold harmless obligation under this Section 14.B. (an "Indemnified Claim"), Landlord shall use reasonable efforts to keep Tenant informed of the progress of its negotiations with respect to the settlement of such Indemnified Claim, and, prior to entering into a settlement of such an Indemnified Claim, Landlord shall solicit Tenant's comments on the terms and conditions of the proposed settlement, which comments shall be solely of an advisory nature and non-binding on Landlord and shall not affect Landlord's rights or Tenant's obligations under this Section 14.B. If Landlord or any other indemnified party obtains recovery of any of the amounts that Tenant has paid to such party pursuant to the indemnity set forth in this Section 14.B. or such other Section of this Lease, then Landlord or such other indemnified party under this Section 14.B., as applicable, shall promptly pay to Tenant the amount of such recovery.

15. LIMITATION ON LANDLORD LIABILITY.

A. Liability Standard: Landlord shall not be liable to Tenant or any other individual or entity for any damage, loss or claim whatsoever, except damages, losses and claims that are the direct result of either (i) Landlord's gross negligence or willful misconduct or (ii) Landlord's breach of this Lease; however, in no event shall Landlord be liable for consequential damages.

B. Limitation on Total Liability: Notwithstanding any other provision of this Lease, it is expressly understood and agreed that the total liability of Landlord arising out of or in connection with this Lease, the relationship of Landlord and Tenant hereunder and/or Tenant's use of the Premises, shall be limited to the estate of Landlord in the Building. No other property or assets of Landlord or any partner or owner of Landlord shall be subject to levy, execution, or other enforcement proceedings or other judicial process for the satisfaction of any judgment or any other right or remedy of Tenant arising out of or in connection with this Lease, the relationship of Landlord and Tenant hereunder and/or Tenant's use of the Premises.

16. FIRE AND OTHER CASUALTY. If the Premises shall be damaged by fire or other casualty, other than as a result of the negligence or misconduct of Tenant, the Lease shall not terminate and, upon adjustment of insurance claims, Landlord shall repair the damage, provided that (a) Landlord shall have no obligation to repair damage to or replace Tenant's Personal Property, and (b) Landlord's obligation to repair any damage under this Section 16 shall be limited to repairs necessary to restore the Premises to its original Cold Dark Shell Condition. Except as otherwise provided herein, if any part of the Premises are rendered untenantable by reason of any such damage, Rent shall abate from the date of the damage to the date the damage is repaired, as determined by Landlord, in the proportion that the area of the untenantable part bears from time to time to the total area of the Premises. No compensation or reduction of Rent shall be paid or allowed for inconvenience, annoyance or injury to Tenant or Tenant's business arising from any damage to or repair of the Premises or the Building.

Notwithstanding the foregoing, if Landlord does not receive sufficient insurance proceeds to fully repair the damage (it being agreed that Landlord shall make a good faith effort to persuade any Mortgagee to make such insurance proceeds available for the restoration of such damage, which good faith effort shall not include any obligation on the part of Landlord to agree to any modification of the terms of the loan secured by the Mortgage or any obligation to pay any money to the Mortgagee or deposit any money into escrow, other than the amount of any deductible under Landlord's insurance policy), or if the Building shall be so damaged that, as determined by Landlord, substantial reconstruction of the Premises or the Building is required (whether or not the Premises have been damaged), then Landlord, at its option, may give Tenant, within sixty (60) days after the casualty, written notice of termination of this Lease (the "Casualty Termination Notice"), and this Lease and the Term shall terminate (whether or not the Term has commenced) upon the expiration of thirty (30) days from the date of the Casualty Termination Notice, with the same effect as if the new expiration date had been the date initially fixed for expiration of the Term, and all Rent shall be apportioned as of such date; provided, however, that, in the event that Landlord elects to terminate this Lease pursuant to this Section 16, Tenant shall have the option to override the Casualty Termination Notice and fully repair the damage to the Building by giving written notice to Landlord, which notice shall be given, if at all, within ten (10) days following the Casualty Termination Notice, in which event (a) Landlord

shall assign all insurance proceeds which Landlord actually receives with respect to such fire or other casualty to Tenant, (b) Tenant shall promptly repair such damage, and (c) such repairs by Tenant shall be subject to Landlord's prior written approval in accordance with the provisions of Section 8 hereof.

If the Premises or the Building shall be damaged by fire or other casualty due to the negligence or misconduct of Tenant: (i) Landlord shall have no obligation to repair the Premises or the Building, (ii) this Lease shall, at Landlord's option, not terminate, (iii) Landlord may at Tenant's expense repair the damage, provided that Landlord shall apply all insurance proceeds which Landlord actually receives with respect to such damage toward the costs of such repairs, and (iv) Landlord may pursue any legal and equitable remedies available to it.

17. TENANT INSURANCE.

A. Types of Insurance Required: Tenant, at its expense, shall obtain and maintain in effect at all times during the Term an insurance policy providing

the following coverage:

(1) An "all risk" insurance policy covering all of Tenant's Personal Property within, and improvements and alterations made by Tenant to, the Premises for not less than the full replacement value thereof.

(2) A commercial general liability policy on an occurrence basis, with the following limits:

Each occurrence limit for bodily injury and property damage	\$1,000,000
General aggregate	\$2,000,000
Product/completed operations aggregate	\$2,000,000
Fire damage legal liability	\$ 50,000
Medical payments (any one person)	\$ 5,000

Said insurance shall name Landlord (in care of Landlord's management agent and referring to the Building by its address), Landlord's management agent and Mortgagee as an additional insured. The policy shall protect Landlord, Landlord's management agent, and the Mortgagee against any liability for bodily injury, personal injury, death or property damage occurring upon, in or about the Premises, the Building or the Land or arising out of or relating to any risks against which Tenant is required to indemnify Landlord, Landlord's management agent and the Mortgagee. From time to time during the Term, Landlord may require Tenant to increase said limits of said insurance to the limits of liability insurance then customarily required of tenants of other comparable buildings in the city (or, if not a city, other local jurisdiction) in which the Building is located.

B. Required Provisions of Policies: All insurance policies required to be maintained by Tenant under this Lease must: (i) be issued by insurance companies approved by Landlord; (ii) be in form and have content satisfactory to Landlord; (iii) be written as primary policy

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coverage and not contributing to or in excess of any coverage which Landlord or the Mortgagees may carry; (iv) contain an express waiver of any right of subrogation by the insurance company against Landlord, the Mortgagees and the Landlord's and the Mortgagees' employees and agents; and (v) provide that the policy may not be cancelled or permitted to lapse unless Landlord shall have received at least fifteen (15) days prior written notice of cancellation or non-renewal. Tenant shall deliver to Landlord (in care of Landlord's management agent and referring to the Building by its address) certified copies or duplicate originals of each such policy and any renewal policy, together with evidence of payment of all applicable premiums, at least ten (10) days before the Lease Commencement Date and at least thirty (30) days before the renewal of any policies. Any insurance required of Tenant under this Section may be carried under a blanket policy, provided that said policy shall specifically set forth the amount of insurance allocated to this Lease.

C. Effect of Tenant's Activities on Insurance: Tenant shall not conduct or permit to be conducted any activity, or place any equipment in or about the Land, the Building or the Premises which will increase the rate of, or make void or voidable, any fire or other insurance maintained or required to be maintained by Landlord or any Mortgagee on the Building, the Land or the property kept thereon or therein, which will conflict with the provisions of any such insurance policy or which will make it impracticable for Landlord to obtain insurance covering any risks against which Landlord reasonably deems it advisable to obtain insurance. In the event any increases in the rates of such insurance are, in Landlord's reasonable judgment, due to Tenant's presence in the Building, to any activity conducted or property installed or placed by Tenant on or about the Land, the Building or the Premises or to Alterations installed by Tenant or at Tenant's request, Tenant shall reimburse Landlord for the amount of such increases promptly upon demand therefor. Statements by the applicable insurance company or insurance rating bureau that such increases are due to any activity, property or improvements shall be conclusive for the purposes of determining Tenant's liability hereunder.

D. Termination Right: Landlord shall have the right to terminate this Lease upon thirty (30) days notice to Tenant in the event Landlord receives notice from any of Landlord's insurance carriers that such carrier intends to cancel its insurance on the Building, or to increase the cost of such insurance by more than one hundred percent (100%) above the premium payable by Landlord immediately prior to such notice, due to the activities of Tenant or the presence of Tenant in the Building. However, Landlord shall not terminate this Lease in the event Landlord is able, with good faith efforts, to obtain equivalent insurance from an insurance carrier satisfactory to Landlord at a premium not more than one hundred percent (100%) greater than the premium for the cancelled insurance; provided that Tenant shall reimburse Landlord for all additional premiums charged to Landlord by such new insurance carrier. It is expressly understood that Landlord shall not have the right to terminate this Lease pursuant to this Subsection D. if any cancellation or rate increase is due to factors generally applicable to the insurance or rental market, rather than to Tenant's activities or presence in the Building.

E. Waiver: Landlord and Tenant hereby each waive and release each other from any and all liabilities, claims and losses for which Landlord or Tenant is or may be held liable, to the extent either party: (i) receives insurance proceeds on account thereof, or (ii) is required to maintain insurance pursuant to this Section, whichever is greater.

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F. Landlord's Insurance: Landlord shall maintain in force such property insurance and liability insurance with respect to the Building as are required by any first mortgagee or Ground Lessor or, if at any time there is no first mortgagee and no Ground Lessor, Landlord shall maintain in force such property insurance and liability insurance as Landlord, in its reasonable judgment, determines to be appropriate based upon coverages in force with respect to comparable buildings in Loudoun County, Virginia; provided, however, that in no event shall the property insurance be less than what would be required to prevent Landlord from being considered a co-insurer. Each property insurance policy maintained by Landlord shall include an express waiver of any right to subrogation by the insurance company against Tenant. All insurance policies actually maintained by Landlord shall contain an express waiver of any right of subrogation by the insurance company against Tenant.

18. CONDEMNATION.

A. Landlord's Right to Terminate: If a substantial part of the Premises, the Building or the Land is taken or condemned by any governmental authority for any purpose or is granted to any authority in lieu of condemnation (collectively, a "taking"), Landlord shall have the right in its sole discretion to terminate this Lease by written notice to Tenant, and upon the giving of such notice, the Term shall terminate as of the date title vests in the authority, and Rent shall be abated as of that date. For purposes of this Section, a substantial part of the Premises, the Land or the Building shall be considered to have been taken if, in the sole opinion of Landlord, the taking shall render it commercially undesirable for Landlord to permit this Lease to continue or to continue operating the Building.

B. Adjustment of Rent: If a portion of the Premises is taken and Landlord does not elect to terminate this Lease pursuant to the preceding paragraph, then Rent shall be equitably adjusted as of the date title vests in the authority and this Lease shall otherwise continue in full force and effect.

C. Division of Award: Tenant shall have no claim against Landlord arising out of or related to any taking, or for any portion of the amount that may be awarded as a result, and Tenant hereby assigns to Landlord all its rights, title and interest in and to any such award; provided, however, that Tenant may assert any claim it may have against the authority for compensation for Tenant's Personal Property for the then unamortized portion of the cost of Additional Tenant Work and Alterations and for any relocation expenses compensable by statute, as long as such awards shall be made in addition to and stated separately from the award made for the Land, the Building and the Premises.

19. DEFAULT.

A. Default of Tenant: The following events shall be a default by Tenant (a "Default") under this Lease:

(1) Failure of Tenant to pay Rent as and when due, if the failure continues for five (5) days after notice from Landlord specifying the failure.

(2) Failure of Tenant to comply with or perform any covenant or obligation of Tenant under this Lease, other than those concerning the payment of Rent, if the failure

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continues for twenty (20) days after notice from Landlord to Tenant specifying the failure; provided, however, that if the failure on the part of Tenant is not capable of being cured within such 20-day period but Tenant expeditiously commences to cure same and diligently proceeds with such cure, Tenant's time to cure such failure shall be extended for the time necessary to cure same, but in no event longer than sixty (60) days, inclusive of the original 20-day period.

(3) [Intentionally omitted.]

(4) If Tenant, any guarantor of Tenant's performance hereunder (a "Guarantor") or, if Tenant is a partnership, any partner of Tenant ("Partner"), shall file a voluntary petition in bankruptcy or insolvency, shall be adjudicated bankrupt or insolvent or shall file a petition or answer seeking any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under any present or future federal, state or other law, or shall make an assignment for the benefit of creditors, or shall seek or acquiesce in the appointment of any trustee, receiver or liquidator of Tenant or of any Guarantor or Partner or of all or any part of the property of Tenant or of such Guarantor or Partner.

(5) If, within thirty (30) days after the commencement of any proceeding against Tenant or a Guarantor or Partner, whether by the filing of a petition or otherwise, seeking any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under any present or future applicable federal, state or other law, such proceeding shall not have been dismissed or if, within thirty (30) days after the appointment of any trustee, receiver or liquidator of Tenant or any Guarantor or Partner, or of all or any part of the property of Tenant or of any Guarantor or Partner, without the acquiescence of such individual or entity, such appointment shall not have been vacated or otherwise discharged, or if any execution or attachment shall have been issued against the property of Tenant or of any Guarantor or Partner, pursuant to which the Premises shall be taken or occupied or attempted to be taken or occupied.

(6) If Tenant fails to take possession of the Premises on the Lease Commencement Date or vacates, abandons or ceases to carry on its ordinary activities in the Premises prior to the Lease Expiration Date, with or without an intention of paying Rent; provided, however, that if (i) Tenant gives Landlord at least thirty (30) days prior written notice that it intends to vacate the Premises, (ii) Tenant pays the full amount of all Rent when due under this Lease while the Premises are vacant, (iii) the fact that the Premises are vacant does not adversely affect the Building or other tenants of the Park and does not result in any liability to, or expenditure of funds by, Landlord, and (iv) Tenant leaves the Premises in a condition satisfactory to Landlord and continues to maintain the Premises in a condition satisfactory to Landlord throughout the remainder of the Term, then, and in such event only, Tenant shall not be deemed to be in Default under this Section 19.A.(6) and Landlord shall have the right, exercisable by sending written notice to Tenant, to sublet from Tenant for the balance of the Term of this Lease all or any portion of the Premises at Tenant's then rental rate hereunder, or to terminate this Lease as to all or any portion of the Premises, which rights of Landlord as to subletting and termination shall be exercisable by Landlord in its sole discretion.

B. Remedies Upon Default: Upon the occurrence of a Default, Landlord shall have the right, then or at any time thereafter:

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(1) Without demand or notice, to reenter and take possession of all or any part of the Premises, to expel Tenant and those claiming through Tenant and to remove any property therein, either by summary proceedings or by any other action at law, in equity or otherwise, with or without terminating this Lease, without being deemed guilty of trespass and without prejudice to any other remedies of Landlord for breach of this Lease, and/or

(2) To give Tenant written notice of Landlord's intent to terminate this Lease, and on the date specified in Landlord's notice, Tenant's right to possession of the Premises shall cease and this Lease shall terminate.

If Landlord elects to terminate this Lease, everything contained in this Lease on the part of Landlord to be done shall cease, without prejudice to Landlord's right to recover from Tenant all Rent, as set forth in Subsections C. and D. below. If Landlord elects to reenter pursuant to Subsection B.(1) above, Landlord may terminate this Lease, or, from time to time without terminating this Lease, may relet all or any part of the Premises as the agent of Tenant, for such term, at such rental and upon such other provisions as Landlord deems acceptable, with the right to make any alterations and repairs to the Premises that Landlord deems appropriate, at Tenant's expense. No such reentry or taking of possession of the Premises shall be construed as an election to terminate this Lease, unless notice of such intention is given pursuant to Subsection B.(2) above, or unless termination be decreed by a court of competent jurisdiction at the instance of Landlord. Landlord shall in no event be under any obligation to relet any part of the Premises.

C. Liability of Tenant: If Landlord terminates this Lease or reenters the Premises (with or without terminating this Lease), Tenant shall remain liable (in addition to all other liabilities of Tenant accrued at the time of the Default) for the sum of (i) any unpaid Rent accrued prior to the time of termination and/or reentry, as the case may be, plus interest thereon from the due date at the Default Rate, (ii) all Base Rent and Additional Rent provided for in this Lease from the time of termination and/or reentry, as the case may be, until the date this Lease would have expired had a Default not occurred, plus interest thereon from the due date at the Default Rate, (iii) any and all expenses (including but not limited to attorneys' and brokerage fees) incurred by Landlord in reentering and repossessing the Premises, in correcting any default, in painting, altering or repairing the Premises in order to place the Premises in first-class rentable condition (whether or not the Premises are relet), in protecting and preserving the Premises and in reletting or attempting to relet the Premises, and (iv) any other amounts necessary to compensate Landlord for any other injury or detriment caused by the Default, minus the net proceeds (after deducting any rental abatements, tenant improvement allowances and other concessions and inducements) actually received by Landlord, if any, from any reletting to the extent attributable to the period prior to the date this Lease would have expired had a Default not occurred. Landlord shall have the option to recover any damages sustained by Landlord either at the time of

reletting, if any, or in separate actions from time to time as said damages shall have been made more easily ascertainable by successive relettings or, at Landlord's option, to defer any such recovery until the date this Lease would have expired in the absence of a Default, in which event Tenant hereby agrees that the cause of action shall be deemed to have accrued on the aforesaid date. The provisions of this Section shall be in addition to, and shall not prevent the enforcement of, any claim Landlord may have for anticipatory breach of this Lease.

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D. Liquidated Damages: In addition to Landlord's rights pursuant to Subsection C. above, if Landlord terminates this Lease, Landlord shall have the right at any time, at its sole option, to require Tenant to pay to Landlord on demand, as liquidated damages, the sum of (i) the total of the Base Rent, Additional Rent and all other sums which would have been payable under this Lease from the date of Landlord's demand for liquidated damages ("Landlord's Demand") until the date this Lease would have terminated in the absence of the Default, discounted to present value at the rate of five percent (5%) per annum (the "Discount Rate"), (ii) all unpaid Rent accrued prior to the time of Landlord's Demand, plus interest thereon from the due date at the Default Rate, (iii) any and all expenses (including but not limited to attorneys' and brokerage fees) incurred by Landlord in reentering and repossessing the Premises, in correcting any default, in painting, altering or repairing the Premises in order to place the Premises in first-class rentable condition (whether or not the Premises are relet), in protecting and preserving the Premises and in reletting or attempting to relet the Premises, and (iv) any other amounts necessary to compensate Landlord for any other injury or detriment caused by the Default; minus the sum of (a) the net fair market rental value of the Premises for the period referred to in Subsection D. (i) above, discounted to present value at the Discount Rate, and (b) any sums actually paid by Tenant to Landlord pursuant to Subsection C. above; provided, however, that if said damages shall be limited by law to a lesser amount, Landlord shall be entitled to recover the maximum amount permitted by law. The "net fair market rental value" referred to in Subsection D. (a) above shall be the fair market rental value of the Premises at the time of Landlord's Demand, reduced by any rental abatements, tenant improvement allowances and other concessions and inducements generally provided by landlords seeking to lease comparable commercial property in the area of the Premises at the time of Landlord's Demand. If reletting is accomplished within a reasonable time after Lease termination, the "net fair market rental value" referred to in Subsection D. (a) above shall be deemed prima facie to be the net rental income (after deducting any rental abatements, tenant improvement allowances and other concessions and inducements) realized upon such reletting.

E. Waiver: Tenant, on its own behalf and on behalf of all persons and entities claiming through Tenant, including but not limited to creditors of Tenant, hereby waives any and all rights and privileges which Tenant and such other persons and entities might otherwise have under any present or future law: (i) to redeem the Premises, (ii) to reenter or repossess the Premises, or (iii) to restore the operation of this Lease, with respect to any dispossession of Tenant by judgment or warrant of any court, any reentry by Landlord or any expiration or termination of this Lease, whether by operation of law or pursuant to the provisions of this Lease. Tenant hereby expressly waives receipt of a Notice to Quit.

F. Lien on Personal Property: [Intentionally omitted.]

G. Right of Distress: Landlord shall, to the extent permitted by law, have a right of distress for Rent.

H. Right of Landlord to Cure: If Tenant defaults in the making of any payment or in the doing of any act required to be made or done by Tenant under this Lease, then Landlord may, at its option, make such payment or do such act, and the expenses thereof, with interest thereon at the Default Rate, from the date paid by Landlord, shall constitute Additional Rent hereunder due and payable by Tenant with the next payment of Monthly Base Rent.

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I. Attorneys' Fees: In the event of any Default hereunder, Tenant shall pay to Landlord all reasonable attorneys' fees incurred by Landlord in connection with such Default or the enforcement of Landlord's rights or remedies arising in connection therewith, whether or not this Lease is terminated and whether or not Landlord institutes any lawsuit against Tenant as a result of such Default. In the event that either party initiates litigation against the other party, the prevailing party in such litigation, based upon a judgment by a court of competent jurisdiction, shall be entitled to recover from the non-prevailing party the prevailing party's court costs and reasonable attorneys' fees in connection with such litigation; provided, however, that in the event that any such litigation is resolved without a final determination by a court in a manner which results in the non-initiating party paying substantially all of the money which was sought by the initiating party in such litigation or taking substantially the same action as was sought by the initiating party in such litigation, then, in either of such cases, the non-initiating party shall pay to

the initiating party the initiating party's court costs and reasonable attorneys' fees in connection with such litigation.

J. Survival: Tenant's liability pursuant to this Section 19 shall survive the termination of this Lease, the institution of summary proceedings and/or the issuance of a warrant thereunder.

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20. NO WAIVER. No failure or delay by Landlord in enforcing its right to strict performance by Tenant of every provision of this Lease or in exercising any right or remedy hereunder, and no acceptance by Landlord of full or partial rent during the continuance of any Default, shall constitute a waiver of the provision or the Default, and no provision shall be waived or modified except by a written instrument executed by Landlord. No payment by Tenant, or receipt by Landlord, of a lesser amount than the full Rent shall be deemed to be other than a payment on account, notwithstanding any endorsement or statement on any check or letter accompanying any payment of any Rent. No waiver of any Default or settlement of any proceeding instituted on account of any claimed Default shall affect or alter this Lease or constitute a waiver of any of Landlord's rights hereunder.

21. HOLDING OVER. If Tenant shall be in possession of the Premises after termination of this Lease (whether by normal expiration of the Term or otherwise), at Landlord's option: (i) Landlord may deem Tenant to be occupying the Premises as a tenant from month-to-month, (a) for the first month of such holdover, at the sum of one hundred fifty percent (150%) of the Monthly Base Rent in effect for the last full month of the Term, (b) for the second month of such holdover, at the sum of one hundred seventy-five percent (175%) of the Monthly Base Rent in effect for the last full month of the Term, and (c) thereafter, at the sum of two hundred percent (200%) of the Monthly Base Rent in effect for the last full month of the Term, and, in each case (that is, with respect to any holdover to which any of the immediately foregoing clauses (a), (b), or (c), or any combination thereof, applies), plus the monthly installment of Additional Rent which is then payable pursuant to Section 5.C. of this Lease, and subject to all of the other provisions of this Lease, as applicable to a month-to-month tenancy, or (ii) Landlord may exercise any or all remedies for Default and at law and in equity, including but not limited to an action against Tenant for wrongfully holding over.

22. SUBORDINATION.

A. Lease Subordinate: This Lease shall be subject and subordinate to the lien of any and all Mortgages and to any Ground Leases, and any and all renewals, extensions, modifications, recastings and refinancings thereof. This clause shall be self-operative, without execution of any further instrument; but if requested by Landlord or any Mortgagee, Tenant shall promptly execute a certificate or other document evidencing and providing for such subordination. Landlord shall have the right to execute said document on behalf of Tenant if Tenant fails to do so within five (5) days after receipt of the request. Tenant agrees that, if any Mortgage is foreclosed or Ground Lease terminated, upon request by the purchaser at the foreclosure sale or Ground Lessor, as the case may be, Tenant shall attorn to and recognize the purchaser or Ground Lessor as the landlord under this Lease and shall make all payments required hereunder to such new landlord without any deduction or set-off of any kind whatsoever. Tenant waives the provisions of any law or regulation, now or hereafter in effect, which may give or purport to give Tenant any right to terminate or otherwise affect this Lease or the obligations of Tenant hereunder in the event that any such foreclosure, termination or other proceeding is filed, prosecuted or completed. Notwithstanding anything herein to the contrary, any Mortgagee may at any time subordinate the lien of its Mortgage to the operation and effect of this Lease without Tenant's consent, by giving Tenant written notice of such subordination, in which event this Lease shall be deemed to be senior to such Mortgage, and thereafter such Mortgagee shall have the same rights as it would have had if this Lease had been executed,

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delivered and recorded before said Mortgage. Landlord shall obtain from any current Mortgagee or Ground Lessor a non-disturbance agreement for the benefit of Tenant in such Mortgagee's or Ground Lessor's, as the case may be, usual form; provided, however, that Tenant shall pay all costs incurred by Landlord which are imposed by such Mortgagee or Ground Lessor, as the case may be, with respect to such non-disturbance agreement. Furthermore, Landlord shall obtain from any future Mortgagee or Ground Lessor a non-disturbance agreement for the benefit of Tenant in such Mortgagee's or Ground Lessor's, as the case may be, usual form; provided, however, that (i) Tenant shall pay all costs incurred by Landlord which are imposed by such Mortgagee or Ground Lessor, as the case may be, with respect to such non-disturbance agreement, and (ii) in the event that either (A) Tenant's net worth is not equal to at least fifty percent (50%) of Tenant's net worth as shown on Exhibit H attached hereto and made a part hereof, or (B) Tenant's creditworthiness is not then greater than or equal to, in Landlord's sole and absolute discretion, Tenant's creditworthiness as shown on said Exhibit H, Landlord shall not have any obligation to obtain such non-disturbance agreement; provided, however, that even in such circumstance(s),

Landlord shall nevertheless use commercially reasonable efforts to obtain such non-disturbance agreement.

B. Modifications to Lease: In the event any of Landlord's insurance carriers or any Mortgagee requests modifications to this Lease, Tenant shall execute a written amendment incorporating such requested modifications within thirty (30) days after the same has been submitted to Tenant by Landlord, provided that such modifications do not adversely affect Tenant's use of the Premises as herein permitted or increase the rentals and other sums payable by Tenant hereunder. In the event Tenant refuses or fails to execute such amendment within thirty (30) days, Landlord shall have the right, at its sole option, in addition to Landlord's other remedies for Default, to terminate and cancel this Lease by written notice to Tenant specifying the date on which this Lease will terminate. From and after said termination date, both Landlord and Tenant shall be relieved of any and all further obligations hereunder, except liabilities arising prior to the date of termination.

23. ASSIGNMENT AND SUBLETTING.

A. No Transfer Without Consent: Tenant shall not, without the prior written consent of Landlord in each instance (which consent may be withheld in Landlord's sole and absolute discretion) (i) assign, mortgage or otherwise encumber this Lease or any of its rights hereunder; (ii) sublet the Premises or any part thereof or permit the occupancy or use of the Premises or any part thereof by any persons or entities other than Tenant; or (iii) permit the assignment of this Lease or any of Tenant's rights hereunder by operation of law (each of the actions set forth in clauses (i), (ii) and (iii) of this sentence is referred to herein as a "Transfer"). Any attempted assignment, mortgaging or encumbering of this Lease or any of Tenant's rights hereunder and any attempted subletting or grant of a right to use or occupy all or a portion of the Premises in violation of the foregoing sentence shall be void. Notwithstanding any provision of this Lease to the contrary, Tenant shall have the right, without obtaining the prior written consent of Landlord, to Transfer to (a) any parent corporation of Tenant, (b) any subsidiary corporation of Tenant or of Tenant's parent corporation, (c) any entity in which Tenant, any parent corporation of Tenant or any subsidiary corporation of Tenant or of Tenant's parent corporation holds a majority of the outstanding shares or ownership interests, or (d) any corporation resulting from the merger, consolidation or reorganization of Tenant or Tenant's parent corporation with another

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corporation (any entity which is described in clauses (a), (b), (c) or (d) is hereinafter referred to as an "Affiliate"); provided, however, that the combined net worth and creditworthiness of such Affiliate and Tenant shall be at least equal to the greater of either Tenant's net worth and creditworthiness as of the Effective Date of this Lease or Tenant's net worth and creditworthiness as of the date of such Transfer. In addition, Landlord's consent shall not be required for any agreements with Customers (as such term is defined in the Special Tenant Requirements which are attached hereto as Exhibit G and made a part hereof) (the "Customer Agreements"). Any and all of the transactions permitted under this Section 23.A. shall not constitute an assignment, subletting or other transaction requiring the consent of Landlord under the provisions of this Section 23 and shall not be subject to the consent requirements hereof or any of the provisions of Section 23.B., 23.C. or 23.D.

B. Take-Back Rights: In addition, Tenant may not assign this Lease, nor sublet (or permit occupancy or use of) the Premises, or any part thereof, without giving Landlord thirty (30) days prior written notice thereof. For thirty (30) days following receipt of said notice, in the event that either (a) such proposed sublease would result in an aggregate of at least 74,000 rentable square feet of the area comprising the Premises being sublet, or (b) Tenant is proposing assigning the Lease to any party other than an Affiliate, in accordance with the terms and conditions of Section 23.A. hereof, Landlord shall have the right, exercisable by sending notice to Tenant, to sublet from Tenant for the balance of the Term of this Lease (i) all of the Premises in the event Tenant notified Landlord of its desire to assign this Lease, or (ii) so much of the Premises as Tenant intends to sublet in the event Tenant notified Landlord of its desire to sublet the Premises or permit another to make use thereof, at the same rental Tenant is obligated to pay to Landlord hereunder. In the event Landlord does not exercise the aforesaid right within said thirty (30) days, Tenant may attempt to assign, sublet or permit use of this Lease or such space; provided that Tenant shall obtain the prior written consent of Landlord as set forth in Subsection A. above. In the event that Tenant defaults hereunder, Tenant hereby assigns to Landlord the Rent due from any assignee or subtenant and hereby authorizes each such party to pay said Rent to Landlord.

C. Transfer of Stock: If Tenant and/or any Guarantor is a corporation, then the sale, issuance or transfer of any voting capital stock of Tenant or any Guarantor, by the person, persons or entities owning a controlling interest therein as of the date of this Lease, which results in a change in the voting control of Tenant or the Guarantor, shall be deemed an assignment within the meaning of this Section 23; provided, however, that the provisions of this Section 23.C. shall not be applicable to (i) transfers of stock among persons who are shareholders of Tenant as of the Effective Date of this Lease, (ii)

transfers of stock to any spouse, child, grandchild, sibling or aunt or uncle of any shareholder, or to the spouse of any of the foregoing persons, or any trust for the benefit of any of the foregoing persons, or (iii) transfers of stock at any time that Tenant is an entity the shares of which are publicly held and traded on a national or regional stock exchange. If Tenant and/or any Guarantor is a partnership, the sale or transfer of the partnership share, or any portion thereof, of any general partner shall be deemed an assignment of this Lease.

D. Expenses and Profits; Effect of Consent:

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(1) In the event Landlord permits Tenant to assign or sublet all or a portion of the Premises to a third party, fifty percent (50%) of any sums that are paid by such third party for the right to occupy the Premises, in excess of the sum of (i) the Rent then in effect plus (ii) reasonable costs actually incurred by Tenant in connection with such sublease or assignment for brokerage commissions, advertising fees, attorneys' fees and tenant improvements, and the then unamortized costs of any initial Additional Tenant Work and of Tenant's initial buildout of the Premises shall be paid by Tenant to Landlord on a monthly basis as Additional Rent. This Section 23.D.(1) shall not apply to Customer Agreements.

(2) Tenant shall be responsible for all costs and expenses, including attorneys' fees, incurred by Landlord in connection with any proposed or purported assignment or sublease and an administrative fee of Two Thousand Five Hundred Dollars (\$2,500.00).

(3) The consent by Landlord to any assignment or subletting shall neither be construed as a waiver or release of Tenant from any covenant or obligation of Tenant under this Lease, nor as relieving Tenant from giving Landlord the aforesaid thirty (30) days notice of, or from obtaining the consent of Landlord to, any further assignment or subletting. The collection or acceptance of Rent from any such assignee or subtenant shall not constitute a waiver or release of Tenant from any covenant or obligation of Tenant under this Lease, except as expressly agreed by Landlord in writing.

E. Tenant's Equipment Financing: The foregoing notwithstanding, Tenant may grant a security interest in rights under this Lease to the entity that provides equipment financing to Tenant. The entity holding the security interest in this Lease as authorized under this Section 23.E. may foreclose on such security interest and transfer this Lease to the party purchasing at the foreclosure, provided that Landlord consents to such party as the new Tenant hereunder, which consent shall not be unreasonably withheld or delayed, provided that all of the following conditions are satisfied: (1) there shall be no default at the time of the transfer, (2) the proposed new tenant shall be creditworthy, (3) the proposed new tenant shall not be a governmental entity or a person or entity enjoying sovereign or diplomatic immunity, (4) the use of the Premises by the proposed new tenant shall not attract a volume, frequency or type of visitor or employee to the Building which is not consistent with the standards of a high quality office building, (5) the proposed new tenant shall specifically covenant and agree to perform the obligations of Tenant hereunder and to occupy the Premises subject to the provisions of this Lease, and (6) Tenant remains liable for the faithful performance of this Lease.

24. TRANSFER BY LANDLORD. Landlord (and any successor or affiliate of Landlord) may freely sell, assign or transfer all or any portion of its interest in this Lease or the Premises, the Building or the Land and, in the event of any such sale, assignment or transfer, shall be relieved of any and all obligations under this Lease from and after the date of the sale, assignment or transfer. From and after said date, Tenant shall be bound to such purchaser, assignee or other transferee, as the case may be, as though the latter had been the original Landlord hereunder, provided that the purchaser, assignee or transferee agrees to assume the obligations of Landlord hereunder.

25. INABILITY TO PERFORM. This Lease and Tenant's obligation hereunder shall in no way be affected, impaired or excused, nor shall Tenant have any claim against Landlord for

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damages, because Landlord, due to Unavoidable Delays, is unable to fulfill any of its obligations under this Lease, including, but not limited to, any obligations to provide any services, repairs, replacements, alterations or decorations or to supply any improvements, equipment or fixtures.

26. ESTOPPEL CERTIFICATES. Tenant shall, without charge, within ten (10) days after receipt of any request therefor, execute and deliver to Landlord a certificate stating: (i) whether this Lease is unmodified and in full force and effect (or if there have been modifications, that the Lease is in full force and effect and setting forth all such modifications); (ii) whether there then exist any defenses against the enforcement of any right of Landlord hereunder (and, if so, specifying the same in detail); (iii) the dates to which rent and any other charges hereunder have been paid by Tenant; (iv) that Tenant has no knowledge of any then uncured defaults under this Lease (or, if Tenant has knowledge of any

such defaults, specifying the same in detail); (v) that Tenant has no knowledge of any event that will or may result in the termination of this Lease (or if Tenant has such knowledge, specifying the same in detail); (vi) the address to which notices to Tenant are to be sent; and (vii) such other information as may be reasonably requested. It is understood that any such certificate may be relied upon by Landlord, any Mortgagee, prospective Mortgagee, Ground Lessor, prospective Ground Lessor, or purchaser or prospective purchaser of the Land or the Building. On not more than one (1) occasion in each Fiscal Year, within ten (10) days after receipt of a request therefor from Tenant, Landlord shall execute and deliver to Tenant a certificate which addresses the matters described in clauses (i) through (vi) of the preceding sentence.

27. COVENANT OF QUIET ENJOYMENT. Landlord covenants that it has the right to make this Lease and that, if Tenant shall pay all Rent and perform all of Tenant's other obligations under this Lease, Tenant shall have the right, during the Term and subject to the provisions of this Lease, to quietly occupy and enjoy the Premises without hindrance by Landlord or its successors and assigns.

28. WAIVER OF JURY TRIAL. Landlord and Tenant hereby waive trial by jury in any action, proceeding or counterclaim brought by either of them against the other with respect to any matter arising out of or connected with this Lease.

29. BROKERS. Landlord and Tenant each represents and warrants to the other that, except as hereinafter set forth, neither of them has employed any broker in procuring or carrying on any negotiations relating to this Lease. Landlord and Tenant shall indemnify and hold each other harmless from any loss, claim or damage relating to the breach of the foregoing representation and warranty.

30. CERTAIN RIGHTS RESERVED BY LANDLORD. Landlord shall have the following rights, exercisable without notice, without liability for damage or injury to property, person or business and without effecting an eviction, constructive or actual, or disturbance of Tenant's use or possession of the Premises or giving rise to any claim for set-off, abatement of Rent or otherwise:

A. To change the Park's and the Building's name or street address.

B. [Intentionally omitted.]

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C. To designate and approve, prior to installation, all window shades, blinds, drapes, awnings, window ventilators, lighting and other similar equipment to be installed by Tenant that may be visible from the exterior of the Premises or the Building.

D. To make repairs whether structural or otherwise, in, to and about the Building and any part thereof, and for such purposes to enter the Premises, and, during the continuance of any such work, to close temporarily doors, entry ways, common areas in the Building and to interrupt or temporarily suspend Building services and facilities, all without affecting Tenant's obligations hereunder, as long as the Premises remain tenantable.

E. To grant to anyone the exclusive right to conduct any business or render any service in the Park, provided Tenant is not thereby excluded from uses expressly permitted herein.

F. To alter, relocate, reconfigure and reduce the common areas of the Park, as long as the Premises remain reasonably accessible.

G. To alter, relocate, reconfigure, reduce and withdraw the Park Common Areas located outside the Building, including parking and access roads, as long as the Premises remain reasonably accessible; provided, however, that any such alteration, relocation, reconfiguration, reduction or withdrawal of the Park Common Areas located outside the Building shall not adversely affect Tenant's parking rights as set forth in this Lease.

H. To erect, use and maintain pipes and conduits in and through the Premises, if required by any applicable law or governmental regulation .

31. NOTICES. No notice, request, approval, waiver or other communication which may be or is required or permitted to be given under this Lease shall be effective unless the same is in writing and hand-delivered, sent by registered or certified mail, return receipt requested, first-class postage prepaid, or sent with charges prepaid by a nationally recognized air courier service, addressed as follows:

If to Landlord:

TrizecHahn Mid-Atlantic Management Services LLC 1250
Connecticut Avenue, N.W.
Suite 500
Washington, D.C. 20036
Attention: Portfolio Manager - [*]
===

If to Tenant:

Equinix, Inc.
901 Marshall Street
Redwood City, California 94063
Attn: Mr. Keith Taylor

or at any other address of which either party shall notify the other in accordance with this Section. Such communications, if sent by registered or certified mail, shall be deemed to have been given three (3) business days after the date of mailing, or if sent by a nationally recognized air courier service, shall be deemed to have been given one (1) business day after the date of deposit of the notice with such service. If any Mortgagee shall notify Tenant that it is the holder of a Mortgage affecting the Premises, no notice, request or demand thereafter sent by Tenant to Landlord shall be effective until a copy of same shall be sent to such Mortgagee in the manner prescribed in this Section at such address as such Mortgagee shall designate.

32. MISCELLANEOUS PROVISIONS.

A. Benefit and Burden: The provisions of this Lease shall be binding upon, and shall inure to the benefit of, the parties hereto and each of their respective successors and permitted assigns.

B. Governing Law: This Lease shall be construed and enforced in accordance with the laws of the jurisdiction in which the Building is located.

C. No Partnership: Nothing contained in this Lease shall be deemed to create a partnership or joint venture between Landlord and Tenant, or to create any other relationship between the parties other than that of Landlord and Tenant.

D. Delegation by Landlord: Wherever Landlord has the authority to take any action under this Lease, Landlord shall have the right to delegate such authority to others, and Landlord shall be responsible for the authorized actions of such agents, employees and others, to the same extent as if Landlord had taken such action itself.

E. Tenant Responsibility for Agents: In any case where Tenant is responsible for performing or refraining from an act or for preventing an action or result from occurring, Tenant shall also be responsible for any actions taken or omitted by Tenant's agents, employees, business invitees, licensees, contractors, subtenants, family members, guests and any other individuals or entities present in the Building or on the Land at Tenant's invitation.

F. Invalidity of Particular Provisions: If any provision of this Lease or the application thereof to any person, entity or circumstance shall, to any extent, be held invalid or unenforceable, the remaining provisions and the application of such invalid or unenforceable provisions to persons, entities and circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby. Each provision of this Lease shall be valid and enforced to the fullest extent permitted by law.

G. Counterparts: This Lease may be executed in several counterparts, all of which shall constitute one and the same document.

H. Entire Agreement: This Lease, and any exhibits and addenda attached hereto, embody the entire agreement of the parties hereto relating to the Premises, and no representations, inducements or agreements, oral or otherwise, between the parties not contained in this Lease or in the exhibits or addenda shall be of any force or effect. No rights, privileges, easements or licenses are granted to Tenant hereby, except as expressly set forth herein.

I. Amendments: This Lease may not be modified in whole or in part in any manner other than by an agreement in writing.

J. Mortgagee's Performance: Tenant shall accept performance of any of Landlord's obligations hereunder by any Mortgagee.

K. Limitation on Interest: In any case where this Lease provides for a rate of interest that is higher than the maximum rate permitted by law, the rate specified herein shall be deemed to equal, and the party designated as recipient of such interest shall be entitled to receive, the maximum rate of interest permitted by law.

L. Remedies Cumulative: All rights and remedies of Landlord shall be cumulative and shall not be exclusive of any other rights or remedies of Landlord hereunder or now or hereafter existing at law or in equity.

M. Annual Financial Statements: Within five (5) business days following Landlord's request therefor, Tenant shall submit to Landlord an audited financial statement covering the preceding Fiscal Year, which has been prepared in accordance with generally accepted accounting principles by an independent certified public accountant. Tenant's most recent audited financial statement as of the Effective Date of this Lease is attached hereto and made a part hereof as Exhibit H.

33. LENDER APPROVAL. [Intentionally omitted].

34. PARKING. Parking will be made available to Tenant pursuant to the provisions of Exhibit E attached hereto.

35. SECURITY DEPOSIT.

A. Amount and Uses: Landlord acknowledges receipt from Tenant of [*] Dollars (\$[*]) (the "Security Deposit"), to be held by Landlord as security for the payment of all Rent payable by Tenant and for the faithful performance by Tenant of all other obligations of Tenant under this Lease. Notwithstanding the foregoing, the Security Deposit shall be reduced (i) by [*] Dollars (\$[*]) after the expiration of the third (3rd) Lease Year of the Term, (ii) by [*] Dollars (\$[*]) after the expiration of the sixth (6th) Lease Year of the Term, and (iii) by [*] Dollars (\$[*]) after the expiration of the seventh (7th) Lease Year of the Term, except that there shall be no such reduction for any Lease Year at the end of which either (a) there exists any Default or any circumstance which with the giving of notice or the passage of time would constitute a Default under this Lease or (b) Tenant's net worth and creditworthiness are not at least equal, in

* CONFIDENTIAL TREATMENT REQUESTED. CONFIDENTIAL PORTION HAS BEEN FILED SEPARATELY WITH THE SECURITIES AND EXCHANGE COMMISSION.

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Landlord's reasonable judgment, to Tenant's net worth and creditworthiness as of the Effective Date of this Lease, until such time as such Default or circumstance has been cured, at which time the reduction in the Security Deposit shall resume. After the end of the seventh (7th) Lease Year, the required amount of the Security Deposit at that time shall remain as the Security Deposit for the remainder of the Term hereof. Said Security Deposit shall be repaid to Tenant after the termination of this Lease (or any renewal thereof), provided Tenant shall have made all such payments and performed all such obligations hereunder. Landlord shall not be required to maintain the Security Deposit in a separate account. The Security Deposit shall not be mortgaged, assigned, transferred or encumbered by Tenant without the prior written consent of Landlord, and any such act shall be void. Landlord may, at Landlord's option, appropriate and apply the entire Security Deposit, or so much thereof as Landlord believes may be necessary, to compensate Landlord for the payment of any past-due Rent and for loss or damage sustained by Landlord due to any Default. In the event Landlord appropriates or applies the Security Deposit in such a manner, Tenant, within five (5) days after notice thereof, shall pay to Landlord an amount sufficient to restore the Security Deposit to the original sum deposited. Tenant's failure to restore any such deficiency shall constitute a Default hereunder. In the event of bankruptcy or other debtor-creditor proceedings by or against Tenant, the Security Deposit shall be applied first to the payment of Rent due Landlord for all periods prior to the filing of such proceedings. In lieu of the cash Security Deposit hereinabove provided for, Tenant shall have the option to deposit with Landlord a letter of credit (the "Letter of Credit") in an amount equal to the Security Deposit, which Letter of Credit shall thereupon constitute the Security Deposit. The Letter of Credit shall be maintained throughout the remainder of the Term. Any Letter of Credit delivered to Landlord by Tenant shall be an unconditional, irrevocable letter of credit in a form and from a financial institution located in the Washington, D.C. metropolitan area, capable of being drawn upon at any of the such issuer's offices in the Washington, D.C. metropolitan area, and acceptable to Landlord in its sole discretion; provided, however, that the initial issuer of the Letter of Credit may be Comerica Bank of California ("Comerica") if the Letter of Credit is capable of being drawn upon in any of Comerica's offices in California. Said Letter of Credit shall provide that it shall expire on the thirtieth (30th) day following the date of expiration of the Term of this Lease. At Tenant's option, said Letter of Credit shall have a term equal to the period expiring on the first anniversary of the date of issuance thereof, in which event Tenant covenants that a renewal of said Letter of Credit shall be delivered to Landlord by that date which is thirty (30) days prior to the expiration date thereof, and thereafter a renewal of the Letter of Credit shall be delivered to Landlord by Tenant by that date which is thirty (30) days prior to each succeeding anniversary of the original expiration date of the Letter of Credit. If Tenant

fails to so renew and deliver said Letter of Credit to Landlord by the thirtieth (30th) day preceding each said expiration date, such failure shall constitute a Default hereunder (as to which no cure period shall be applicable) and Landlord may draw upon the Letter of Credit then in effect without the necessity of any other monetary or other default hereunder by Tenant, in which event the proceeds thereof shall be held by Landlord. Said Letter of Credit shall provide that Landlord shall be permitted to draw on same on multiple occasions following the occurrence of a Default by Tenant under this Lease; provided, however, that in the event that said Letter of Credit would expire during the pendency of any litigation to resolve whether such Default has occurred, Landlord may draw upon said Letter of Credit prior to the expiration thereof. In the event that Landlord draws upon the Letter of Credit after a Default by Tenant as aforesaid, Landlord shall use, apply or retain all or any portion of the proceeds thereof for (1) the payment

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of any Rent or any other sums as to which Tenant is in default, (2) the payment of any amount which Landlord may spend or become obligated to spend to repair damage to the Premises or the Building for which repairs Tenant is liable hereunder, or (3) compensation to Landlord for any losses which Landlord is entitled to recover hereunder by reason of Tenant's Default, including, but not limited to, any damage or deficiency arising in connection with the reletting of the Premises and all associated reasonable legal fees. In the event that the Letter of Credit is drawn upon by Landlord for failure of Tenant to renew said Letter of Credit as aforesaid, the proceeds thereof shall be held by Landlord in accordance with the provisions respecting the Security Deposit under this Section 35, and, in such event, within thirty (30) days after the expiration of the Term, and provided Tenant has vacated the Premises and is not in default hereunder, Landlord shall return such proceeds to Tenant, less such portion thereof as Landlord may be entitled hereunder to apply to satisfy any Default by Tenant hereunder. In the event that Tenant is in default upon the expiration of the Term and Landlord does not use all of the Security Deposit to cure such default, then, after such default has been cured, Landlord shall return any unused balance of the Security Deposit to Tenant. The use, application or retention of the proceeds of the Letter of Credit, or any portion thereof, by Landlord shall not prevent Landlord from exercising any other right or remedy provided by this Lease or by law, and shall not limit any recovery to which Landlord may otherwise be entitled. In the event of the sale or transfer of Landlord's interest in the Building or the Land, Landlord shall transfer the proceeds of the Letter of Credit to the purchaser or transferee, in which event Tenant shall look only to the purchaser or transferee for the return of the proceeds of the Letter of Credit, and Landlord shall be released from all liability to Tenant for the return of such proceeds.

B. Transferability: In the event of a sale or transfer of Landlord's interest in the Building or of the interest of any successor or assign of Landlord, Landlord (or such successor or assign) shall have the right to transfer the Security Deposit to any vendee or transferee and shall thereupon be released automatically from any liability therefor. Tenant shall look solely to the transferee for the return of the Security Deposit. No Mortgagee or purchaser of any or all of the Building at any foreclosure proceeding shall (regardless of whether the Lease is at the time subordinated to the lien of said Mortgage) be liable to Tenant or any other person for any of such Security Deposit, or any other payment made by Tenant hereunder, unless Landlord has actually delivered said deposit or other such sum to such Mortgagee or purchaser. In the event of any rightful and permitted assignment of Tenant's interest in this Lease, the Security Deposit shall be deemed to be held by Landlord as a deposit made by the assignee, and Landlord shall have no liability to the assignor with respect to the return of the Security Deposit.

36. HAZARDOUS MATERIALS.

A. Definition. As used in this Lease, the term "Hazardous Material" means any flammable items, explosives, radioactive materials, hazardous or toxic substances, material or waste or related materials, including any substances defined as or included in the definition of "hazardous substances", "hazardous wastes", "infectious wastes", "hazardous materials" or "toxic substances" now or subsequently regulated under any federal, state or local laws, regulations or ordinances including, without limitation, oil, petroleum-based products, paints, solvents, lead, cyanide, DDT, printing inks, acids, pesticides, ammonia compounds and other chemical products, asbestos, PCBs and similar compounds, and including any different products and

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materials which are subsequently found to have adverse effects on the environment or the health and safety of persons.

B. General Prohibition. Tenant shall not cause or permit any Hazardous Material to be generated, produced, brought upon, used, stored, treated, discharged, released, spilled or disposed of on, in under or about the Premises, the Building, or the Land (hereinafter referred to collectively as the "Property") by Tenant, its affiliates, agents, employees, contractors, subtenants, assignees or invitees; provided, however, that such prohibition

shall not apply to fuel for Tenant's generators, batteries and customary office and cleaning supplies, so long as all of same are stored, used and disposed of in accordance with all applicable laws and governmental regulations. Tenant shall indemnify, defend and hold Landlord harmless from and against any and all actions (including, without limitation, remedial or enforcement actions of any kind, administrative or judicial proceedings, and orders or judgments arising out of or resulting therefrom), costs, claims, damages (including without limitation, attorneys', consultants', and experts' fees, court costs and amount paid in settlement of any claims or actions), fines, forfeitures or other civil, administrative or criminal penalties, injunctive or other relief (whether or not based upon personal injury, property damage, or contamination of, or adverse effects upon, the environment, water tables or natural resources), liabilities or losses arising from a breach of this prohibition by Tenant, its affiliates, agents, employees, contractors, subtenants, assignees or invitees.

C. Notice. In the event that Hazardous Materials are discovered upon, in, or under the Property, and any governmental agency or entity having jurisdiction over the Property requires the removal of such Hazardous Materials, Tenant shall be responsible for removing those Hazardous Materials arising out of or related to the use or occupancy of the Property by Tenant or its affiliates, agents, employees, contractors, subtenants, assignees or invitees but not those of its predecessors. Notwithstanding the foregoing, Tenant shall not take any remedial action in or about the Property or any portion thereof without first notifying Landlord of Tenant's intention to do so and affording Landlord the opportunity to protect Landlord's interest with respect thereto. Tenant immediately shall notify Landlord in writing of: (i) any spill, release, discharge or disposal of any Hazardous Material in, on or under the Property or any portion thereof; (ii) any enforcement, cleanup, removal or other governmental or regulatory action instituted, contemplated, or threatened (if Tenant has notice thereof) pursuant to any laws respecting Hazardous Materials; (iii) any claim made or threatened by any person against Tenant or the Property or any portion thereof relating to damage, contribution, cost recovery, compensation, loss or injury resulting from or claimed to result from any Hazardous Materials; and (iv) any reports made to any governmental agency or entity arising out of or in connection with any Hazardous Materials in, on under or about or removed from the Property or any portion thereof, including any complaints, notices, warnings, reports or asserted violations in connection therewith. Tenant also shall supply to Landlord as promptly as possible, and in any event within five (5) business days after Tenant first receives or sends the same, copies of all claims, reports, complaints, notices, warnings or asserted violations relating in any way to the Premises, the Property or Tenant's use or occupancy thereof.

D. Survival. The respective rights and obligations of Landlord and Tenant under this Section 36 shall survive the expiration or earlier termination of this Lease.

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37. RELOCATION OF TENANT. [Intentionally omitted].

38. MEMORANDUM OF LEASE. A Memorandum of Lease (i) referring to this Lease, including, but not limited to, the names of the parties, the description of the Land, the Term, a statement regarding the use of the Premises, and such other provisions hereof as Landlord and Tenant shall mutually approve, and (ii) in the form attached hereto and made a part hereof as Exhibit I, shall, at Tenant's or Landlord's request, be executed by Landlord and Tenant and recorded among the Land Records in the Circuit Court of Loudoun County, Virginia, in which case the party requesting such recordation shall pay all recordation fees, taxes and charges which are assessed by the recording official.

39. ANTENNA LICENSE. Subject to the terms of this Section 39, Landlord hereby grants to Tenant a license during the Term, provided that Tenant is not in default under this Lease: to install and operate a reasonable number of satellite dishes (solely for Tenant's business as conducted within the Premises, and not for any resale or other commercial purpose, except for use by Customers (as hereinafter defined in Paragraph 7 of Exhibit G hereto)), microwave antennae and other similar equipment in and on the Building in accordance with specifications and at locations approved by Landlord in writing in advance, in Landlord's sole discretion (all of the foregoing items being hereinafter collectively referred to as the "Equipment").

The installation of the Equipment shall be performed only by contractors which are bonded, licensed, insured and reputable.

In the event Tenant undertakes installation of any items of the Equipment, Tenant shall not be obligated to pay any fee or rental with respect to the use of the roof for the Equipment which is in addition to the Base Rent or the Additional Rent which is provided for in Section 5 hereof.

This Section 39 shall be subject at all times to the following conditions (the failure of any of which shall be a material breach of this Section 39 by Tenant and shall give Landlord the right to terminate Tenant's access and use of the roof for said Equipment):

(a) The Equipment shall be installed and at all times operated,

maintained and repaired by Tenant, at Tenant's sole cost and expense. All penetrations into any of the Building surfaces shall be sealed so as to prevent any water leakage. Tenant shall not undertake or engage in any installation of the Equipment without first submitting to Landlord detailed working plans of all such installations and obtaining prior written approval of Landlord.

(b) Throughout the period of such installation, and thereafter during any operation, maintenance or repair of the Equipment, Tenant shall install and utilize, at Tenant's sole expense, such screening supports, walk boards, and such other materials as may be required by Landlord to protect the Building or any part thereof, the Building generally, pedestrians, vehicles on adjacent roadways and any other property or owners of property adjacent to the Building.

(c) The Equipment installed or operated by Tenant hereunder shall be installed, operated, maintained and repaired by Tenant in a good and workmanlike manner and in

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a manner which shall not impair the structure, value, rental value or rentability of, or detract from the appearance of, the Building or any part thereof.

(d) The Equipment installed or operated by Tenant hereunder shall be installed, operated, maintained and repaired by Tenant in a manner which shall not cause a violation of any mortgage, deed of trust, ground lease or other financing instrument now existing or hereafter recorded with respect to the Building at any time after Landlord has provided Tenant with notice of the applicable provisions thereof, or any agreements or warranties with respect to the Building or any part thereof as are now or hereafter shall be held by or entered into by Landlord or Landlord's management agent. The provisions of this Section 39(d) shall not apply to any mortgage, deed of trust, ground lease or financing instrument, the provisions of which would preclude Tenant from exercising its right to install Equipment pursuant to this Section 39.

(e) The Equipment installed or operated by Tenant hereunder shall be installed, operated, maintained and repaired by Tenant in a manner which shall not interfere with or disturb any tenant or other occupant of the Park.

(f) The Equipment shall not cause interference with any other equipment of any nature in, on or about the Building or the Park or any other equipment owned by any other person, irrespective of where located and irrespective of whether such person has any interest in the Park. In the event that the Equipment causes such interference, Tenant agrees it will take all steps necessary to correct and eliminate the interference consistent with appropriate government rules and regulations upon receipt of written notification of the interference. If Tenant does not commence to eliminate the interference within one (1) calendar day after receipt of notification, or if the interference is not in fact eliminated within two (2) business days of receipt of notification, Tenant will cease operation of the equipment causing such interference until such interference is cured.

(g) Neither the Equipment nor Tenant shall unreasonably interfere with the use of the roof of the Building by Landlord. (h) Prior to the installation of the Equipment, Tenant shall obtain, and shall thereafter comply with and keep in force throughout the Term, all permits, licenses, inspections and other governmental requirements and authorizations required by all governmental authorities having jurisdiction over the Building, the Equipment, Tenant, or the business operations in which the Equipment shall be utilized.

(i) The installation, operation, maintenance and repair of the Equipment shall be performed by Tenant in accordance with all applicable laws, regulations and other requirements of all federal and local governmental and quasi-governmental entities and authorities.

Tenant acknowledges and agrees that Landlord has not made any representation, warranty or other statement to Tenant (and none is implied) regarding the feasibility of installing or operating the Equipment hereunder.

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Landlord agrees to permit Tenant reasonable, non-exclusive access to portions of the Building as necessary so as to facilitate the installation, operation, maintenance, repair, and removal of the Equipment in accordance with this Section 39.

40. OPTIONS TO EXTEND. Provided that Equinix, Inc., a Delaware corporation, or an Affiliate (as defined in Section 23.A. hereof) (said Equinix, Inc. or an Affiliate being hereinafter collectively referred to as "Equinix") (i) is not then in default in the payment of any Rent due under this Lease and is not then in Default in the performance of any of its other obligations under this Lease, and (ii) has not been in Default more than once during the immediately preceding two (2) years of the Term, in each case both at the time of exercise of the Renewal Option, as hereinafter defined, in question, and at the commencement of

the Renewal Period, as hereinafter defined, in question, and is then in occupancy of the Premises at the time of exercise of the Renewal Option, as hereinafter defined, in question, and at the time of the commencement of the Renewal Period, as hereinafter defined, in question, Equinix shall have three (3) successive options (the "Renewal Options") to extend the Term of the Lease, each for a successive additional five (5) year period (the "Renewal Periods") after the expiration of the initial Term. Each Renewal Option shall be exercisable only by written notice given by Equinix to Landlord not later than twelve (12) months, nor earlier than fifteen (15) months, prior to the expiration of the initial Term, or the Renewal Period then in effect, as the case may be. In the event that Equinix does not timely exercise a Renewal Option, said Renewal Option and all successive Renewal Options shall be null and void and of no further force or effect, time being of the essence in the exercise of each Renewal Option and it being acknowledged and agreed by Equinix that Landlord shall be entitled to rely on any failure by Equinix to give written notice of its exercise of its Renewal Option by the date set forth herein for such exercise thereof.

All terms and conditions of this Lease shall be applicable during the Renewal Period except that the amount of Base Rent charged for each Renewal Period shall be the then "Prevailing Market Rent", which shall be the rent for comparable space in comparable buildings in Loudoun County, Virginia; provided, however, that in no event shall the Prevailing Market Rent determined as aforesaid be deemed to be less than the Base Rent payable under this Lease during the Lease Year immediately preceding the first Lease Year of the Renewal Period. If within thirty (30) days following delivery of Equinix's notice, Landlord and Equinix have not mutually agreed on the Prevailing Market Rent for the Renewal Period in question, then within ten (10) days after the expiration of such thirty-day period, each party shall give written notice to the other setting forth the name and address of a Broker (as hereinafter defined) selected by such party who has agreed to act in such capacity, to determine the Prevailing Market Rent. If either party shall fail to select a Broker as aforesaid, the Prevailing Market Rent shall be determined by the Broker selected by the other party. Each Broker shall thereupon independently make his determination of the Prevailing Market Rent within twenty (20) days after the appointment of the second Broker. If the two Brokers' determinations are not the same, but the higher of such two values is not more than one hundred five percent (105%) of the lower of them, then the Prevailing Market Rent shall be deemed to be the average of the two values. If the higher of such two values is more than one hundred five percent (105%) of the lower of them, then the two Brokers shall jointly appoint a third Broker within ten (10) days after the second of the two determinations described above has been rendered. The third Broker shall independently make his determination of the Prevailing Market Rent within twenty (20) days after his appointment. The highest and the lowest determinations of value among the three Brokers shall be disregarded

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and the remaining determination shall be deemed to be the Prevailing Market Rent. Within thirty (30) days after the Prevailing Market Rent is determined as aforesaid, the parties shall execute an amendment to this Lease setting forth the new Rent to be paid for the Renewal Period.

For the purposes of this Section 40, "Broker" shall mean a real estate broker licensed in the Commonwealth of Virginia, who has been regularly engaged in such capacity in the business of commercial leasing in Loudoun County, Virginia for at least ten (10) years immediately preceding such person's appointment hereunder. Each party shall pay for the cost of its Broker and one-half of the cost of the third Broker.

41. CROSS-DEFAULT.

Landlord and Tenant acknowledge that they are the landlord and tenant, respectively, under (i) that certain Deed of Lease dated December 15, 1999 (the "Building F Lease") for space in the building located at [*], Ashburn, Virginia,

and (ii) that certain Deed of Lease dated November 18, 1998 (the "Building C Lease") for space in the building located at [*], Ashburn, Virginia (the Building

F Lease and the Building C Lease being hereinafter collectively referred to as the "Other Leases"). In the event that any default occurs under either of the Other Leases, such default shall constitute a default under this Lease, without the necessity of providing any separate notice hereunder or thereunder, and if one, the other or both, of the Other Leases shall be terminated as a result of such a default by Tenant thereunder, this Lease shall be terminated upon written notice by Landlord to Tenant, whereupon this Lease shall end and all rights of Tenant (but not the liability of Tenant) hereunder shall expire and terminate.

IN WITNESS WHEREOF, Landlord and Tenant have executed this Deed of Lease under seal as of the day and year first above written.

WITNESS:

LANDLORD:

TRIZECHAHN [*] LLC, a Delaware limited liability company

By: /s/ signature illegible

By: /s/ Paul L. Schulman

Name: Paul L. Schulman

Its: Assistant Secretary

ATTEST:

TENANT:

[Corporate Seal]

EQUINIX, INC., a Delaware corporation

By: /s/ Albert M. Avery

By: /s/ Philip J. Koen

Name: Albert M. Avery

Name: Philip J. Koen

Its: COO and President

Its: Chief Financial Officer

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SECOND AMENDMENT TO LEASE

THIS SECOND AMENDMENT TO LEASE ("Second Amendment") is made this 1st day of May, 2000, by and between TRIZECHAHN BEAUMEADE TECHNOLOGY CENTER LLC, a Delaware limited liability company ("Landlord"), as successor in interest to Laing Beaumeade, Inc., a Georgia corporation ("Original Landlord"), and EQUINIX, INC., a Delaware corporation ("Tenant").

W I T N E S S E T H:

WHEREAS, by that certain Lease dated as of November 18, 1998 (the "Original Lease"), Original Landlord leased to Tenant, and Tenant leased from Original Landlord, approximately [*] square feet of rentable area (the "Original Leased Premises"), known as Suite C, located on the first (1st) floor of the building located at [*], Ashburn, Virginia (the "Building"), upon the terms and conditions set forth in the Original Lease;

WHEREAS, as of March 31, 2000 all of the right, title and interest of Original Landlord in the Building was transferred to TrizecHahn Centers, Inc. d/b/a TrizecHahn Beaumeade Corporate Management, a California corporation ("Centers"), and all of the right, title and interest of Original Landlord in the Original Lease was assigned to Centers;

WHEREAS, by that certain First Amendment to Lease dated September 9, 1999 (the "First Amendment"), Centers leased to Tenant, and Tenant leased from Centers, approximately [*] rentable square feet of space located on the first (1st) floor of the Building (the "Expansion Space"), upon the terms and conditions more specifically set forth therein;

WHEREAS, the Original Lease and the First Amendment are hereinafter collectively referred to as the "Lease";

WHEREAS, all of the right, title and interest of Centers in the Building was transferred to Landlord, and all of the right, title and interest of Centers in the Lease was assigned to Landlord;

WHEREAS, the Original Premises and the Expansion Space are hereinafter collectively referred to as the "Leased Premises";

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WHEREAS, Tenant desires to lease from Landlord, and Landlord desires to lease to Tenant, an additional [*] rentable square feet of space located on the first (1st) floor of the Building (hereinafter referred to as the "Second Expansion Space"), upon the terms and conditions hereinafter set forth; and

WHEREAS, Landlord and Tenant desire to amend the Lease to reflect their understanding and agreement with regard to the lease of such additional space, and to otherwise amend the Lease, as more particularly set forth herein.

NOW, THEREFORE, for and in consideration of the mutual promises herein contained, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto mutually agree as follows:

1. Any capitalized terms used in this Second Amendment and not otherwise defined herein shall have the meanings ascribed to them in the Lease.

2. The Lease is hereby amended by adding thereto a new Section 30, to read as follows:

"30. SECOND EXPANSION SPACE

A. Term. Landlord hereby leases unto Tenant, and Tenant

hereby leases from Landlord, approximately [*] square feet of rentable floor area (the "Second Expansion Space") located on the first (1st) floor of the Building, which Second Expansion Space is hereby agreed to be that certain space which is shown on Exhibit I attached hereto and made a part hereof, for a term (the "Second Expansion Space Term") commencing on May 1, 2000 (the "Second Expansion Space Commencement Date"), and continuing through and including the last day of the Term of this Lease, unless earlier terminated pursuant to the provisions of this Lease.

B. "As-is" Condition. Tenant accepts the Second Expansion

Space in its "as-is" condition. Notwithstanding anything contained in this Lease to the contrary, Landlord shall have no obligation to make any improvements or alterations to the Second Expansion Space or to the remainder of the Leased Premises.

C. Second Expansion Space Base Rent. In addition to the Base

Rent for the Leased Premises as set forth in Exhibit C hereof and Section 29 hereof, commencing on the Second Expansion Space Commencement Date and continuing thereafter throughout the Second Expansion Space Term, Tenant covenants and agrees to pay to Landlord Base Rent for the Second Expansion Space in the following amounts (the "Second Expansion Space Annual Base Rent"):

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<TABLE>
<CAPTION>

Table with 4 columns: Time Period, Second Expansion Space Annual Base Rent Per Square Foot Per Annum, Second Expansion Space Annual Base Rent, and Second Expansion Space Annual Base Rent Per Month. Rows show time periods from 5/1/00 to 2/1/09 with corresponding rent values marked as [*].

</TABLE>

D. Except as otherwise herein expressly provided, the Second Expansion Space shall be deemed a part of the Premises for all purposes of this Lease, such that both Landlord and Tenant shall have such respective rights and obligations with respect to the Second Expansion Space as apply to the remainder of the Leased Premises."

3. Section 4.(a) of the Lease (captioned "Operating Expenses") is hereby amended as of the Second Expansion Space Commencement Date by deleting from the end thereof the language "[*]%" ([*])" and inserting the following language in lieu thereof: "[*]%" ([*])."

4. Section 13 of the Lease (captioned "Improvements and Alterations by Tenant") is hereby amended as of the Second Expansion Space Commencement Date by deleting all of the language contained therein and inserting the following language in lieu thereof:

"(a) Alterations: Any improvements, alterations, fixed

decorations or modifications, structural or otherwise, to the Leased Premises, the Building or the Land, including, but not limited to, the installation or modification of carpeting, partitions, counters, doors, air conditioning ducts, plumbing, piping, lighting fixtures, wiring, hardware, locks, ceilings and window and wall coverings.

(b) Making of Alterations; Landlord's Consent; [*]

Association's Consent: Tenant shall not make or permit to be made any

Alterations without the prior written consent of Landlord both as to whether the Alterations may be made and as to how and when they will be made, which consent shall not be unreasonably withheld or delayed with respect to

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any proposed Alteration which would not be visible from outside of the Leased Premises nor affect any of the structural components of the Building; provided, however, that the consent of Landlord shall not be required for (i) painting or carpeting of the Leased Premises or (ii) Alterations costing less than Fifty Thousand Dollars (\$50,000.00) in the aggregate which are not visible from outside of the Leased Premises and which do not affect any of the structural components of the Building; further provided, that Tenant shall give Landlord at least ten (10) days' prior written notice of any such Alterations not requiring Landlord's consent and Tenant shall observe all reasonable rules and regulations promulgated by Landlord with respect to the performance of Alterations. Any Alterations shall be made at Tenant's expense, by its contractors and subcontractors and in accordance with complete plans and specifications approved in advance in writing by Landlord, and only after Tenant: (i) has obtained all necessary permits from governmental authorities having jurisdiction and has furnished copies thereof to Landlord, (ii) has submitted to Landlord an architect's certificate that the Alterations will conform to all applicable laws and regulations, and (iii) has complied with all other requirements reasonably imposed by Landlord, including without limitation any requirements due to the underwriting guidelines of Landlord's insurance carriers. Landlord's consent to any Alterations and approval of any plans and specifications constitutes approval of no more than the concept of these Alterations and not a representation of warranty with respect to the quality or functioning of such Alterations, plans and specifications. Tenant shall be and is solely responsible for the Alterations and for the proper integration thereof with the Building, the Building's systems and existing conditions. Landlord shall have the right, but not the obligation, to supervise the making of any Alterations. If any Alterations are made without the prior written consent of Landlord or the [*] Owners Association, Inc. (the "[*] Association"), if applicable, or which do not if applicable, or to other conditions imposed by Landlord or the [*] Association, if applicable, and such nonconformity is not fully corrected by Tenant within fifteen (15) days after notice from Landlord to Tenant or such shorter notice period as Landlord, in good faith, reasonably believes to be necessary in order to comply with the requirements of any applicable law, governmental regulation or insurance company requirement, then Landlord may, in its sole discretion, correct or remove such Alterations at Tenant's expense. Following completion of any Alterations, at Landlord's request, Tenant either shall deliver to Landlord a complete set of "as built" plans showing the Alterations or shall reimburse Landlord for any expense incurred by Landlord in causing the Building plans to be modified to reflect the Alterations. In addition to the foregoing, any Alterations which are visible from outside of the Leased Premises are subject to the prior review and approval of the [*] Association, which approval may be granted or denied in the sole and absolute discretion of the [*] Association, and which approval Tenant is solely responsible for obtaining.

(c) No Liens: Tenant shall take all necessary steps to ensure

that no mechanic's or materialmen's liens are filed against the Leased Premises, the Building or the Land as a result of any Alterations made by the Tenant. If any mechanic's lien is filed, Tenant shall discharge the lien within ten (10) days thereafter, at Tenant's expense, by paying off or bonding the lien.

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(d) Permitted Equipment: With the exception of the items of

equipment or machinery which are reflected on Tenant's plans for Tenant's initial buildout of the Leased Premises, Tenant shall not install or operate in the Leased Premises any equipment or other machinery without: (i) obtaining the prior written consent of Landlord, who may condition its consent upon the payment by Tenant of Additional Rent for additional wiring or other expenses resulting therefrom, which consent shall not be unreasonably withheld, conditioned or delayed, unless Landlord determines, in its sole and absolute discretion, that such equipment or machinery causes noise or vibration which would disturb any other tenant of [*] (the "Park"), (ii) securing all necessary permits from governmental authorities and utility companies and furnishing copies thereof to Landlord, and (iii) complying with all other requirements reasonably imposed by Landlord. Tenant shall not install any equipment or machinery which may necessitate any changes, replacements or additions to or material changes in the use of the water system of the Building without obtaining the prior written consent of Landlord, who may withhold its consent in its absolute discretion.

(e) Noise; Vibration; Floor Load: Business machines and

equipment belonging to Tenant, which cause noise or vibration that may be transmitted to any part of the Building to such a degree as to be objectionable to Landlord or to any tenant of the Park shall be installed and maintained by Tenant at Tenant's expense on devices that eliminate the noise and vibration. Tenant shall not place any load upon the floor of the Premises which exceeds the per square foot load the floor was designed to carry (it being understood and agreed that the floor is a six inch (6") slab with a capacity of two hundred

fifty (250) pounds)."

5. Section 18 of the Lease (captioned "Parking") is hereby amended as of the Second Expansion Space Commencement Date by inserting the following language at the end thereof:

"In addition to the foregoing, Landlord hereby agrees to designate twenty-four (24) parking spaces in the immediate vicinity of the Leased Premises for the exclusive use of Tenant, its employees and invitees, it being understood, acknowledged and agreed, however, that Landlord shall have no obligation whatsoever to monitor or police the use of such parking spaces and shall have no liability of any nature whatsoever if all or any of such spaces are used by any other parties, including, but not limited to, other tenants in the Building."

6. The Lease is hereby further amended by adding thereto a new Section 31, to read as follows:

"31. OPTION TO EXTEND

Provided that Equinix, Inc., a Delaware corporation, or an Affiliate (as hereinafter defined) (said Equinix, Inc. or an Affiliate being hereinafter collectively referred to as "Equinix") (i) is not then in default in the payment of any Rent due under this Lease and is not then in

*CONFIDENTIAL TREATMENT REQUESTED. CONFIDENTIAL PORTION HAS BEEN FILED SEPARATELY WITH THE SECURITIES AND EXCHANGE COMMISSION.

default in the performance of any of its other obligations under this Lease, and (ii) has not been in default beyond any applicable notice and cure periods more than once during the immediately preceding two (2) years of the term, in each case both at the time of exercise of the Renewal Option, as hereinafter defined, and at the commencement of the Renewal Period, as hereinafter defined, and is then in occupancy of the Leased Premises at the time of exercise of the Renewal Option, as hereinafter defined, and at the time of the commencement of the Renewal Period, as hereinafter defined, Equinix shall have an option (the "Renewal Option") to extend the term of this Lease for an additional five (5) year period (the "Renewal Period") after the expiration of the initial term. The Renewal Option shall be exercisable only by written notice given by Equinix to Landlord not later than twelve (12) months, nor earlier than fifteen (15) months, prior to the expiration of the initial term. In the event that Equinix does not timely exercise the Renewal Option, the Renewal Option shall be null and void and of no further force or effect, time being of the essence in the exercise of the Renewal Option and it being acknowledged and agreed by Equinix that Landlord shall be entitled to rely on any failure by Equinix to give written notice of its exercise of the Renewal Option by the date set forth herein for such exercise thereof.

All terms and conditions of this Lease shall be applicable during the Renewal Period except that the amount of Base Rent charged for the Renewal Period shall be the then "Prevailing Market Rent", which shall be the rent for comparable space in comparable buildings in Loudoun County, Virginia; provided, however, that in no event shall the Prevailing Market Rent determined as aforesaid be deemed to be less than the Base Rent for the entire Leased Premises payable under this Lease immediately preceding commencement of the Renewal Period. If within thirty (30) days following delivery of Equinix's notice, Landlord and Equinix have not mutually agreed on the Prevailing Market Rent for the Renewal Period, then within ten (10) days after the expiration of such thirty-day period, each party shall give written notice to the other setting forth the name and address of a Broker (as hereinafter defined) selected by such party who has agreed to act in such capacity, to determine the Prevailing Market Rent. If either party shall fail to select a Broker as aforesaid, the Prevailing Market Rent shall be determined by the Broker selected by the other party. Each Broker shall thereupon independently make his determination of the Prevailing Market Rent within twenty (20) days after the appointment of the second Broker. If the two Brokers' determinations are not the same, but the higher of such two values is not more than one hundred five percent (105%) of the lower of them, then the Prevailing Market Rent shall be deemed to be the average of the two values. If the higher of such two values is more than one hundred five percent (105%) of the lower of them, then the two Brokers shall jointly appoint a third Broker within ten (10) days after the second of the two determinations described above has been rendered. The third Broker shall independently make his determination of the Prevailing Market Rent within twenty (20) days after his appointment. The highest and the lowest determinations of value among the three Brokers shall be disregarded and the remaining determination shall be deemed to be the Prevailing Market Rent. Within thirty (30) days after the Prevailing Market Rent is determined as aforesaid, the parties shall execute an amendment to this Lease setting forth the new Rent to be paid for the Renewal Period.

For the purposes of this Section 31, "Broker" shall mean a real estate

broker licensed in the Commonwealth of Virginia, who has been regularly engaged in such capacity in the business of commercial leasing in Loudoun County, Virginia for at least ten (10) years immediately preceding such person's appointment hereunder. Each party shall pay for the cost of its Broker and one-half of the cost of the third Broker. For the purposes of this Section 31, an

"Affiliate" shall mean (1) any parent corporation of Tenant, (2) any subsidiary corporation of Tenant or of Tenant's parent corporation, (3) any entity in which Tenant, any parent corporation of Tenant or any subsidiary corporation of Tenant or of Tenant's parent corporation holds a majority of the outstanding shares or ownership interests, or (4) any corporation resulting from the merger, consolidation or reorganization of Tenant or Tenant's parent corporation with another corporation."

7. Landlord and Tenant acknowledge that they are the landlord and tenant, respectively, under (i) that certain Deed of Lease dated December 15, 1999 (the "Building F Lease") for space in the building located at [*], Ashburn, Virginia, and (ii) that pending Deed of Lease between Landlord, as landlord, and Tenant, as tenant, regarding space in the building located at [*], Ashburn, Virginia (the "Building E Lease") (the Building F Lease and the Building E Lease are hereinafter collectively referred to as the "Other Leases"). In the event that any default occurs under either of the Other Leases, such default shall constitute a default under this Lease, without the necessity of providing any separate notice hereunder or thereunder, and if one, the other or both, of the Other Leases shall be terminated as a result of such a default by Tenant thereunder, this Lease shall be terminated upon written notice by Landlord to Tenant, whereupon this Lease shall end and all rights of Tenant (but not the liability of Tenant) hereunder shall expire and terminate.

8. If requested by Landlord at any time during the Second Expansion Space Term, Tenant promptly will execute a declaration in the form attached hereto as Exhibit J.

9. Section 28.(s) of the Lease (captioned "Brokers") and Exhibit D to the Lease (captioned "Work Agreement") shall not be applicable to the Second Expansion Space.

10. Landlord and Tenant represent and warrant to each other that the person signing this Second Amendment on its behalf has the requisite authority and power to execute this Second Amendment and to thereby bind the party on whose behalf it is being signed.

11. Landlord and Tenant represent and warrant to each other that, except as hereinafter provided, neither of them has employed any broker in procuring or carrying on any negotiations relating to this Second Amendment. Landlord and Tenant shall indemnify and hold each other harmless from any loss, claim or damage relating to the breach of the foregoing representation and warranty by the indemnifying party. Landlord recognizes only Trammell Crow Company ("Tenant's Broker"), as agent of Tenant, with respect to this Second Amendment and agrees to be responsible for the payment of a commission to Tenant's Broker, pursuant to a separate agreement with Tenant's Broker.

12. Except as expressly amended and modified herein, all terms, conditions and provisions of the Lease shall remain unmodified and in full force and effect. In the event of any conflict between the terms and conditions of the Lease and the terms and conditions of this Second Amendment, the terms and conditions of this Second Amendment shall govern and control.

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IN WITNESS WHEREOF, Landlord and Tenant have executed this Second Amendment to Lease as of the day and year first hereinabove written.

LANDLORD

WITNESS:

TRIZECHAHN BEAUMEADE
TECHNOLOGY CENTER LLC,
a Delaware limited liability company

/s/ signature illegible

By: /s/ Paul L. Schulman

Name: Paul L. Schulman
Its: Assistant Secretary

[SIGNATURES CONTINUED ON FOLLOWING PAGE]

[SIGNATURES CONTINUED FROM PREVIOUS PAGE]

TENANT

*CONFIDENTIAL TREATMENT REQUESTED. CONFIDENTIAL PORTION HAS BEEN FILED SEPARATELY WITH THE SECURITIES AND EXCHANGE COMMISSION.

August 24, 2000

VIA FACSIMILE
- - - - -

600 Seventh Street Associates, Inc.
600 West Seventh Street
Suite 600
Los Angeles, California 90014

Re: Telecommunications Office Lease by and between 600 Seventh

Street Associates, Inc., and Equinix, Inc., dated August 8, 1999

Ladies and Gentleman:

This letter agreement (this "Letter Agreement") is made in connection with that certain Telecommunications Office Lease (the "Lease"), dated as of August 8, 1999, entered into by and between 600 Seventh Street Associates, Inc., a California corporation ("Landlord") and Equinix, Inc., a Delaware corporation ("Tenant"). Landlord and Tenant have agreed, and do hereby agree, to modify the Lease as follows:

1. Commencement Date. Notwithstanding anything in the Lease to the

contrary, the Lease Commencement Date shall be October 1, 2000; provided, however, the Lease Commencement Date shall be delayed one (1) day for each day of delay in satisfaction of the following two (2) conditions: (a) on or before August 28, 2000, Landlord obtains a temporary certificate of occupancy for the Building from the City of Los Angeles, (b) on or before August 28, 2000, Landlord obtains authorization from the City of Los Angeles to grant Tenant access to Tenant's portion of the Generator Fuel Tank so as to allow Tenant to connect such Generator Fuel Tank to Tenant's Generators.

2. Tenant Improvement Allowance. Notwithstanding anything to the

contrary contained in the Lease: (i) Tenant shall be entitled to a Tenant Improvement Allowance in the amount of \$3,458,229.00; (ii) Tenant

acknowledges receipt of certain invoices sent by Jacqueline C. Wolfe of Landlord to Michele Keefhaver of Tenant under cover of letter dated July 20, 2000 (the "Invoices"), which Invoices indicate that Landlord has performed certain improvement work on behalf of Tenant; (iii) Tenant and Landlord agree that the amount to be reimbursed by Tenant to Landlord for such work relating to the Invoices is \$1,172,282.00 and such amount shall be offset against the Tenant Improvement Allowance; (iv) Tenant shall have no further payment obligation to Landlord with respect to such work relating to the Invoices and such payment shall constitute full satisfaction of all amounts owed to Landlord as reimbursement of the costs of such work relating to such Invoices; and (v) the foregoing shall not be deemed a waiver of Tenant's right to receive the remainder of the Tenant Improvement Allowance in the amount of \$2,285,947.00. Landlord shall wire the remaining Tenant Improvement Allowance set forth in (v) above to Tenant upon the closing of the sale of the Building by Landlord to 360networks inc. Landlord shall not have the right to perform any future work for or on behalf of Tenant except as provided for in the Lease. Notwithstanding the foregoing, Tenant expressly reserves all rights and remedies with respect to Landlord's performance of any Compliance Work or punch list items relating to Landlord's performance of the work relating to the Invoices.

3. Standard Tenant Services. The number of bus ducts through which

Tenant obtains its electrical supply for the Premises pursuant to Section 6.1.2 of the Lease is hereby increased from two (2) to three (3). Landlord shall use its best efforts to assist Tenant in energizing the third bus duct and coordinating such energization with the Depart of Water and Power of the City of Los Angeles.

4. Fuel Tank Capacity. Section 22.1.4 of the Lease is hereby amended by

replacing the number "10,000" with the number "20,000" in the first
sentence of Section 22.1.4.
5. Conduits. Section 22.1.7(ii) of the Lease is hereby deleted in its

entirety and replaced with the following:
- "(ii) eight (8) four inch (4.0") aluminum conduits in the interconnect
riser of the Building (the "Interconnect Riser") running from the
fifth (5/th/) floor to the seventh (7/th/) floor of the Building, and
(iii) eight (8) four inch (4.0") aluminum conduits in shafts 510
through 710 of the Building running from the fifth (5/th/) floor to
the seventh (7/th/) floor of the Building (collectively, "Tenant's
Conduit")."

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6. Exhibit H. The first paragraph of Section 1 of Exhibit H to the Lease

is hereby deleted in its entirety and replaced with the following:
- "Tenant wishes to install on the top roof of the Building (a) customer
antennas as more particularly described below in this section
(collectively, "Antennas"); and (b) four (4) four inch (4.0") conduits
and three (3) one inch (1.0") conduits connecting customer Antennas to
the Premises (collectively, the "Antenna Conduits"). The Antennas to
be installed by Tenant under this Rider shall be installed on a one
thousand square foot platform on the roof of the Building in the area
bounded by Carrier Center drawings column lines 5 to 7, and M to N
("Antenna Space")."
7. Exhibit B. Exhibit B, Schedule 2, 1/st/ Floor, Item 1 of the Lease is

hereby amended to provide that Tenant shall have shaft access from the
basement of the Building to the Premises for generator conduits, due
to relocation of the generators from the roof to the basement and
Exhibit B, Schedule 2, 7th Floor, Item 1, of the Lease is hereby
deleted in its entirety.
8. Address of Tenant (Section 29.18): The address of Tenant for

notices under the Lease is hereby amended as follows:
- Equinix, Inc.
2450 Bayshore Parkway
Mountain View, CA 94043-1107
Attention: Real Estate Counsel
- With a copy to:
- Equinix, Inc.
[*]
===
[*]
===
Los Angeles, CA [*]
===

Except as expressly modified in this Letter Agreement, all terms and
conditions of the Lease shall remain unmodified and in full force and effect.
Defined terms used herein and not otherwise defined shall have the meanings
assigned to such terms in the Lease.

The Lease as modified by this Letter Agreement sets forth the full and
complete understanding between Landlord and Tenant. This Letter Agreement may be
executed in counterparts. The telecopy transmission of a signed copy of this
Letter Agreement shall constitute a binding and effective execution by the
signing party.

By executing below the parties acknowledge and agree to the terms and
conditions set forth in this Letter Agreement. Notwithstanding anything in this
Letter

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SEPARATELY WITH THE SECURITIES AND EXCHANGE COMMISSION.

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Agreement to the contrary, this Letter Agreement shall be effective if and when
(and only if and when): (i) this Letter Agreement is executed by each party and
delivered to the other party; and (ii) an original fully executed tenant
estoppel in the form required pursuant to the Lease (as may be modified by the

terms of this Letter Agreement), has been delivered to Landlord by August 25, 2000. Failure of Tenant to deliver the estoppel by August 25, 2000 shall render this Letter Agreement null and void and of no further force and effect.

EQUINIX, INC.,
a Delaware corporation

By: /s/ Renee F. Lanam

General Counsel

[Printed Name and Title]

The foregoing is agreed and consented to this ____ day of August, 2000.

600 SEVENTH STREET ASSOCIATES, INC.,
a California corporation

By: /s/ Jack Matthews

Vice President

[Printed Name and Title]

CONFIDENTIAL TREATMENT REQUESTED.
 CONFIDENTIAL PORTION HAS BEEN FILED SEPARATELY
 WITH THE SECURITIES AND EXCHANGE COMMISSION.

LEASE AGREEMENT

THIS LEASE AGREEMENT (the "Lease") is made as of the 24th day of July, 2000 by and between BURLINGTON REALTY ASSOCIATES III LIMITED PARTNERSHIP, a Delaware limited partnership ("Landlord"), and EQUINIX, a Delaware corporation, with corporate offices located at 901 Marshall Street, Redwood City, California 94063 ("Tenant") (the words "Landlord" and "Tenant" to include their respective legal representatives, successors and permitted assigns where the context requires or permits).

W I T N E S S E T H

That Landlord, for and in consideration of the rents and all other charges and payments hereinafter reserved and payable by Tenant, and of the covenants, agreements, terms, provisions and conditions to be kept and performed hereunder by Tenant, does hereby demise and lease to Tenant, and Tenant does hereby hire and take from Landlord, the Premises described below, subject to all matters hereinafter set forth and upon the subject to the covenants, agreements, terms, provisions and conditions of this Lease for the term hereinafter stated.

BASIC LEASE PROVISIONS

1. The following constitutes the basic provisions of this Lease. These basic provisions are more fully described under the applicable provisions of this Lease:

- a. Premises Address: [*], Secaucus, New Jersey.
- b. Premises Square Footage: [*] square feet, comprised of Premises A containing [*] square feet and Premises B containing [*] square feet. Premises A and Premises B shall collectively be referred to herein as the "Premises".
- c. Building Square Footage: [*] square feet.
- d. Base Rent:

Premises A: -----	Annual -----	Monthly -----	Per Sq.Ft. -----
Lease Year 1:	\$[*]	\$[*]	[*]
Lease Years 2-5:	\$[*]	\$[*]	[*]
Lease Years 6-10:	\$[*]	\$[*]	[*]
Lease Years 11-15:	\$[*]	\$[*]	[*]

Premises B: See Addendum Paragraph 1.

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- e. Base Rent Paid Upon Execution: \$[*] (one (1) month's Base Rent and Additional Rent for Premises A).
 - f. Lease Commencement Date: The date Landlord delivers Premises A to Tenant.
 - g. Base Rent Commencement Date for Premises A: Same as Lease Commencement Date.
- Base Rent Commencement Date for Premises B: See Addendum Paragraph 1.
- h. Expiration Date: At 11:59 p.m. on the last day of the one hundred eightieth (180/th/) full calendar month following the Lease Commencement Date for Premises A.
 - i. Term: Fifteen (15) Years computed from the Lease Commencement Date for Premises A; provided, however, that if the Lease Commencement Date is other than the first day of the month, then the Term of the Lease shall be computed from the first day of the calendar month following the Lease Commencement Date for Premises A.
 - j. Tenant's Operating Expense Percentage of Building: [*]% comprised of [*]% for Premises A and [*]% for Premises B.

k. Security Deposit: \$[*] in cash, or, at Tenant's option, a Letter of Credit. See Addendum Paragraph 2. Said Security Deposit may be increased as of the Lease Commencement Date for Premises B as more particularly

set forth in Paragraph 1 of the Addendum of the Lease.

1. Permitted Use: Tenant may use the Premises for general office, warehouse, distribution, retail and all related uses thereto; the installation, operation and maintenance of telecommunications systems and related equipment and signal reception and transmission facilities, including, but not limited to, a local and long distance switch and customer co-location center in accordance with the terms and conditions of this Lease; all of the foregoing uses subject to compliance with the requirements and limitations contained in Section 9 of this Lease.

m. Real Estate Broker(s): Landlord: Kwartler Associates, Inc; Tenant: Cushman & Wakefield of New Jersey, Inc.

n. Attachments: Addendum; Exhibit A-"Site Plan with Demised Premises"; Exhibit A-1-"Site Plan with Outside Area"; Exhibit B-"Lease Commencement Verification Letter"; Exhibit C-" Form of Letter of Credit"; Schedule 1-"Work Letter Agreement".

o. Parking Spaces: 187

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p. Option To Renew: Three (3) five (5) year options as described in Section 54.

q. Right of First Refusal: See Section 55.

r. Option to Expand: See Section 56.

s. Improvements: See Section 57.

t. Tenant's SIC number is 4813.

2. PREMISES. The Premises demised by this Lease are approximately -----

[*] square feet and shall include the parking area and loading docks ===== ("Outside Area") as more particularly set forth on Exhibit A-1 located at [*], ----- Secaucus, New Jersey ("Building"), together with a nonexclusive right to use parking and other common areas. The location and dimensions of the Premises are shown on Exhibit A and Exhibit A-1, which are is attached hereto and ----- incorporated herein by reference. No easement for light or air is incorporated in the Premises. Tenant shall have the right to fence off the Outside Area as shown on Exhibit A-1, provided such is done in accordance with all applicable ----- governmental requirements.

3. LEASE COMMENCEMENT DATE, EXPIRATION DATE AND TERM. The Lease -----

Commencement Date, Expiration Date and Term of this Lease are as specified in Sections 1(f), 1(h) and 1(i). If the Lease Commencement Date shall be other than the first day of a month, then in that event, the Base Rent for that first month shall be pro-rated accordingly, subject to the provisions of Section 1(g). When the actual Lease Commencement Date is established by Landlord, Tenant shall within thirty (30) days after Landlord's written request, complete and execute the letter attached hereto as Exhibit B ("Commencement Date Verification") and ----- deliver it to Landlord. Tenant's failure to execute the letter attached hereto as Exhibit B within said thirty (30) day period shall constitute Tenant's ----- acknowledgement of the truth of the facts contained in the letter delivered by Landlord to Tenant.

4. RENT. -----

a. Subject to adjustment as hereinafter provided in Section 6 of this Lease, Tenant agrees to pay Landlord by payment to office as Landlord may designate, promptly on the first day of each month, in advance, during the Term of this Lease, without offset or deduction except as set forth herein, the Base Rent for the Premises set forth in Section 1(d). At the time Tenant executes this Lease, it shall pay to Landlord the advance Base Rent described in Section 1(e).

b. Except as specifically provided elsewhere in this Lease, it is intended that the Rental provided for in this Lease shall be an absolutely net return to Landlord throughout the Term hereof, free of any expense, charge or other deduction whatsoever, with respect to the Premises, the Building and/or

the ownership, leasing, operation, management,

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maintenance, repair, rebuilding, use or occupation of any interest of Landlord therein, except only as otherwise expressly provided in this Lease.

c. Base Rent and Additional Rent (as hereinafter defined) shall be collectively referred to in this Lease as "Rent".

5. RENT INCREASES. [Intentionally Omitted]

6. ADDITIONAL RENT.

a. All monetary obligations of Tenant to Landlord under the terms of this Lease other than Base Rent, including but not limited to, Tenant's proportionate share of Operating Expenses (as hereinafter defined), all utility services as set forth in Section 8 hereof and personal property taxes shall be deemed "Additional Rent".

b. In addition to the Base Rent, Tenant shall pay to Landlord Tenant's Operating Expense Percentage of the following operating expenses ("Operating Expenses") as noted in Section 1(j), as of the first day of each calendar month.

(i) All real estate taxes and insurance premiums. Said real estate taxes shall include all real estate taxes and assessments that are levied upon or assessed against the Premises, including any taxes which may be levied on rents, and excluding income tax or any other tax measured by the net income of the Landlord. Said insurance premiums shall include all insurance premiums for fire (which policy of insurance shall cover loss or damage to the Building in an amount equal to the full replacement cost thereof, as determined by Landlord from time to time), extended coverage, public liability, and other insurance which Landlord deems reasonably necessary. If any tenant(s) in the Building pay real estate taxes directly to any taxing authority or carry their own insurance, as may be provided in their leases, the square footage of their leased Premises shall not be included as part of the floor area of the Building for purposes of calculating Tenant's share of real estate taxes:

(ii) All costs to maintain, repair, replace, supervise, insure (including provision of public liability insurance) and administer common areas, parking lots, landscaping, sidewalks, driveways, roof covering, downspouts and gutters, and other areas used in common by the tenants or occupants of the Building. Said costs may include a reasonable administrative fee payable to Landlord. The cost of any capital improvement made during the Term of this Lease shall be amortized over the useful life of such improvement as reasonably determined by Landlord, together with an interest factor on the unamortized cost of such item equal ten percent (10%) per annum; provided that Tenant shall not be liable for the cost of any capital improvements (i) to the structural portions of the foundation and exterior walls of the Building; (ii) not reasonably required for the use and occupancy of the Premises by Tenant; or (iii) made to comply with any law, rule, order or regulation imposed or enacted prior to the Lease Commencement Date. The foregoing notwithstanding, if Landlord replaces the roof of the Building or portions thereof, Landlord shall only pass through to Tenant as an Operating Expense one-half (1/2) of the cost of such roof replacement to be paid to Landlord in accordance with the amortization schedule set forth above.

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(iii) Management fees for the operation of the Building not to exceed, however, an annual sum equal to [*] percent ([*] %) of the total annual fixed rent for the Building.

See Addendum Paragraph 3

c. Upon commencement of this Lease, Landlord shall submit to Tenant an estimate of monthly Operating Expenses for the period between such commencement date and the end of the calendar year and Tenant shall pay these estimated Operating Expenses on a monthly basis concurrently with the payment of the Base Rent. Tenant shall continue to make such monthly payments until notified by Landlord of a change therein. Once annually, Landlord shall provide to Tenant a statement showing the total Operating Expenses for the prior year and Tenant's allocable share thereof, prorated from the commencement date of this Lease during the first year. Landlord shall use reasonable efforts to deliver such statement within ninety (90) days after the expiration of each calendar year during the Term of this Lease. If the total monthly payments which Tenant has made for the prior year (or portion thereof during which the Lease was in effect) is less than the Tenant's actual share of such Operating

Expenses, then Tenant shall pay the difference in a lump sum within thirty (30) days after receipt of such statement from Landlord. Any overpayment by Tenant shall be credited towards any of Tenant's monetary obligations under the Lease next due. The actual Operating Expenses for the prior year shall be used for purposes of calculating the estimated monthly Operating Expenses for the current year with actual determination of such Operating Expenses occurring after the end of each calendar year, except that in any year in which resurfacing of the common parking area or major roof repairs are planned, Landlord may include the estimated cost of such work in the estimated monthly Operating Expenses. Even though the Term of this Lease has expired and Tenant has vacated the Premises, when the final determination is made of Operating Expenses for the year in which this Lease terminates, Tenant shall immediately pay any increase over the estimated Operating Expenses previously paid and, conversely, any overpayment shall be credited to the Tenant's account. Any delay or failure of Landlord in billing any Operating Expenses herein provided shall not constitute a waiver of or in any way impair the continuing obligation of Tenant to pay such Operating Expenses; provided, however, if Landlord does not bill Tenant for such Operating Expenses within two (2) years following the Lease Year in question, then Landlord shall be deemed to waive its right to bill Tenant for said Operating Expenses.

d. From time to time Landlord may challenge the assessed value of the Building as determined by applicable taxing authorities and/or Landlord may attempt to cause the real estate taxes to be reduced on other grounds. If Landlord is successful in causing the real estate taxes to be reduced or in obtaining a refund, rebate, credit or similar benefit (hereinafter collectively referred to as a "reduction"), Landlord shall credit the reduction(s) to real estate taxes for the calendar year to which a reduction applies and recalculate the real estate taxes owed by Tenant for years after the year in which the reduction applies based on the reduced real estate taxes.

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e. If Tenant disputes the amount of actual Operating Expenses set forth in Landlord's statement, Tenant shall have the right, at Tenant's sole expense not later than one hundred eighty (180) days following receipt of such statement, to cause Landlord's books and records with respect to the calendar year which is the subject of the statement to be audited by a certified public accountant mutually acceptable to Landlord and Tenant. The audit shall take place at the offices of Landlord where its books and records are located at a mutually convenient time during Landlord's regular business hours. Tenant's Share of Operating Expenses shall be appropriately adjusted based upon the results of such audit, and the results of such audit shall be final and binding upon Landlord and Tenant. If such audit determines that an error has been made in Landlord's determination and calculation which results in an adjustment to the amounts determined and calculated by Landlord in the amount of five percent (5%) or more, Landlord shall pay for the fees and expenses of such firm, but if such adjustment is less than five percent (5%), Tenant shall pay for such fees and expenses. Tenant shall have no right to conduct an audit or to give Landlord notice that it desires to conduct an audit at any time Tenant is in default under the Lease. The accountant conducting the audit shall be compensated on an hourly basis and shall not be compensated based upon a percentage of overcharges it discovers. No subtenant shall have any right to conduct an audit, and no assignee shall conduct an audit for any period during which such assignee was not in possession of the Premises. Tenant's right to undertake an audit with respect to any calendar year shall expire one hundred eighty (180) days after Tenant's receipt of the statement for such calendar year, and such statement shall be final and binding upon Tenant and shall, as between the parties, be conclusively deemed correct, at the end of such one hundred eighty (180) day period, unless prior thereto Tenant shall have given Landlord written notice of its intention to audit Operating Expenses for the calendar year which is the subject of the statement. If Tenant gives Landlord notice of its intention to audit Operating Expenses, it must commence such audit within sixty (60) days after such notice is delivered to Landlord, and the audit must be completed within one hundred twenty (120) days after such notice is delivered to Landlord. If Tenant does not commence and complete the audit within such periods, the statement which Tenant elected to audit shall be deemed final and binding upon Tenant and shall, as between the parties, be conclusively deemed correct. Tenant agrees that the results of any Operating Expense audit shall be kept strictly confidential by Tenant and shall not be disclosed to any other person or entity.

7. PERSONAL PROPERTY TAXES. Tenant shall pay, or cause to be paid,

before delinquency any and all taxes levied or assessed and which become payable during the Term hereof upon all Tenant's leasehold improvements, equipment, furniture, fixtures, and any other personal property located on the Premises. In the event any or all of the Tenant's leasehold improvements, equipment, furniture, fixtures and other personal property shall be assessed and taxed with the real property, Tenant shall pay to Landlord its share of such taxes within thirty (30) days after delivery to Tenant by Landlord of a statement in writing setting forth the amount such tax is applicable to Tenant's property (accompanied by the applicable tax bills and all information supporting such

allocation available to Landlord) provided such payment is made prior to any delinquencies.

8. UTILITY JANITORIAL AND CARTING BILLS.

a. Landlord represents that the Premises as demised, has water, sewer, gas, and electric service. These services and other services (i.e. telephone) are provided

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directly by the utility companies and/or municipality and the Tenant shall arrange for and pay for these services directly with the utility companies and/or municipality accordingly. Tenant shall promptly pay all water, sewer, gas, electricity and other utility bills attributed to the Premises. If Tenant does not pay these bills, Landlord may pay them and such payment shall be added to the Rent. In addition, certain utility services may be provided by Landlord (i.e. common area electric, water and sewer.) These services shall be included in Additional Rent as specified in Section 6 of this Lease.

b. Tenant shall contract for janitorial, or provide such janitorial services itself using its own employees, and carting services for the Premises directly from a service company licensed to do business in the jurisdiction where the Premises are located. Tenant shall promptly pay all janitorial and carting bills directly to such providers.

9. LATE CHARGES. Tenant hereby acknowledges that late payment to

Landlord of Rent or other sums due hereunder will cause Landlord to incur costs not contemplated by this Lease, the exact amount of which will be extremely difficult to ascertain. If any Rent or other sums due from Tenant is not received by Landlord or Landlord's designated agent within ten (10) days after its due date, then Tenant shall pay to Landlord a late charge equal to the maximum amount permitted by law (and in the absence of any governing law, [*]percent ([*]%) of such overdue amount), plus reasonable attorneys' fees incurred by Landlord due hereunder. The parties hereby agree that such late charges represent a fair and reasonable estimate of the cost that Landlord will incur by reason of Tenant's late payment. Landlord's acceptance of such late charges shall not constitute a waiver of Tenant's default with respect to such overdue amount or stop Landlord from exercising any of the other rights and remedies granted hereunder. Notwithstanding the foregoing, Landlord agrees to waive the imposition of such late charge on the first (1st) two (2) occasions in any twelve (12) month period, provided each overdue payment is made within five (5) days after Landlord gives Tenant written notice that payment was not made when due.

10. SECURITY DEPOSIT. Concurrently with Tenant's execution of this

Lease, Tenant has deposited with Landlord the amount set forth in Section 1(k) of this Lease. Said sum shall be held by Landlord as security for the faithful performance by Tenant of all the terms, covenants, and conditions of this Lease to be kept and performed by Tenant during the Term hereof. If Tenant defaults with respect to any provisions of this Lease, including, but not limited to, the provisions relating to the payment of Rent, Landlord may (but shall not be required to) use, apply or retain all or any part of this security deposit for the payment of any Rent or any other sum in default, or for the payment of any amount which Landlord may spend or become obligated to spend by reason of Tenant's default, or to compensate Landlord for any other loss or damage which Landlord may suffer by reason of Tenant's default. If any portion of said security deposit is so used or applied, Tenant shall, within ten (10) days after written demand therefor, deposit cash with Landlord in any amount sufficient to restore the security deposit to its original amount and Tenant's failure to do so shall be a default under this Lease. Landlord shall not be required to keep this security deposit separate from its other funds, and (unless otherwise required by law) Tenant shall not be entitled to interest of such deposit. If

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Tenant shall fully and faithfully perform every provision of this Lease to be performed by it, the security deposit or any balance thereof shall be returned to Tenant (or, at Landlord's option, to the last assignee of Tenant's interest hereunder) within ten (10) days following expiration of this Lease Term. In the event of termination of Landlord's interest in this Lease, Landlord shall transfer said deposit to Landlord's successor in interest.

See Addendum Paragraph 2

11. USE OF PREMISES.

a. The Premises shall be used for the purposes set forth in Section 1(l) of the Lease. Landlord acknowledges and agrees that Tenant's contemplated use of the Premises shall include the installation, operation, maintenance, repair and replacement of telecommunications equipment and related facilities by Tenant's customers and vendors (the "Collocates"). The Collocates shall be entitled to use the Premises at no additional charge and without requiring the consent of Landlord. The Collocates shall have the right to bring fiber and related facilities into the Premises through the conduits and space utilized by Tenant at no additional charge and without requiring the consent of Landlord. However, the Collocates shall not have the right to interconnect to other tenants in the Building (excluding the Premises) without the prior written consent of Landlord, which consent shall not be unreasonably withheld, conditioned or delayed. It is acknowledged and agreed that Landlord does not have any direct contractual relationship with the Collocates or responsibility for the actions of the Collocates in the Building. Tenant shall not create any nuisance or trespass or vitiate the insurance or increase the rate of insurance on the Premises or the Building. Tenant agrees not to overload the floor(s) of the Premises or the Building. Tenant agrees not to use the Premises for any purpose or business which is illegal, noxious, offensive because of emission of noise, creates smoke, dust, or odors or which could damage the Building or the Lands environmentally or otherwise or be a nuisance or menace to or interfere with any other tenant or the public.

b. Simultaneously herewith, Tenant shall furnish Landlord with all Standard Industrial Classification numbers as issued by the United States, the State of New Jersey or any other governmental authority ("SIC"), which relates to the business of the Tenant and the uses and purposes for which the Premises shall be utilized, together with all additions and/or amendments thereto, prior to creating any such addition or amendment. Landlord, within thirty (30) days following receipt of notice of any addition or amendment thereto, shall have the right to refuse to permit such change or addition in use and/or in SIC and upon notification to Tenant of such refusal, Tenant shall not have the right to effect such changes or addition.

12. ABANDONMENT OF PREMISES. [INTENTIONALLY OMITTED]

13. DESTRUCTION AND DAMAGE.

a. If all or part of the Building is damaged by fire, earthquake, flood, explosion, the elements, riot, the release or existence of Hazardous Substances (as defined in Section 49 below) or by any other cause whatsoever (hereinafter collectively referred to as "Damages"), but the Damages are not "Material" (as defined in Section 11.b. below), Landlord shall repair the Damages to the Building as soon as is reasonably possible, and this Lease shall remain in full force and effect. If all or part of the Building is destroyed or Materially Damaged,

Landlord shall have the right, in its sole and complete discretion, to repair or to rebuild the Building or to terminate this Lease, provided Landlord terminates all other leases of all other spaces similarly affected in the Building. Landlord shall within ninety (90) days after the discovery of such Material Damage or destruction notify Tenant in writing of Landlord's intention to repair or to rebuild or to terminate this Lease. Tenant shall in no event be entitled to compensation or damages on account of annoyance or inconvenience in making any repairs, or on account of construction, or on account of Landlord's election to terminate this Lease. Notwithstanding the foregoing, if Landlord shall elect to rebuild or repair the Building after Material Damage or destruction, but in good faith determines that the Premises cannot be substantially repaired within two hundred ten (210) days after the date of the discovery of the Material Damage or destruction, without payment of overtime or other premiums, and the Damage to the Building will render the entire Premises substantially unusable during said two hundred ten (210) day period, Landlord shall notify Tenant thereof in writing at the time of Landlord's election to rebuild or repair, and Tenant shall thereafter have a period of fifteen (15) days within which Tenant may elect to terminate this Lease, upon thirty (30) days' advance written notice to Landlord. Tenant's termination right described in the preceding sentence shall not apply if the Damage was caused by the negligent or intentional acts of Tenant or its employees, agents, contractors. Failure of Tenant to exercise said election within said fifteen (15) day period shall constitute Tenant's agreement to accept delivery of the Premises under this Lease whenever tendered by Landlord, provided Landlord thereafter pursues reconstruction or restoration diligently to completion, subject to delays caused by Force Majeure Events. If Landlord is unable to repair the Damage to the Premises or the Building during such two hundred ten (210) day period due to Force Majeure Events, the two hundred ten (210) day period shall be extended by the period of delay caused by the Force Majeure Events. Subject to Section 11.c. below, if Landlord or Tenant terminates this Lease in accordance with this Section 11.a., Tenant shall continue to pay all Rent and other amounts due hereunder which arise prior to the date of the occurrence of the Damage.

b. "Material Damage" to the Building shall occur if any of the

following events shall occur: (i) in Landlord's reasonable judgment, the uninsured cost of repairing the Damage will exceed Two Hundred Fifty Thousand Dollars (\$250,000); provided that if such uninsured cost exceeds Two Hundred Fifty Thousand Dollars (\$250,000), such damage shall not be deemed Material Damage if Tenant, within fifteen (15) days of notice from Landlord of the amount of said uninsured cost, which notice shall be given by Landlord promptly after the determination of the amount of said uninsured cost, agrees to pay any uninsured cost in excess of Two Hundred Fifty Thousand Dollars (\$250,000); (ii) any lender with a security interest in the Building refuses to allow the applicable insurance proceeds to be used for reconstruction of the Damaged portion of the Building, and Tenant has a right to terminate the Lease under Section 13.a. above and does not waive such right to terminate the Lease within ten (10) days of Landlord's notice to Tenant that such lender is not allowing such insurance proceeds to be used for reconstruction (failure to respond within such ten (10) day period shall be deemed an election by Tenant to waive such termination right), (iii) if insurance proceeds are available to Landlord in an amount which is sufficient to pay the entire cost of repairing all of the Damage to the Project, but the cost of repairing the Damage exceeds Three Million Dollars (\$3,000,000); (iv) the Building cannot be rebuilt or repaired to substantially the same condition it was in prior to the Damage due to laws or regulations in effect at the time the repairs will be made; or (iv) the Damage occurs during the last twelve (12) months of the Term of the Lease.

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c. If Landlord elects to repair Damage to the Building and all or part of the Premises will be unusable or inaccessible to Tenant in the ordinary conduct of its business until the Damage is repaired, and the Damage was not caused by the negligence or intentional acts of Tenant or its employees, agents, contractors or invitees, Tenant's Base Rent and Tenant's Share of Operating Expenses shall be abated until the repairs are completed in proportion to the amount of the Premises which is unusable or inaccessible to Tenant in the ordinary conduct of its business. Notwithstanding the foregoing, there shall be no abatement of Base Rent or Tenant's Share of Operating Expenses by reason of any portion of the Premises being unusable or inaccessible for a period equal to five (5) consecutive business days or less.

d. If such Damage or destruction occurs as a result of the negligence or the intentional acts of Tenant or Tenant's employees, agents, contractors or invitees, and the proceeds of insurance which are actually received by Landlord are not sufficient to pay for the repair of all of the Damage, Tenant shall pay, at Tenant's sole cost and expense, to Landlord upon demand, the difference between the cost of repairing the Damage and the insurance proceeds received by Landlord.

e. As more fully set forth in Section 47, except where caused by the gross negligence or willful misconduct of Landlord, its employees, agents or contractors, Landlord shall not be liable to Tenant or its employees, agents, contractors, invitees or customers for loss or Damage to merchandise, tenant improvements, fixtures, automobiles, furniture, equipment, computers, files or other property (hereinafter collectively "Tenant's property") located at the Building. Tenant shall repair or replace all of Tenant's property at Tenant's sole cost and expense. Tenant acknowledges that it is Tenant's sole responsibility to obtain adequate insurance coverage to compensate Tenant for Damage to Tenant's property.

f. Upon termination of this Lease under any of the provisions of this Section, the parties shall be released thereby without further obligation to the other from the date of the damage or destruction, except for items which have theretofore accrued and are then unpaid.

g. If Landlord is obligated to or elects to repair or restore as herein provided, Landlord shall proceed diligently with repair or restore only those portions of said Building and Premises which were originally provided at Landlord's expense, and the repair and restoration of areas or items not provided at Landlord's expense shall be the obligation of Tenant.

14. CONDEMNATION. If twenty-five percent (25%) or more of the

Premises is taken for any public or quasi-public purpose by any lawful governmental power or authority, by exercise or the right of appropriation, reverse condemnation, condemnation or eminent domain or sold to prevent such taking, the Tenant or the Landlord may at its option terminate this Lease as of the effective date thereof. Tenant shall not because of such taking assert any claim against the Landlord or, except as provided herein, the taking authority for any compensation because of such taking, and Landlord shall be entitled to receive the entire amount of any award without deduction for any estate or interest of Tenant. If Landlord does not so elect, Landlord shall promptly proceed to restore the Premises to substantially their same condition prior to such partial taking, allowing for the reasonable effects of such taking, and a

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proportionate allowance shall be made to Tenant for the Rent and Additional Rent corresponding to the time during which, and to the part of the Premises of

which, Tenant is deprived on account of such taking and restoration. Notwithstanding the foregoing, Tenant shall be entitled to any separate award for loss of or damage to alterations, additions or improvements to the Premises which were paid for by Tenant, Tenant's removable personal property and for moving expenses.

15. INDEMNIFICATION BY TENANT. Tenant agrees, as its sole cost and

expense, to indemnify and save Landlord harmless from and against any and all claims, actions, demands and suits, for, in connection with, or resulting from, any accident, injury or damage whatsoever caused to any person or property arising, directly or indirectly, in whole or in part, out of the business conducted in or the use of the Premises, or occurring in, on or about the Premises or any part thereof, or arising, directly or indirectly, in whole or in part, from any act or omission of Tenant or any concessionaire or subtenant or their respective licensees, servants, agents, employees or contractors, or arising out of the breach or default by Tenant or any term, provisions, covenant or condition herein contained, and from and against any and all losses, costs, expenses, judgments and liabilities incurred in connection with any claim, action, demand, suit or other proceeding brought thereof, except for any loss or damage caused by negligence or willful misconduct of the Landlord, its employees and agents. Said indemnity shall include the defending or resisting and proceeding by attorneys reasonably satisfactory to Landlord.

16. LIABILITY INSURANCE. Tenant shall, at Tenant's expense, obtain

and keep in force during the Term of this Lease a policy of comprehensive public liability insurance insuring Landlord and Tenant against any liability arising out of the ownership, use, occupancy, or maintenance of the Premises and all areas appurtenant thereto. Such insurance shall be in the amount of not less than Three Million Dollars (\$3,000,000) for injury or death of one person in any one accident or occurrence and in the amount of not less than Three Million Dollars (\$3,000,000) for injury or death of more than one person in any one accident or occurrence. Such insurance shall further insure Landlord and Tenant against liability for property damage of at least Three Million Dollars (\$3,000,000). The limit of any such insurance shall not limit the liability of the Tenant hereunder. Tenant may provide this insurance under a blanket policy, provided that said insurance shall have a Landlord's Agent protective liability endorsement attached thereto. If Tenant fails to procure and maintain said insurance, Landlord may, but shall not be required to, procure and maintain same, but at the expense of Tenant. Insurance required hereunder shall be in companies rated A:VIII or better in "Best Key Rating Guide". Tenant shall deliver to Landlord copies of certificates of insurance evidencing the liability insurance required herein with loss payable clauses reasonably satisfactory to Landlord. No policy shall be cancelable or subject to reduction of coverage. All such policies shall name Landlord and Kwartler Associates, Inc. as additional insured, shall be written primary policies not contributing with and not in excess of coverage which Landlord may carry and shall be written with an insurance carrier satisfactory to Landlord. Tenant shall at all times during the Term hereof, maintain in effect workers' compensation insurance as required by law and business interruption and extra expense insurance satisfactory to Landlord.

17. FIRE INSURANCE - FIXTURES AND EQUIPMENT. Tenant shall maintain in

full force and effect on all of its fixtures and equipment on the Premises a policy or policies of fire and extended coverage insurance with standard coverage endorsement in amount or amounts equal to the full replacement cost of such fixtures and equipment. During the Term

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of this Lease the proceeds from any such policy or policies of insurance shall be used for the repair or replacement of the fixtures and equipment so insured. Landlord shall have no interest in the insurance upon Tenant's equipment and fixtures and will sign all documents reasonably necessary or proper in connection with the settlement of any claim or loss by Tenant. Landlord will not carry insurance on Tenant's possessions. Tenant shall furnish Landlord with a certificate evidencing such policy and whenever required shall satisfy Landlord that such policy is in full force and effect. Landlord shall obtain and keep in force during the Term of this Lease a policy or policies of insurance covering loss or damage to the Building in the amount of not less than the full replacement cost thereof, as determined by Landlord from time to time.

18. REPAIRS BY LANDLORD. Landlord agrees to keep in good repair and

maintain the structural and non-structural portions of the Building, including the roof, roof membrane and coverings, foundations, exterior walls of the Premises and Building (exclusive of all glass and all exterior doors), underground utility and sewer pipes outside the exterior walls of the Building, common areas surrounding the Building and Premises (including the parking lot, sidewalks and landscaped areas but excluding the Outside Areas which Tenant shall maintain at its sole cost and expense), except repairs rendered necessary by the negligence of Tenant, its agents, customers, employees or invitees. Landlord gives to Tenant exclusive control of the Premises and shall be under no

obligation to inspect said Premises. Tenant shall promptly report in writing to Landlord any defective condition known to it which Landlord is required to repair. Landlord agrees to use commercially reasonable efforts (i) to avoid taking any actions which might adversely affect Tenant's use of or business operation within the Premises, including but not limited to, any actions which might adversely affect Tenant's fiber optic cabling or telecommunications equipment; (ii) to provide Tenant with at least forty-eight (48) hours prior notice (except in an emergency where Landlord shall not be obligated to provide advance notice) if, notwithstanding landlord's commercially reasonable efforts, Landlord must take an action which might adversely affect Tenant's use of or business operations within the Premises; (iii) to, in all events, reasonably coordinate and cooperate with Tenant to minimize any cessation or degradation of Tenant's use of, or business operations within the Premises; (iv) to take actions as soon as reasonably practicable as may be necessary to correct or cure any acts, events or circumstances which may have adversely affected Tenant's use of or business operations within the Premises; and (v) to allow Tenant access to the Premises twenty-four (24) hours a day, seven (7) days a week, three hundred sixty-five (365) days a year. Notwithstanding the foregoing, Tenant acknowledges and agrees that repairs, hazardous conditions and circumstances beyond Landlord's control may prevent access to the Premises from time to time.

19. REPAIRS BY TENANT. Tenant represents that it accepts the Premises

in their present "as-is" condition and as suited for the uses intended by Tenant. Tenant shall, throughout the initial Term of this Lease and all renewals thereof, at its expense, take good care of the Premises and shall keep repair, replace and maintain the Premises in good order, condition and repair, reasonable wear and tear excepted, and each and every part thereof, including the Outside Areas (including, without limitation, painting and decorating, and the repair, maintenance and replacement of any heating, ventilating and air conditioning units or system), except only such matters that are expressly stated herein to be within the Landlord's obligation to maintain, and shall not cause nor permit any dirt, debris or rubbish to be put, placed or maintained on the sidewalks, driveways, parking lots, yards, entrances and curbs, in, on or adjacent to the Building.

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20. NO ACCESS TO ROOF. [INTENTIONALLY OMITTED]

21. ASSIGNMENT AND SUBLETTING.

a. Except with respect to Collocates (as that term is defined in Section 11(a)), Tenant shall not either voluntarily, or by operation of law, assign, transfer, mortgage, pledge, hypothecate or encumber this Lease or any interest therein, and shall not sublet the Premises or any part thereof, or any right or privilege appurtenant thereto, or allow any other person (the employees, agents, servants and invitees of Tenant excepted) to occupy or use their Premises, or any portion thereof, without first obtaining the written consent of Landlord, which consent shall not be unreasonably withheld or delayed. It shall not be deemed unreasonable for Landlord to withhold its consent to any assignment of the Lease or a sublet of all or any portion of the Premises if (a) the transfer would cause Landlord to be in violation of its obligations under another lease or agreement to which Landlord is a party; (b) in Landlord's reasonable judgment, a proposed assignee has a smaller net worth than Tenant had on the date this Lease was entered into with Tenant or is less able financially to pay the rents due under this Lease as and when they are due and payable; (c) a proposed assignee's or subtenant's business will impose a burden on the Park's parking facilities, elevators, Common Areas or utilities that is greater than the burden imposed by Tenant, in Landlord's reasonable judgment; (d) the terms of a proposed subletting will allow the proposed subtenant to exercise a right of renewal, right of expansion, right of first offer, right of first refusal or similar right held by Tenant; (e) a proposed assignee or subtenant refuses to enter into a written assignment agreement or sublease, reasonably satisfactory to Landlord, which provides that it will abide by and assume all of the terms and conditions of this Lease for the term of any assignment or sublease and containing such other terms and conditions as Landlord reasonably deems necessary; (f) the use of the Premises by the proposed assignee or subtenant will not be for the use permitted by this Lease; (g) any guarantor of this Lease refuses to consent to the transfer or to execute a written agreement reaffirming the guaranty; (h) Tenant is in Default under the Lease at the time of the request; (i) if requested by Landlord, the assignee or subtenant refuses to sign a non-disturbance and attornment agreement in favor of Landlord's lender; (j) Landlord has sued or been sued by the proposed assignee or subtenant or has otherwise been involved in a legal dispute with the proposed assignee or subtenant; (k) the assignee or subtenant is involved in a business which is not in keeping with the then current standards of the Park; (l) the proposed assignee or subtenant is an existing tenant of the Park or is a person or entity then negotiating with Landlord for the lease of space in the Park; (m) the assignee or subtenant is a governmental or quasi-governmental entity or an agency, department or instrumentality of a governmental or quasi-governmental agency.

b. The following terms and conditions shall be applicable to any assignment or subletting: (i) regardless of Landlord's consent, no assignment or subletting shall release Tenant from Tenant's obligations hereunder or alter the primary liability of Tenant to pay the Rent and other sums due Landlord hereunder and to perform all other obligations to be performed by Tenant hereunder or release any guarantor from its obligations under its guarantee; (ii) the consent by Landlord to any assignment or subletting shall not constitute a consent to any subsequent assignment or subletting by Tenant or to any subsequent or successive assignment or subletting by an assignee or subtenant; (iii) Landlord's written consent to any assignment or

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subletting by Tenant shall not constitute an acknowledgment that no Default then exists under this Lease nor shall such consent be deemed a waiver of any then existing Default.

c. When Tenant requests Landlord's consent to such assignment or subletting, it shall notify Landlord in writing of the name and address of the proposed assignee or subtenant and the nature and character of the business of the proposed assignee or subtenant and shall provide financial statements for the proposed assignee or subtenant.

d. Any assignment or subletting without Landlord's consent shall be void, and shall, at the option of the Landlord, constitute a default under this Lease. In the event that Landlord shall consent to a sublease or assignment hereunder, Tenant shall pay Landlord's reasonable fees, not to exceed Five Hundred Dollars (\$500.00) per transaction, incurred in connection with processing of documents necessary to the giving of such consent.

e. Notwithstanding anything to the contrary contained in this Section 21, Tenant shall have the right, without Landlord's consent, upon thirty (30) days advance written notice to Landlord, to assign the Lease or sublet the whole or any part of the Premises to any entity that controls, is controlled by or is under common control with Tenant or into or with which Tenant shall be merged or consolidated, or to which substantially all of the assets of Tenant may be transferred (each of the transactions referenced above in this subparagraph (i) are hereinafter referred to as a "Permitted Transfer" and each surviving entity shall hereinafter be referred to as a "Permitted Transferee"); provided that such Permitted Transfer is subject to the following conditions:

(i) Tenant, to the extent Tenant survives such transaction, shall remain fully liable under the terms and conditions of the Lease;

(ii) Any such Permitted Transferee shall be subject to all of the terms, covenants, and conditions of the Lease except as otherwise specifically provided in this Lease;

(iii) Any such Permitted Transferee expressly assumes the obligations of Tenant under the Lease;

(iv) Such Permitted Transferee has a net worth at least equal to the net worth of Tenant as of the date of this Lease.

22. TENANT DEFAULT. The occurrence of any one of the following events

shall constitute an event of default ("Default") on the part of Tenant:

a. [INTENTIONALLY OMITTED];

b. Failure to pay any installment of Rent or any other monies within five (5) business days after Landlord delivers written notice that such installment of Rent or other monies are past due and payable hereunder; provided, however, it shall be a Default hereunder without any obligation of Landlord to give any notice to Tenant if Landlord has previously given Tenant two (2) notices pursuant to this Section 22(b) during the twelve (12) month period preceding such default;

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c. Default in the performance of any of Tenant's covenants, agreements or obligations hereunder, said Default (except Default in the payment of any installment of Rent, or other monies) continuing for twenty (20) days after written notice thereof from Landlord to Tenant. If effort is made to cure default but such effort is not completed within the twenty (20) days provided for above, then Tenant shall have an additional fifteen (15) days to cure same.

d. The filing of a voluntary petition in bankruptcy by Tenant, the filing of a voluntary petition for any arrangement, the filing of a petition, voluntary or involuntary, for reorganization, or the filing of an involuntary petition by Tenant's creditors, said involuntary petition remaining undischarged for a period of sixty (60) days; unless Tenant continues to pay Rent.

e. Receivership, attachment, or other judicial seizure of substantially all of Tenant's assets on the Premises, such attachment or other seizure remaining undismissed or undischarged for a period of sixty (60) days after the levy thereof.

23. LANDLORD'S REMEDIES.

a. Damages. In the event of any such Default by Tenant, then in -----
addition to any other remedies available to Landlord at law or in equity, Landlord shall have the immediate option to terminate this Lease and all rights of Tenant hereunder by giving written notice to such intention to terminate. In the event that Landlord shall elect to so terminate this Lease then Landlord may recover from Tenant:

(i) the worth at the time of award of any unpaid Rent which has been earned at the time of such termination; plus

(ii) the worth at the time of award of the amount by which the unpaid Rent which would have been earned after termination until the time of or award exceeds the amount of such rental loss Tenant proves could have been reasonably avoided; plus

(iii) the worth at the time of award of the amount by which the unpaid Rent for the balance of the Term after the time of award exceeds the amount of such rental loss that Tenant proves could be reasonably avoided; plus

(iv) any other amount necessary to compensate Landlord for all the detriment proximately caused by Tenant's failure to perform his obligation under this Lease of which in the ordinary course of things would be likely to result therefrom; plus

(v) such reasonable attorney's fees incurred by Landlord as a result of such Default, and costs in the event suit is filed by Landlord to enforce such remedy; and

(vi) at Landlord's election, such other amounts in addition to or in lieu of the foregoing as may be permitted from time to time by applicable law. The term "Rent", as used in this Section 23, shall be deemed to be and to mean the monthly Rent,

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Additional Rent and all other sums required to be paid by Tenant pursuant to the terms of this Lease.

As used in Sub-sections (i) and (ii) above, the "worth at the time of award" is computed by allowing interest at the rate of the Federal Reserve Bank of New York at the time of award plus [*] percent ([*]%).

b. Re-entry. In the event of any such default by Tenant, -----
Landlord shall also have the right, with or without terminating this Lease, to reenter the Premises and remove all persons and property from the Premises; such property may be removed and stored in a public warehouse or elsewhere at the cost of and for the account of Tenant.

c. Election. In the event of the abandonment of the Premises by -----
Tenant or in the event that Landlord shall elect to re-enter as provided in Section b. above or shall take possession of the Premises pursuant to legal proceeding or pursuant to any notice provided by law, then if Landlord does not elect to terminate this Lease as provided in Section (a) above, Landlord may from time to time, without terminating this Lease, either recover all Rent as it becomes due or relet the Premises or any part thereof for such term or terms and at such rental or rentals and upon such other terms and conditions as Landlord in its sole discretion may deem advisable with the right to make alterations and repairs of the Premises.

In the event that Landlord shall elect to so relet, then rentals received by Landlord from such reletting shall be applied, first, to reasonable attorney's fees incurred by Landlord as a result of such Default and costs in the event suit is filed by Landlord to enforce such remedies; second, to the payment of any indebtedness other than Rent due hereunder from Tenant to Landlord; third, to the payment of any cost of such reletting; fourth, to the payment of cost of any alterations and repairs to the Premises; fifth, to the payment of Rent due and unpaid hereunder; and the residue, if any, shall be held by Landlord and applied in payment of future rent as the same may become due and payable hereunder. Should that portion of such rentals received from such reletting during any month, which is applied by the payment of Rent hereunder, be less than the Rent payable during the month by Tenant hereunder, then Tenant shall pay such deficiency to Landlord. Such deficiency shall be calculated and paid monthly. Tenant shall also pay to Landlord, as soon as ascertained, any costs and expenses incurred by Landlord in such reletting or in making such

alterations and repairs not covered by the rentals received from such reletting.

d. Termination. No re-entry or taking of possession of the

Premises by Landlord pursuant to this Section shall be construed as an election to terminate this Lease unless a written notice of such intention is given to Tenant or unless the termination thereof is decreed by a court of competent jurisdiction. Notwithstanding any reletting without termination of Landlord because of any Default by Tenant, Landlord may at any time after such reletting elect to terminate this Lease for any such Default.

*CONFIDENTIAL TREATMENT REQUESTED. CONFIDENTIAL PORTION HAS BEEN FILED SEPARATELY WITH THE SECURITIES AND EXCHANGE COMMISSION.

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24. SUBORDINATION - ATTORNMEN. Upon request of Landlord, Tenant will

in writing subordinate its rights hereunder to the lien of any mortgage or deed of trust now or hereafter in force against the Premises, provided the holder of such mortgage or deed of trust grants Tenant a non-disturbance agreement, and to all advances made or hereafter to be made upon the security thereof. In the event any proceedings are brought for foreclosure, or in the event of the exercise of the power of sale under any mortgage or deed of trust made by the Landlord covering the Premises, the Tenant shall attorn to the purchaser upon any such foreclosure or sale and recognize such purchaser as the Landlord under this Lease.

The provisions of this Section to the contrary notwithstanding, and so long as Tenant is not in default hereunder, this Lease shall remain in full force and effect for the full Term hereof. Landlord shall obtain from the current holder of such mortgage or deed of trust at the Building, a commercially reasonable non-disturbance and attornment agreement.

25. ALTERATIONS AND ADDITIONS - REMOVAL OF FIXTURES.

a. Except as otherwise specifically provided below, Tenant shall not make or allow to be made any alterations, additions or improvements ("Alterations") to or on the Premises or any part thereof without first obtaining the written consent of Landlord, which consent shall not be unreasonably withheld, conditioned or delayed with respect to non-structural Alterations but which may be withheld in Landlord's sole and absolute discretion with respect to structural Alterations and any Alterations to or on said Premises, including, but not limited to, wall covering, paneling and built-in cabinet work, but excepting movable furniture, equipment, racking, cabling and trade fixtures, shall at once become a part of the realty and belong to the Landlord and shall be surrendered with the Premises. In the event any Alterations require Landlord's consent hereunder, the work on such Alterations shall not be commenced until Tenant shall submit to the Landlord plans and specifications relating to any such Alterations, and all such work shall be performed in accordance with the provisions of this Lease. Landlord shall not unreasonably withhold, condition or delay its consent to any such Alterations, but shall have the right to determine if such work would reduce the value, size or general utility of the Building or any portion thereof, or whether such work maintains the architectural harmony of the Building. In the event Landlord consents to the making of any Alterations to the Premises by Tenant, the same shall be made by Tenant at Tenant's sole cost and expense and subject to the provisions of Section 43 herein. Upon the expiration or sooner termination of the Term hereof, Tenant shall, upon written demand by Landlord, given at least thirty (30) days prior to the end of the Term, at Tenant's sole cost and expense, forthwith and with all due diligence, remove any Alterations made by Tenant and Tenant shall, forthwith and with all due diligence, at its sole cost and expense, repair any damage to the Premises caused by such removal; provided, however, at the time that any Alterations are approved by Landlord, Tenant may request that Landlord designate whether such Alterations shall be required to be removed at the end of the Term and, in the event that Landlord does not designate such Alterations for removal, Tenant shall not be required to remove such Alterations. Notwithstanding anything to the contrary in this Section, Landlord's consent shall not be required for any Alterations: (i) that do not affect any structural elements of the Building (e.g., slab, foundation, footings, load bearing walls and roof), (ii) that do not adversely affect the structural integrity of the Building or any of the Building systems, including the structural, electrical, plumbing and HVAC systems, (iii) that do not involve penetrations into the slab, foundation, floors, walls, ceiling or roof of the Leased Premises or the

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Building other than penetrations for mere fastening purposes which by their nature can and will be fully repaired by Tenant upon the removal of such items, (iv) that are not located in the Outside Area, except as specifically provided in the next sentence, and (v) that are not visible from the outside of the

Premises or the Building, except as specifically provided in the next sentence. Tenant shall have the right to move any previously approved existing Equipment, as hereinafter defined, located in the Outside Area or to replace any previously approved existing Equipment located in the Outside Area with new Equipment of the same general type and size as the previously approved Equipment to other areas within the Outside Area without Landlord's consent but Tenant shall not install any new Equipment within the Outside Area without first obtaining Landlord's consent which consent will not be unreasonably withheld, conditioned or delayed. To the extent the Landlord's consent is required pursuant to this Section 25, Landlord shall within ten (10) business days after its receipt of written notice from Tenant requesting Landlord's consent, which such request shall include information necessary for Landlord to render such consent (including, without limitation, plans and specifications, permits and licenses, as necessary), either (i) give its written consent to the Alteration, or (ii) deny its consent to the Alteration setting forth the reasons for such denial. If Landlord fails to respond within such ten (10) business day period, then Landlord shall be deemed to have consented to the Alterations. To the extent Landlord's consent is not required hereunder, Tenant agrees to notify Landlord in writing prior to making such Alterations of its intention to make such Alterations.

b. Any work performed by Tenant, irrespective of cost, shall be subject to the Landlord's inspection and approval after completion to determine whether it complies with the requirements of this Lease. The approval or consent of the Landlord shall not relieve Tenant of its obligation that all such Alterations and repairs be constructed and performed in a first-class good and workmanlike manner and in accordance with all applicable governmental and fire underwriting requirements, nor constitute a waiver of any rights of Landlord if Tenant fails to perform its obligations. Tenant, at its sole cost and expense, shall procure all necessary governmental approvals, permits or certificates in connection with all work performed by Tenant in, on or at the Premises and shall deliver the original of all such approvals, permits or certificates to the Landlord, to be retained by Landlord.

c. During the course of any and all Alterations and repairs which the Tenant shall either be required to perform or which the Tenant shall elect to perform, Tenant at its sole cost and expense, shall at all times obtain and maintain or cause to be obtained and maintained, workmen's compensation insurance and any other insurance which shall then be required by law, together with public liability insurance as set forth in Section 16 hereof, to insure against any additional hazards created in connection with the performance of any of the aforesaid work. Prior to the commencement of any such work, Tenant shall deliver to Landlord copies of all policies or certificates of insurance with respect to all policies required pursuant to this Section 25(c).

26. EXTERIOR SIGNS. Tenant may not provide, install or maintain any

exterior signs on the roof or in the windows; nor shall the Tenant provide, install or maintain any exterior signs on the facade or walls of the Building or on any grounds adjacent thereto, unless: (1) such installation be made in such manner as will not affect any roofing bond and/or other guarantee which shall then be in force and effect; (ii) all such signs shall have been approved by Landlord in writing before installation; and (iii) all such signs must at all times conform to all

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applicable rules and regulations, codes and ordinances of any governmental agencies having jurisdiction thereover. Any and all signs placed on the Premises by Tenant shall comply with Landlord's rules and regulations governing such signs and Tenant shall be responsible to Landlord for any damage caused by installation, use, or maintenance of such signs. Tenant agrees upon removal of said signs to repair all damage incident to such removal. Subject to the foregoing requirements, Tenant shall have the right to install signage (i) on the exterior of the Building adjacent to the entry to the Premises, (ii) on the pylon sign outside of the Building for all tenants of the Building, and (iii) any signage in and around the Building Common Areas for all of the tenants of the Building. In the event Tenant expands the Premises within the Building, Tenant shall have the right to install signage subject to all of the foregoing conditions on the exterior of the Building adjacent to the entry of such expanded Premises. Landlord agrees that it shall not grant any other tenant of the Building any exterior signage rights except for signage on the exterior of the Building adjacent to the entry to such tenant's premises (or over such tenant's door), signage in the loading dock area adjacent to such tenant's premises, signage on the Building's pylon sign for all tenants of the Building and signage in and around the Building Common Areas to the extent granted to Tenant.

27. ENTRY FOR CARTING AND REPAIRS.

a. Landlord and its designees shall have the right to enter upon the Premises at all reasonable hours and upon not less than forty-eight (48) hours advance written notice (which written notice for purposes herein may be given by facsimile or e-mail), and, at Tenant's option, with an escort by

Tenant (and in emergencies at all times with no notice required): (i) to inspect the same no more frequently than quarterly; (ii) to make repairs, additions or alterations of the Premises and/or the Building as required by the Lease or (iii) to exhibit the Premises to any prospective purchaser or mortgagee. This Section shall not be deemed to be a covenant by Landlord nor be construed to create an obligation or duty on the part of the Landlord to make such inspection, repairs, additions or alterations except as otherwise herein provided. Any performance by Landlord hereunder shall not be deemed a waiver of Tenant's default in failing to perform same, nor shall Landlord be liable for any inconvenience disturbance, loss of business, loss of use of the Premises or any other damage suffered by Tenant, due to said performance by Landlord and the obligations of Tenant pursuant to this Lease shall not thereby be affected in any manner whatsoever. Landlord agrees to exercise due care to cause the least possible interference with Tenant's business, but Landlord shall not be required to employ labor on weekends or on any overtime basis to avoid or reduce any such interference.

b. For a period commencing one hundred eighty (180) days prior to the end of the Term, Landlord and its designees shall have reasonable access to the Premises for the purpose of exhibiting the same to prospective tenants and to place signs on or about the Premises identifying the Premises as being available for lease.

c. Subject to the notice provisions contained in Section 27.a. above, Landlord shall have the right to carry material in and on the Premises and to perform work in or on the Premises pursuant to the provisions of this Lease, without the same constituting an actual or constructive eviction to Tenant, in whole or in part, without the same permitting any rent reduction or abatement and without the Tenant having the right to assert any claim for damages

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to the Tenant's tangible property or injury or death to persons. In no event shall the Landlord be liable for any inconvenience, disturbance, loss of business, loss of use of the Premises or any consequential damages which Tenant may suffer.

d. Landlord agrees to exercise all reasonable efforts to minimize disturbance of Tenant's use and occupancy of the Premises in connection with any entry as outlined in this Section 27.

28. MORTGAGEE'S RIGHTS. Tenant's rights shall be subject to any

mortgage or deed of trust to secure debt which is now, or may hereafter be, placed upon the Premises by Landlord. Tenant agrees to give any mortgagee and/or trust deed holder, by registered mail, a copy of any notice of default served upon the Landlord, provided that prior to such notice Tenant has been notified, in writing (by way of notice of assignment of rents and leases, or otherwise), of the address of such mortgagee(s) and/or trust deed holder(s). Tenant further agrees that if Landlord shall have failed to cure such default within the time provided for in this Lease, then the mortgagee and/or trust deed holder shall have an additional thirty (30) days within which to cure such default or if such default cannot be cured within that time, then such additional time as may be necessary if within such thirty (30) days, any mortgagee and/or trust deed holder has commenced and is diligently pursuing the remedies necessary to cure such default (including but not limited to commencement of foreclosure proceedings, if necessary to effect such cure), in which event this Lease shall not be terminated while such remedies are being so diligently pursued.

29. END OF TERM. Tenant agrees to promptly vacate the Premises at the

conclusion of the Term of the Lease and to leave such Premises broom clean, free of all debris, waste(s) and by-products, and in an environmentally safe condition, in compliance with all governmental laws, rules, orders, and regulations. Landlord may, at its option, retain an environmental or engineering consultant or consulting firm to verify Tenant's compliance with this provision, and Tenant agrees to provide access and reasonable assistance to such consultant or consulting firm at the Premises. Should Landlord desire to have the Premises or any part thereof restored to the condition in which they were originally delivered to Tenant, reasonable wear and tear excepted, Landlord shall so notify Tenant in writing no less than thirty (30) days prior to the end of the Term. In the event Landlord shall so desire, then Tenant, prior to the end of the Term at its sole cost and expense shall so restore the Premises, additions and improvements as may be requested by Landlord, and fix and repair any and all damage or defacement to the Building and/or lands caused by the installation and/or removal of alterations, additions, improvements, furniture, equipment, trade fixtures or any other property. Any and all of such property, alterations, additions or improvements not so removed, at Landlord's option, shall become the exclusive property of Landlord and be disposed of by Landlord, at Tenant's cost and expense, without further notice or demand. If the Premises be not surrendered as and when aforesaid, Tenant shall indemnify Landlord against any damages, loss or liability resulting therefrom, including, without limitations, any claims made by any succeeding occupant founded on such delay. Tenant's obligation under this Section shall survive the expiration or sooner termination

of the Term.

30. NO ESTATE IN LAWS. This Lease shall create the relationship of

Landlord and Tenant between the parties hereto; no estate shall pass out of
Landlord. Tenant has

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only a usufruct, not subject to levy and sale, and not assignable by Tenant
except with Landlord's prior written consent.

31. HOLDING OVER. If Tenant remains in possession of the Premises

after expiration of the Term hereof, without the express written consent of
Landlord, Tenant's occupancy shall be a tenancy from month to month at 150% of
the Rent in effect for the last month of the Term of this Lease, plus all other
charges payable hereunder, and upon the same terms and conditions herein
contained. In no event, however, shall Tenant be relieved of any liability to
Landlord for damages resulting from such holding over.

32. [Intentionally omitted].

33. SALE OF PREMISES BY LANDLORD. In the event of any sale of the

Premises by Landlord, and upon the purchaser's assumption of Landlord's
obligations under this Lease, Landlord shall be and is hereby entirely freed and
relieved of all liability under any and all of its covenants and obligations
contained in or derived from this Lease arising out of any act, occurrence or
omission occurring after the consummation of such sale; and the purchaser, at
such sale or any subsequent sale of the Premises shall be deemed, without any
further agreement between the parties or their successors in interest or between
the parties and any such purchaser, to have assumed and agreed to carry out any
and all of the covenants and obligations of the Landlord under this Lease.

34. RULES AND REGULATIONS.

a. Tenant agrees to comply with such reasonable rules and
regulations as Landlord may adopt from time to time for the orderly and proper
operation of the Building and parking and other common areas. Such rules may
include but shall not be limited to the reasonable regulation of the removal,
storage and disposal of Tenant's refuse and other rubbish at the sole cost and
expense of Tenant. The rules and regulations shall be binding upon Tenant upon
delivery of a copy of them to Tenant. Landlord shall not be responsible to
Tenant for the nonperformance of any of said rules and regulations by any other
tenants or occupants of the Building. Landlord agrees (i) to enforce the rules
and regulations in a nondiscriminatory manner and (ii) that such rules and
regulations shall not diminish any rights granted to Tenant under this Lease.

b. Tenant agrees at all times during the Term hereof, and at
its sole cost and expense:

(i) not to take or permit any action which would violate
Landlord's union contracts, if any, affecting the Building or the Premises, or
which would create any work stoppage, picketing labor disruption or any work
performed or to be performed by Landlord or any persons in or about the
Building, or which would hinder the activities or operations of the Landlord in
bringing about the cessation of any work stoppage, picketing or other labor
disruption or dispute affecting the Building or any work being performed or to
be performed in or about the Building. Notwithstanding the foregoing, Landlord
recognizes that Tenant's employees are not union labor and many of Tenant's
contractors are not union labor

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and nothing in this Section or this Lease shall require Tenant or its
contractors to hire union labor;

(ii) not to commit any waste or nuisance, nor use the
plumbing facilities for any purpose injurious to same or dispose of any garbage
or any foreign substance therein, nor place a load on any floor in the Premises
exceeding the floor load per square foot which such floor was designed to carry,
nor install, operate and/or maintain in the Premises any heavy equipment except
in a location approved by Landlord, not install, operate and/or maintain in the
Premises any electrical equipment which will overload the electrical system
therein, or any part thereof, beyond its capacity for proper and safe operation
as determined by Landlord or which does not have Underwriter's approval; or
which would require any plan and/or bond to be furnished or which would require
any work to be performed in order to cure and/or correct any condition created
by Tenant, pursuant to any applicable governmental law or requirement;

(iii) to keep the Premises in a neat, clean, orderly and
sanitary condition, free of any insects, rodents, vermin and pests of every type
and kind;

(iv) to comply with all requirements of all suppliers of public utility services to the Building and not to suffer or permit any act or omission the consequence of which could be to cause the interruption, curtailment, limitation or cessation of any utility service to the Building;

c. Except as otherwise provided in the Lease, no abatement, diminution or reduction of the Rental or other charges required to be paid by Tenant pursuant to the terms of this Lease, shall be claimed by or allowed to, the Tenant for the inconvenience, interruption, cessation or loss of business or otherwise caused directly or indirectly by any present or future laws, rules, requirements, orders, directions, ordinances or regulations of the federal, state, county or municipal government, or of any other governmental or lawful authority whatsoever, or as a result of any diminution of the amount of space used by Tenant caused by legally required changes in the construction, equipment operation or use of the Premises.

d. Tenant, following notice to Landlord, shall have the right to contest by appropriate legal proceedings, at its sole cost and expense, the validity of any law, ordinance, order, rule, regulation or requirement of the nature herein referred to, provided, however, that: (i) any noncompliance shall not constitute a crime on the part of the Landlord or otherwise adversely affect, jeopardize or threaten the interest of Landlord; (ii) Tenant shall diligently prosecute any such contest to a final determination by a court, department or governmental authority having final jurisdiction and keep Landlord advised in writing as to all changes in status and determinations in connection with any such proceedings; and (iii) Tenant shall indemnify and save harmless Landlord against any and all losses, costs, expenses, claims, penalties, actions, demands, liabilities, judgments or other damages which Landlord may sustain by reason of such contest or as a result of Tenant's failure or delay in compliance. It is agreed however that Landlord has the right to demand that the Tenant furnish adequate security to ensure its ability to perform its indemnity obligations hereunder, which security if so requested, shall be furnished to Landlord prior to the Tenant commencing or continuing which such contest, as the case may be. In no event, however, shall Tenant defer compliance if such deferment would constitute a violation of any of the provisions of any mortgage or ground lease to which

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this Lease is or shall be subordinate. Landlord agrees to cooperate as reasonably required for the purpose of any such contest, provided that the same shall be without cost or expense to Landlord. Landlord shall have the right, but not the obligation to contest by appropriate legal proceedings, at Landlord's expense, any such law, ordinance, rule, regulation or requirement.

35. RIGHTS CUMULATIVE. All rights, power and privileges conferred

hereunder upon parties hereto shall be cumulative but not restrictive to those given by law.

36. WAIVER OF RIGHTS. No failure of Landlord to exercise any power

given Landlord hereunder, or to insist upon strict compliance by Tenant with his obligation hereunder, and no custom or practice of the parties at variance with the terms hereof shall constitute a waiver of Landlord's right to demand exact compliance with the terms hereof.

37. TIME OF ESSENCE. Time is of the essence of this agreement.

38. DEFINITIONS. "Landlord" as used in this Lease shall include

Landlord's heirs, representatives, assigns and successors in title to Premises. "Tenant" shall include Tenant's heirs and representatives, and if this Lease shall be validly assigned or the Premises sublet, shall include Tenant's assignees or sublessees, as to Premises covered by such assignment or sublease. "Landlord" and "Tenant" include male and female, singular and plural, corporation, partnership or individual, as may fit the particular parties.

39. NOTICES. Any notice required or permitted to be given hereunder

shall be in writing and may be given by certified mail, return receipt requested, personal delivery, by facsimile transmission, Federal Express or other delivery service. If notice is given by certified mail, return receipt requested, notice shall be deemed given three (3) days after the notice is deposited with the U.S. Mail, postage prepaid, addressed to Tenant or to Landlord at the address set forth below. If notice is given by personal delivery, Federal Express or other delivery service, notice shall be deemed given on the date the notice is actually received by Landlord or Tenant. If any notice is transmitted by facsimile transmission, the notice shall be deemed delivered upon telephone confirmation of receipt of the transmission thereof at the appropriate party's address for notice purposes. A copy of all notices delivered to a party by facsimile transmission shall also be mailed to the party on the date the facsimile transmission is completed. Either party may by notice

to the other specify a different address for notice purposes. Notwithstanding the address set forth below for Tenant, upon Tenant's taking possession of the Premises, the Premises shall constitute Tenant's address for notice purposes. A copy of all notices required or permitted to be given to Landlord hereunder shall be concurrently transmitted to such party or parties at such addresses as Landlord may from time to time designate by notice to Tenant.

To Landlord at: c/o Kwartler Associates, Inc.
2 North Street, Waldwick, NJ 07463

With a Copy to: TA Associates Realty
28 State Street
Boston, MA 02109
Attention: Pamela Adamian

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To Tenant at: Equinix
901 Marshall Street, 2nd Floor
Redwood City, California 94063
Attention: General Counsel

With a Copy to: Equinix
901 Marshall Street, 2nd Floor
Redwood City, California 94063
Attention: Director of Real Estate

With a Copy to: Orrick, Herrington & Sutcliffe LLP
Old Federal Reserve Bank Building
400 Sansome Street
San Francisco, California 94111-3143
Attention: William G. Murray, Jr., Esq.

40. ESTOPPEL CERTIFICATES. Tenant shall, from time to time, upon

written request of Landlord, execute, acknowledge and deliver to Landlord or its designee a written statement stating, to the extent true: the date this Lease was executed and the date it expires, the date Tenant entered into occupancy of the Premises; the amount of minimum monthly rent and the date to which such rent has been paid; that this Lease is in full force and effect and has not been assigned, modified, supplemented or amended in any way (or specifying the date and terms of any agreement so affecting this Lease); that this Lease represents the entire agreement between the parties as to this leasing; that all conditions under this Lease to be performed by the Landlord have been satisfied; that all required contributions by Landlord to Tenant on account of Tenant's improvements have been received; that on this date there are no existing defenses or offsets which the Tenant has against the enforcement of this Lease by the Landlord; that no rent has been paid more than one (1) month in advance; and that no security has been deposited with Landlord (or, if so, the amount thereof). It is intended that any such statement delivered pursuant to this Section may be relied upon by a prospective purchaser of Landlord's interest or a mortgage of Landlord's interest or assignee of any mortgage upon Landlord's interest in the Building. If Tenant shall fail to respond within fifteen (15) days of receipt by Tenant of a written request by Landlord as herein provided, Tenant shall be deemed to have given such certificate as above provided without modification and shall be deemed to have admitted the accuracy of any information supplied by Landlord to a prospective purchaser or mortgagee. In addition, Landlord shall at any time upon not less than fifteen (15) days' prior written notice from Tenant execute, acknowledge and deliver to Tenant a statement in writing certifying such information as Tenant may reasonably request including, but not limited to, the following: that this Lease is unmodified and in full force and effect (or, if modified, stating the nature of such modification and certifying that this Lease, as so modified, is in full force and effect), the date to which the minimum monthly rent and other charges are paid in advance and the amounts so payable, and that there are not, to Landlord's knowledge, any uncured defaults or unfulfilled obligations on the part of Tenant, or specifying such defaults or unfulfilled obligations, if any are claimed.

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41. SUBROGATION. As long as their respective insurers so permit,

Landlord and Tenant hereby mutually waive their respective rights of recovery against each other for any loss insured by fire, extended coverage and other property insurance policies existing for the benefit of the respective parties. Each party shall apply to their insurers for such waivers and shall obtain any special endorsements required by their insurer to evidence compliance with the aforementioned waiver.

42. GOVERNMENTAL ORDERS. Tenant agrees, at its own expense, to

promptly comply with all requirements of any legally constituted public authority made necessary by reason of Tenant's occupancy of said Premises. Landlord agrees to promptly comply with any such requirements if not made necessary by reason of Tenant's occupancy.

43. LIENS. Tenant shall keep the Premises and the property on which

the Premises are situated free from any liens arising out of any work performed, materials furnished or obligations incurred by or on behalf of Tenant. Landlord may require, at Landlord's sole option, that Tenant provide to Landlord, at Tenant's sole cost and expense, a lien and completion bond in an amount equal to one and one-half (1-1/2) times the estimated cost of any improvements, additions, or alterations which the Tenant desires to make.

44. DISPLAYS. Tenant may not display or sell merchandise or allow

grocery carts or other similar devices within the control of Tenant to be stored or to remain outside the exterior walls and doorways of the Premises. Except for any equipment installed pursuant to Section 57 of this Lease, Tenant further agrees not to install any exterior lighting, amplifiers or similar devices or use in or about the Premises an advertising medium which may be heard or seen outside the Premises, such as flashing lights, searchlights, loudspeaker, phonographs or radio broadcasts.

45. AUCTIONS. Tenant shall not conduct or permit to be conducted any

sale by auction in, upon or from the Premises whether said auction be voluntary, involuntary, pursuant to any assignment for the payment of creditors or pursuant to any bankruptcy or other insolvency proceeding.

46. AUTHORITY OF TENANT. If Tenant is a corporation or partnership,

each individual executing this Lease on behalf of said corporation or partnership represents and warrants that he is duly authorized to execute and deliver this Lease on behalf of said corporation or partnership, and that this Lease is binding upon said corporation or partnership.

47. NO ACCORD OR SATISFACTION. No payment by Tenant or receipt by

Landlord of a lesser amount than the monthly rent and other sums due hereunder shall be deemed to be other than on account of the earliest rent or other sums due, nor shall any endorsement or statement on any check or accompanying any check or payment be deemed an accord and satisfaction; and Landlord may accept such check or payment without prejudice to Landlord's right to recover the balance of such rent or other sum or pursue any other remedy provided in this Lease.

48. BROKERS. Tenant represents and warrants to Landlord that neither

it nor its officers or agents nor anyone acting on its behalf has dealt with any real estate broker

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other than the persons, if any, listed in Section 1(m), in negotiating or making of this Lease, and Tenant agrees to indemnify and hold Landlord harmless from any claim or claims, as well as costs and expenses including attorneys' fees incurred by Landlord in conjunction with any claim or claims, of any other broker or brokers claiming to have interested Tenant in the Building or Premises or claiming to have caused Tenant to enter into this Lease.

49. NON-LIABILITY OF LANDLORD.

a. Except to the extent caused by the gross negligence of Landlord, its agents and employees, Landlord shall not be liable for any damage or injury which may be sustained by Tenant or by any other person, as a consequence of the failure, breakage, leakage or obstruction of the street or sub-surface; or of the water, plumbing, steam, sewer, waste or soil pipes; or of the roof, walls, drains, leaders, gutters, valleys, downspouts or the like; or of the electrical, gas, power conveyor, refrigeration, sprinkler, air conditioning or heating systems; or of the elevators or hoisting equipment; or of any other structural failure; or by reason of the elements; or resulting from theft or pilferage; or resulting from fire, explosion, or other casualty; or resulting from the carelessness, negligence, or improper conduct on the part of the Tenant, any other tenant, or of Landlord, except willful misconduct of Landlord, its agents, employees, guests, licensees, invitees, subtenants, assignees or successors; or attributable to any interference with, interruption of or failure, beyond the control of Landlord, of any services to be furnished or supplied by Landlord. All property kept, maintained or stored at the sole risk of the Tenant.

b. Landlord shall not be liable to Tenant or any person or entity claiming through the Tenant, nor shall Tenant be excused from the performance of any obligation hereunder, due to any breach or violation by Landlord, by any other tenant or by any other person or entity, of:

(i) any rule or regulation established by Landlord; or

(ii) any provision, covenant, term or condition of any other agreement affecting the Building and lands or any portion thereof. Further, Landlord shall not be liable, nor shall Tenant be excused from the performance of any obligation hereunder, due to the Landlord enforcing any right or remedy against the Tenant and/or against other tenants of the Building, but not against all tenants of the Building.

50. UNAVOIDABLE DELAYS.

a. If, as a result of strikes, lockouts, labor disputes, inability to obtain labor, materials or reasonable substitutes therefore, acts of God, governmental restrictions, regulations or controls, enemy or hostile governmental action, civil commotion, insurrection, revolution, sabotage, fire or other casualty, acts or failure to act by either party or any other tenant or other conditions beyond the control of either party, whether prior to or during the Term, either party shall fail punctually to perform any Lease obligation, then and in any of such events, such obligation shall be punctually performed as soon as practicable after such condition shall abate. In the event that either party as a result of any such condition, shall be unable to exercise any right or option within any time limit provided in this Lease, such time limit shall be deemed extended for a period equal to the duration of such condition. The failure of either party to

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perform any Lease obligation for the reasons set forth herein shall not affect, curtail, impair or excuse this Lease or the obligations of either party hereunder. Nothing contained herein shall excuse Tenant's failure to pay Rent or any other sums due hereunder.

b. Except as otherwise specifically provided in this Lease, no diminution or abatement of rent, or other compensation, shall be claimed or allowed for inconvenience or discomfort arising from the making of repairs or improvements to the Building or to its appliances, or arising from the construction of or repairs or improvements to, other buildings, structures, land or appliances, to the various "services", if any, to be furnished by the Landlord to the Tenant, it is agreed that there shall be no diminution or abatement of the rent, or any other compensation, for interruption or curtailment shall be due to accident, alterations or repairs necessary to be made or to inability or difficulty in securing supplies or labor for the maintenance of such "service" or to some other cause, not gross negligence on the part of the Landlord. No such interruption or curtailment of such "service" nor any nonperformance by Landlord pursuant to subsection (a) of this Section, shall be deemed a constructive eviction, nor shall there be any abatement or diminution of rent because of making of repairs, improvements or decorations to the Premises after the date above fixed for the commencement of the Term, it being understood that the Rental shall in any event, commence to run at such date as above fixed.

51. ENVIRONMENTAL PROVISIONS.

a. For purposes of this Lease, the following additional definitions shall apply:

(i) "Hazardous Substances" shall include any pollutants, petroleum products, dangerous substances, toxic substances, hazardous wastes, hazardous materials, or hazardous substances as defined in or pursuant to the Industrial Site Recovery Act, N.J.S.A. 13:1K-6 et seq. and all rules, regulations, orders, directives and opinions promulgated thereunder ("ISRA"); the Spill Compensation and Control Act, N.J.S.A. 58:10-23.11 et seq. and all rules, regulations, orders, directives and opinions promulgated thereunder ("Spill Act"); the Solid Waste Management Act, N.J.S.A. 13:1E-1 et seq.; and all rules and regulations promulgated thereunder; the Resource Conservation and Recovery Act, 42 U.S.C. (S)6901 et seq. ; the Comprehensive Environmental Response Compensation and Liability Act, 42 U.S.C. (S)9601 et seq. and all rules and regulations promulgated thereunder ("CERCLA"); or any other Federal, State or Local environmental law or ordinance and all rules and regulations promulgated under the foregoing, (collectively "Environmental Laws"). Except for small quantities of ordinary office supplies such as copier toner, liquid paper, glue, ink and common household cleaning materials, Tenant shall not cause or permit any Hazardous Substance to be brought, kept, or used in or about the Premises or the Building by Tenant, its agents, employees, contractors or invitees except in compliance with Environmental Laws.

(ii) "Release" means releasing, spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, disposing or dumping.

(iii) "Notice" means any summons, citation, directive, order, claim, litigation, investigation, proceeding, judgment, letter or other communication, written or oral, actual or threatened, from the New Jersey Department of Environmental Protection and

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Energy ("DEP"), the United States Environmental Protection Agency ("EPA"), any other Federal, State or Local agency or authority or any other entity or any individual, concerning any act or omission resulting or which may result in the Release of Hazardous Substances into the waters or onto the lands of the State of New Jersey or into waters outside the jurisdiction of the State of New Jersey or into the "environment" as such terms are defined in CERCLA. "Notice" shall include the imposition of any liens of any real or personal property or revenues of Tenant including, but not limited to, Tenant's interest in the premises or any of Tenant's property located thereon pursuant to or resulting from the violation of, any Environmental Law, or any other governmental actions, orders or permits or any knowledge after due inquiry and investigation of any facts which could give rise to any of the above.

b. To the extent that Tenant uses the Premises, whether as permitted by law or otherwise, for the generating, manufacturing, refining, transporting, treating, storing, handling, disposing, transferring or processing of Hazardous Substances, Tenant shall ensure that said use shall be conducted at all times strictly in accordance with applicable Environmental Laws. Tenant shall not cause nor permit as a result of any intentional or unintentional act or omission, a Release of Hazardous Substances, except in accordance with a valid permit or as otherwise permitted by law. If any intentional or unintentional act or omission results in any actual or alleged Release of Hazardous Substances for which Tenant is responsible under this Lease, Tenant promptly shall conduct necessary sampling and cleanup and remediate such Release in accordance with applicable Environmental Laws.

c. Within thirty (30) days from date hereof, and thereafter within ten (10) days after written request by Landlord, but not more frequently than once per Lease Year and on each anniversary of the Commencement Date hereof, Tenant shall deliver to Landlord a duly executed and acknowledged affidavit of Tenant's chief executive officer certifying:

(i) The proper SIC Industry Group Number relating to Tenant's then current business and use(s) of the Premises; and

(ii) That Tenant's then current use(s) of the Premises does not involve the generation, manufacture, refining, transportation, treatment, storage, handling or disposal of Hazardous Substances on site, above ground or below ground (all herein referred to as the "Presence of Hazardous Substances") except as permitted by the last sentence of Section 51.a.i.; or

(iii) That Tenant's then current use(s) of the Premises does involve the Presence of Hazardous Substances, in which event, said affidavit shall describe in detail that portion of Tenant's operations which involve the Presence of Hazardous Substances; provided that no such affidavit shall be required for the type and quantity of Hazardous Substances referenced in the last sentence of Section 51.a.i. Said description, inter alia, shall

identify each Hazardous Substance and describe the manner in which it is generated, handled, manufactured, refined, transported, treated, disposed of, and/or stored. Tenant shall supply Landlord with such additional information relating to said Presence of Hazardous Substances as Landlord may request.

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d. Tenant, at its sole cost and expense, promptly shall apply for ISRA approval prior to the occurrence of any event caused by Tenant that would trigger ISRA applicability, and reasonably pursue the matter to obtain an approved negative declaration or an approved remedial action workplan completion. Tenant shall have the right to utilize streamlined procedures for compliance with ISRA, as set forth in Sections 17 and 18 of ISRA, provided that if required by DEP, Tenant shall post a remediation funding source in an amount at least equal to 125% of the amount requested by DEP in a form satisfactory to DEP, and shall remain as a holdover tenant for such portion of the Premises as shall not be habitable as a result of Tenant remediation until all obligations extending beyond the expiration of the Term shall have been performed pursuant hereto. In the event that the occurrence is the transfer of title or other action by Landlord, Landlord at its cost and expense shall be responsible for ISRA compliance. Tenant and Landlord shall each furnish such information to the other and otherwise cooperate reasonably with each other in connection with each party's compliance with ISRA.

e. In connection with the performance of its obligations pursuant to this Section 51, Tenant shall properly and accurately label and segregate all Hazardous Substances stored at the Premises and promptly shall furnish to Landlord true and complete copies of all documents, submissions and correspondence provided by Tenant to DEP and all documents, reports, directives and correspondence provided by DEP to Tenant, together with true and complete

copies of all sampling and test results obtained from samples and tests taken at and around the Premises.

f. Should DEP determine that pursuant to ISRA, a remedial action workplan be prepared and a cleanup be undertaken because of a Release of a Hazardous Substance at the Premises which occurred during the period in which Tenant shall have leased the Premises, whether or not pursuant to this Lease, and for which Tenant is responsible hereunder, Tenant, at its sole cost and expense, promptly shall prepare and submit the required plan and remediation funding source and promptly shall carry out the approved plan. Should Tenant's operations at the Premises be outside of those industrial operations covered by ISRA, Tenant, at its own cost and expense, shall obtain a Letter of Nonapplicability or de minimis quantity exemption from DEP prior to termination

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of the Term or as soon as reasonably practicable thereafter. Should there be any Release of a Hazardous Substance, then Tenant, at its sole cost and expense, promptly shall cleanup the Premises in accordance with Environmental Laws and to the satisfaction of DEP; provided, however, that if the contamination subject to such government requested or ordered inspection resulted from the gross negligence or intentional misconduct of Landlord or any of its employees, agents, contractors or invitees, or any other tenant of the Building, such cleanup shall be performed at Landlord's sole cost and expense.

g. Should the submission of a remedial action workplan be required pursuant to ISRA for which Tenant is responsible hereunder, then Tenant, at its sole cost and expense, shall furnish to DEP, if required, a remediation funding source satisfactory to DEP, in the amount of at least 125% of the amount requested by DEP, in a form satisfactory to DEP, guaranteeing the performance and completion of Tenant's obligations pursuant to ISRA. The security furnished by Tenant shall be renewed and kept in force by Tenant, at Tenant's sole cost and expense, until such time as Tenant shall have received final approval of the cleanup and a release of the remediation funding source from DEP, it being acknowledged that said

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remediation funding source may be utilized by Tenant to pay for its remediation costs, to the extent and in the manner permitted by DEP.

h. Regardless of which party may trigger the applicability of ISRA, or pursuant to any other Environmental Law, Tenant shall be responsible only for the remediation and obtaining of DEP approval for any Release of Hazardous Substances from, on, to or within the Premises which shall have occurred during the period in which Tenant shall have leased the Premises, whether or not pursuant to this Lease, unless such Release shall not have been caused by the intentional or negligent act(s) and/or omission(s) of Tenant, and Landlord shall be responsible for the remediation and obtaining of DEP approval for any such Release which shall have occurred prior to the commencement of the Tenant's leasing of the Premises, or which was not caused by the intentional or unintentional act(s) and/or omission(s) of Tenant.

i. In the event Tenant is or would be responsible for triggering ISRA and is unable to obtain either (a) a non-applicability letter; (b) an approval of a negative declaration; (c) a de minimis quantity exemption; or (d) an approval of a remedial action workplan, prior to the occurrence of the event triggering applicability of ISRA, then Tenant, at its sole cost and expense, shall do everything necessary in order to obtain agreement with DEP, authorizing the occurrence of the event triggering ISRA and obligating Tenant to comply, at its sole cost and expense, with all requirements of ISRA and without imposing any restrictions or prohibitions against the Premises.

j. Tenant, at its sole cost and expense, shall observe, comply and fulfill all of the terms and provisions of all applicable Environmental Laws, as the same may be amended from time to time, as they relate to Tenant's use and occupancy of the Premises, whether or not pursuant to this Lease, unless caused by Landlord, or any agent, contractor or employee of Landlord or any other tenant of the Building.

k. In the event there shall be filed a lien against the Building, Land and/or Premises arising out of a claim(s) by DEP pursuant to the provisions of the Spill Act or by EPA pursuant to the provisions of CERCLA, resulting from any act of commission or omission of Tenant or relating to a condition or circumstance which Tenant is obligated to cure, then and in such event, Tenant immediately either shall: 1) pay the claim and remove the lien from the premises; or, 2) furnish a bond, cash receipt or other security reasonably satisfactory to Landlord sufficient to discharge the claim out of which the lien arises.

l. Each party hereby covenants and agrees to indemnify and hold the other harmless from and against any and all losses of whatever nature, including lost rentals, claims, costs, fines, penalties, losses and expenses, including but not limited to, reasonable attorney, consultant and expert fees that the other party may sustain as a result of such party's non-compliance or failure to comply in a timely fashion with the provisions of this Section 51 or any Environmental Law.

m. Tenant promptly shall provide Landlord with all reports and notices made by Tenant pursuant to the Hazardous Substance Discharge Reports and Notices Act, N.J.S.A. 13:1K-15, et seq. and all rules, regulations, orders, directives and promulgated thereunder.

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(i) Tenant promptly shall provide Landlord with all a copy of all permits relating to the Premises obtained by it pursuant to any Environmental Law.

n. Tenant acknowledges that for Landlord to comply with the requirements of Environmental Laws, Landlord from time to time, may have to enter the Premises. Landlord and/or its agents shall have an irrevocable license and right to enter upon the Premises at all reasonable hours upon not less than forty-eight (48) hours advance written notice (which written notice for purposes herein may be given by facsimile or e-mail) (except in the case of an emergency where no notice shall be required) for the purpose of removing soil, installing test and/or monitoring wells, such other equipment and undertaking such other work as may be required by DEP. Any such entry may at Tenant's option be conditioned on Landlord and/or its agents being accompanied by a representative of Tenant. Landlord shall use commercially reasonable efforts to minimize any interference with Tenant's use and occupancy of the Premises during such entry.

o. Tenant shall cooperate fully in allowing, from time to time, such examinations, tests, inspections, and reviews of the Premises as Landlord, in its sole but reasonable discretion, shall determine to be advisable in order to evaluate any potential environmental problems. Landlord expressly reserves the right, but without any obligation, to conduct examinations, tests, (including but not limited to a geohydrological survey of soil and subsurface conditions), inspections and reviews of the Premises as Landlord, in its sole and absolute discretion, may determine to be necessary.

p. Landlord and Tenant agree to cooperate with each other to provide any information necessary to the other in order to effect compliance with any Environmental Law.

q. Notwithstanding anything to the contrary contained in this Lease, Tenant shall not be responsible for complying with any Environmental Law (including, without limitation, any remediation) in connection with any spill or Release of Hazardous Substances which occurred prior to the date Tenant first took possession of the Premises, or which was caused by Landlord or any agent, contractor or employee of Landlord or any other tenant of the Building.

r. Tenant shall commence the performance of its obligations within the time period specified herein or within ten (10) days after obtaining knowledge or receiving notice requiring its performance hereunder, if no other time period is specified herein, and shall proceed diligently and in good faith to complete the performance of its obligations within a reasonable time. In the event Tenant shall fail to comply in full with this Section, Landlord, at its option, may perform any and all of Tenant's obligations as aforesaid, and all costs and expenses incurred by Landlord, in the exercise of its rights shall be deemed a claim against Tenant as Additional Rent payable on demand.

s. The provisions of this Section 51 shall survive the expiration or earlier termination of this Lease, regardless of the reason for such termination and compliance with the provisions of this Section 51 may require Landlord or Tenant to expend funds or perform acts after the expiration or termination of this Lease. Landlord and Tenant agree to

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expend such funds and/or perform such acts and shall not be excused therefrom notwithstanding any expiration or termination of this Lease, it being agreed and acknowledged that the parties would not have entered into this Lease but for the provisions of this Section 51 and the survival thereof.

t. During, at the end of, or after the Term of this Lease, Tenant, at no cost to Tenant, agrees to execute any or all documents reasonably required and/or prepared by Landlord in connection with compliance with any Environmental Law, provided the form and content of any such document is reasonably acceptable to Tenant and does not otherwise increase Tenant's obligations or decrease Tenant's rights under this Section 51.

u. Landlord represents to the best of its knowledge that: (i) there are no underground storage tanks on the Premises; (ii) the Premises are in compliance with all Environmental Laws as of the Commencement Date of this Lease; (iii) there are no pending or threatened actions or proceedings relating to the Building, the Premises, or the land, by any governmental agency or authority under Environmental Laws or relating to Hazardous Substances, and Landlord will indemnify, defend and hold Tenant harmless from and against all costs, liabilities, damages, claims, demands and actions that may be suffered or incurred by Tenant as a result of any breach by Landlord of the foregoing

representations and warranties, and Tenant shall only be liable for environmental conditions as a result of Tenant's use and occupancy.

52. GENERAL PROVISIONS.

a. Joint Obligation. If there be more than one Tenant, the

obligations hereunder imposed shall be joint and several.

b. Marginal Headings, etc. The marginal headings index, lease

summary sheet and titles to the Sections of this Lease are not a part of the Lease and shall have no effect upon the construction or interpretation of any part hereof.

c. Choice of Law. This Lease shall be governed by and construed

in accordance with the laws of the State in which the Premises are located.

d. Successors and Assigns. The covenants and conditions herein

contained, subject to the provisions as to assignment, inure to and bind the heirs, successors, executors, administrators and assigns of the parties hereto.

e. Recordation. Neither Landlord nor Tenant shall record this

Lease, but a short-form memorandum hereof may be recorded at the request of Landlord.

f. Quiet Possession. Upon Tenant's paying the rent reserved

hereunder and observing and performing all of the covenants, conditions and provisions on Tenant's part to be observed and performed hereunder, Tenant shall have quiet possession of the Premises for the entire Term hereof, subject to all the provisions of this Lease.

g. Inability to Perform. This Lease and the obligations of the

Tenant hereunder shall not be affected or impaired because the Landlord is unable to fulfill any of its

obligations hereunder or is delayed in doing so, if such inability or delay is caused by reason of strike, labor troubles, acts of God, or any other cause beyond the reasonable control of the Landlord.

h. Partial Invalidity. Any provision of this Lease which shall

prove to be invalid, void, or illegal shall in no way affect, impair or invalidate any other provision hereof and such other provision(s) shall remain in full force and effect.

i. Cumulative Remedies. No remedy or election hereunder shall

be deemed exclusive but shall, whenever possible, be cumulative with all other remedies at law or in equity.

j. Entire Agreement. This Lease contains the entire agreement

and no representations, inducements, promises or agreements, oral or otherwise, between the parties, not embodied herein, shall be of any force or effect.

k. No Option. The submission of this Lease for examination does

not constitute a reservation of or option for the Premises, and this Lease becomes effective only upon execution and delivery thereof by Landlord.

53. OPTIONS.

a. Definition. As used in this Lease, the word "Option" has the

following meaning: (1) the right or option to extend the Term of this Lease or to renew this Lease, and (2) the option or right of first refusal to lease the Premises or the right of first refusal to lease other space within the Building.

b. Limitations on Options. Notwithstanding anything to the

contrary contained in any rider or addendum to this Lease, any options or rights of first refusal granted hereunder shall be subject and subordinated to any other options or rights of first offer previously given to any other person or entity.

a. Subject to the provisions of Section 53, and provided that Tenant is not in Default at the time of Tenant's exercise of the Option or at the commencement of the applicable Option Term, as hereinafter defined, Tenant shall have three (3) five (5) year options to renew this Lease (individually, "Renewal Option"). Tenant shall provide to Landlord on a date which is prior to the date that each Renewal Option period would commence (if the Renewal Option is exercised) by not more than fifteen (15) months nor less than twelve (12) months a written notice of the exercise of the Renewal Option, time being of the essence. Such notice shall be given in accordance with Section 39 of this Lease. If notification of the exercise of any of the Renewal Options is not so given and received, the Renewal Options granted hereunder shall automatically expire. Base Rent applicable to the Premises for each Renewal Option term shall be equal to the greater of (i) the "Fair Market Rental" as hereinafter defined, and (ii) the then current escalated Base Rent. All other terms and conditions of this Lease shall remain the same, except that that with respect to Tenant's exercise of the first Renewal Option, there shall be only two (2) remaining Renewal Options, with respect to the exercise of the second

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Renewal Option, there shall be only one (1) remaining Renewal Option and with respect to the exercise of the third Renewal Option there shall be no further Renewal Option.

b. If the Tenant exercises the Option, the Landlord shall determine Fair Market Rental by using its good faith judgment. Landlord shall provide Tenant with written notice of such amount within fifteen (15) days after Tenant exercises its Option. Tenant shall have fifteen (15) days ("Tenant's Review Period") after receipt of Landlord's notice of the new base rent within which to accept such rental. In the event Tenant fails to accept in writing such rental proposal by Landlord, then such proposal shall be deemed rejected and Landlord and Tenant shall attempt to agree upon such Fair Market Rental, using their best good faith efforts. If Landlord and Tenant fail to reach agreement within fifteen (15) days following Tenant's Review Period ("Outside Agreement Date") then the parties shall each within ten (10) days following the Outside Agreement Date appoint a real estate broker who shall be licensed in the State of New Jersey and who specializes in the field of commercial office space leasing in the Secaucus, New Jersey market, has at least five (5) years of experience and is recognized within the field as being reputable and ethical. If one (1) party does not timely appoint a broker, then the broker appointed by the other party shall promptly appoint a broker for such party. Such two (2) individuals shall each determine within ten (10) days after their appointment such base rent. If such individuals do not agree on Fair Market Rental, then the two (2) individuals shall, within five (5) days, render separate written reports of their determinations and together appoint a third similarly qualified individual having the qualifications described above. If the two (2) brokers are unable to agree upon a third (3rd) broker, the third (3rd) broker shall be appointed by the President of the New Jersey Board of Realtors. In the event the New Jersey Board of Realtors is no longer in existence, the third (3rd) broker shall be appointed by the President of its successor organization. If no successor organization is in existence, the third (3rd) broker shall be appointed by the Chief Judge of the Circuit Court of Hudson County, New Jersey. The third (3rd) individual shall within ten (10) days after his or her appointment make a determination of such Fair Market Rental. The third (3rd) individual shall determine which of the determinations of the first two (2) individuals is closest to his own and the determination that is closest shall be final and binding upon the parties, and such determination may be enforced in any court of competent jurisdiction. Landlord and Tenant shall each bear the cost of its broker and shall share equally the cost of the third (3rd) broker. Upon determination of the base rent payable pursuant to this Section, the parties shall promptly execute an amendment to this Lease stating the rent so determined.

c. The term "Fair Market Rental" shall mean the annual amount per rentable square foot that a willing, comparable renewal tenant using the Premises for a use permitted under this Lease would pay and a willing, comparable landlord of a similar building would accept at arm's length for similar space, giving appropriate consideration to the following matters: (i) annual rental rates per rentable square foot; (ii) the type of escalation clauses (including, without limitation, operating expenses, real estate taxes, and CPI) and the extent of liability under the escalation clauses (i.e., whether determined on a "net lease" basis or by increases over a particular base year or base dollar amount); (iii) rent abatement provisions reflecting free rent and/or no rent during the lease term; (iv) length of lease term; (v) size and location of premises being leased; and (vi) other generally applicable terms and conditions of tenancy for similar space; provided, however, Tenant shall not be entitled to any tenant improvement or refurbishment allowance and such shall be used in determining Fair Market

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Rental. The Fair Market Rental may also designate periodic rental increases and

similar economic adjustments. The Fair Market Rental shall be the Fair Market Rental in effect as of the beginning of the Option period, even though the determination may be made in advance of that date, and the parties may use recent trends in rental rates in determining the proper Fair Market Rental as of the beginning of the Option Period.

55. RIGHT OF FIRST REFUSAL. Subject to the provisions of Section 53,

and provided Tenant is not in Default hereunder beyond any applicable notice and cure periods, at the time of Tenant's exercise of the Option or at the commencement of the Option term, and subject to all other rights and options held by any other person or entity, Tenant (throughout the initial fifteen (15) year Term of this Lease only) shall have the right of first refusal to lease any space that becomes available in the Building (the "Option Space"). Prior to entering into a lease of the Option Space, Landlord shall give Tenant written notice of all the material terms and conditions of a bona fide third party offer ("Offered Terms") (i) that Landlord has received from a tenant acceptable to Landlord and which Landlord desires to accept, or (ii) which Landlord has sent to a prospective tenant for the Option Space and such prospective tenant has indicated that it desires to accept such offer. Tenant may exercise such right only as to all of the Option Space described in the Landlord's notice and on all of the Offered Terms set forth in Landlord's notice, and not to merely a part of such Option Space or some of such terms. Tenant shall have ten (10) days in which to provide Landlord with written notice of its election to exercise such right and ten (10) days thereafter to execute an amendment incorporating the Offered Terms, time being of the essence. Such notice shall be given in accordance with Section 39 of the Lease. If Tenant does not give Landlord written notice of its election to lease such Option Space within the ten (10) day period or if Tenant fails to execute an amendment in form and substance acceptable to Landlord within the ten (10) day period described above, Landlord shall thereafter be free to lease such Option Space to the third party on terms that are not materially more favorable to the tenant than the Offered Terms with no further obligation to Tenant. For the purposes of this Section 55, "materially more favorable" shall mean economic terms (base rent, additional rent, free rent, tenant improvement allowance and other quantifiable inducements) that, in the aggregate, are, at least, twenty percent (20%) less than the economic terms offered to the Tenant. If the Landlord desires to lease the Option Space to a prospective tenant on terms that are materially more favorable to such tenant than the Offered Terms, then Landlord shall present such materially more favorable terms to the Tenant and Tenant shall have five (5) days within which to elect to take or reject such Option Space on the materially more favorable terms. In the event that Tenant fails to respond within such five (5) day period, Tenant shall be deemed to have elected not to take such Option Space. In the event that a lease with a prospective tenant is not consummated within six (6) months of Landlord's notice of the Offered Terms due to a cessation of negotiations between the prospective tenant and Landlord, the provisions of this Section shall become applicable to any future offering of the Offered Space. Further, in the event that Tenant does not exercise its rights under this Section with regard to a particular offering of the Offered Space and a third party tenant enters into a lease for the Offered Space, the provisions of this Section shall apply to any future or subsequent offerings of the Offered Space.

56. OPTION TO EXPAND. Provided that Tenant is not in Default beyond

any applicable notice and cure periods at the time of Tenant's exercise of the Option or at the commencement of the Term with respect to the Expansion Space (as hereinafter defined), Tenant

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shall have the option (the "Expansion Option") to lease the balance of the Building containing approximately [*] rentable square feet (the "Expansion Space"). Landlord shall provide Tenant notice at such time as any existing tenant of the Expansion Space no longer has any renewal options remaining under such tenant's lease with Landlord. Such notice shall designate the square footage of the Expansion Space that will be available. Tenant shall provide to Landlord written notice within thirty (30) days of receipt of Landlord's notice of Tenant's exercise of the Expansion Option with regard to the portion of the Expansion Space designated in such notice, time being of the essence. Such notice shall be given in accordance with Section 39 of the Lease. If notification of the exercise of this Expansion Option as to any portion of the Expansion Space by Tenant is not so given within the thirty (30) day time period provided, the Expansion Option granted herein shall automatically expire as to the space designated in such notice. Landlord shall notify Tenant within sixty (60) days following Tenant's exercise of the Expansion Option as to any particular portion of the Expansion Space when Landlord shall deliver such portion of the Expansion Space to Tenant (the "Expansion Delivery Date"). Landlord shall deliver any portions of the Expansion Space to Tenant in its then "as is" condition. The Base Rent payable for any portion of the Expansion Space leased hereunder shall be the greater of (i) the same Base Rent rate then in effect for the Premises as of the Expansion Delivery Date, and (ii) the "Fair Market Rental" of such portion of the Expansion Space. The Fair Market Rental shall be the Fair Market Rental in effect as of the Expansion Delivery Date even though the determination may be made in advance of that date, and the parties

may use recent trends in rental rates in determining the proper Fair Market Rental as of the beginning of the Term with respect to any portion of the Expansion Space. If the parties are unable to agree on "Fair Market Rental", the provisions of Section 54 hereinabove shall apply, however, for purposes of this Section 56 only, "Fair Market Rental" shall mean the fair market rental for a retail use of the applicable portion of the Expansion Space. Base Rent for any portion of the Expansion Space leased hereunder shall increase by [*] percent ([*]%) every five (5) years. In the event Tenant exercises any Renewal Option after Tenant has exercised this Expansion Option as to any portion of the Expansion Space, Base Rent for such portion of the Expansion Space only during the applicable Renewal Option term shall be equal to the greater of (i) the "Fair Market Rental" as determined in accordance with the provisions contained in this Section 56, and (ii) the then current escalated Base Rent for the Premises. The lease term applicable to any portion of the Expansion Space shall be coterminous with the Term for the Premises but in no event less than five (5) years if exercised at a time when less than five (5) years is remaining on the Term of the Lease with respect to the Premises. Tenant shall deposit an additional security deposit in an amount to be reasonably determined by Landlord taking into account Tenant's financial condition at the time, the Security Deposit already made by Tenant and the market for security deposits at the time; notwithstanding the foregoing, if prior to the commencement date for any portion of the Expansion Space, (a) the Tenant has maintained a public debt rating of AAA from any of the national recognized rating agencies, no additional security deposit shall be required; or (b) the Tenant has maintained a public debt rating of BBB from any of the national recognized rating agencies, the additional security deposit shall be [*] Dollars (\$[*]); or (c) the Tenant has maintained a public debt rating better than BBB but less than AAA from any of the national recognized rating agencies, the additional security deposit shall be some portion of \$[*], as

*CONFIDENTIAL TREATMENT REQUESTED. CONFIDENTIAL PORTION HAS BEEN FILED SEPARATELY WITH THE SECURITIES AND EXCHANGE COMMISSION.

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determined by Landlord in its sole but reasonable judgment. If Tenant has not maintained a public debt rating of at least BBB from any of the national recognized rating agencies, then the terms and conditions contained in the first part of the immediately preceding sentence shall control. All other terms and conditions of the Lease for any portion of the Expansion Space leased hereunder shall be the same as this Lease.

57. IMPROVEMENTS.

a. Tenant hereby accepts the Premises in its "as is" condition existing on the date of execution of this Lease. Landlord shall have no obligation to construct any tenant improvements to the Premises on behalf of the Tenant.

b. Tenant shall, at Tenant's sole cost and expense, construct improvements ("Improvements") for the Premises in accordance with the Work Letter Agreement attached hereto as Schedule 1.

c. As part of the Improvements, and in accordance with the provisions of Section 25 of the Lease and Schedule 1 attached hereto (including,

without limitation, Tenant shall be required to bear all costs and expenses associated with the work, Tenant shall obtain Landlord's prior written approval of all work, Tenant shall obtain all necessary approvals in connection thereto, Tenant shall indemnify Landlord in connection therewith), Tenant shall be permitted to install and provide multiple structural openings into the Building for (a) fiber optic cabling from two (2) diverse entrances into the Building, (b) connecting the generator to the Premises, (c) providing a clear ground source directly to the Building grounding system at the entrance, (d) to install a roof-top HVAC system, (e) to modify the existing sprinkler system in the Premises to construct a dry-pipe, pre-action sprinkler system; this will consist of modifying the existing wet-pipe sprinkler system and installing a dry-pipe deluge valve to modify the wet system and to allow only air pressure in Tenant's system, this precaution system to meet all applicable codes and to not affect the Building system in any way, and (f) block one or more windows and roll-up doors.

d. Emergency Generator, Generator Conduits, HVAC - Tenant shall

have the right to install and use generators and related above-ground fuel tanks, generator conduits and HVAC ("Equipment") in the approximate location shown on Exhibit C hereto, subject to the terms and conditions of this Lease and

the following specific conditions:

(i) Tenant shall bear all costs and expenses associated with the installation of such Equipment and Tenant shall be responsible for, and

shall bear all costs and expenses associated with the operation, maintenance and removal, if required under subsection (vii) below, of said Equipment upon the expiration of other termination of this Lease. Tenant understands and acknowledges that Landlord shall not be responsible for the operation of any such back-up power facility.

(ii) Subject to Tenant's rights to make Alterations as more particularly set forth in Section 25 herein, the plans and specifications for the Equipment shall be subject to the prior written approval of Landlord, which shall not be unreasonably withheld, conditioned or delayed. Tenant shall install the Equipment in a good and safe manner in

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accordance with the terms and conditions of this Lease, including, without limitation, all of the provisions contained in Section 51 of this Lease. Tenant shall provide reasonable notice to Landlord of the time and date upon which it desires to install such facilities. Landlord shall have the right to have a representative present at the installation of the Equipment in order to approve the methods of installation and performance thereof.

(iii) Tenant shall have the responsibility to secure all necessary approvals relating to the installation and operation of such Equipment from state, federal and other governmental authorities and shall provide copies of all such approvals to Landlord prior to installation and operation of such Equipment. Further, Tenant shall construct, operate and maintain such Equipment in accordance with all applicable laws, including all environmental laws, ordinances, rules and regulations and in compliance with the reasonable requirements of the insurers of the Building. Tenant hereby agrees to indemnify Landlord from and against any breach by Tenant of the obligations stated in the preceding sentence, and agrees to defend and hold Landlord harmless from and against any and all claims, judgments, damages, penalties, fines, costs, liabilities, or losses (including, without limitation, diminution in value of the Building, damages for the loss or restriction or use of rentable space or of any amenity of the Building, damages arising from any adverse impact on marketing of space in the Building, sums paid in settlement of claims, reasonable attorneys' fees, consultant fees and expert fees) which arise during or after the Term of this Lease as a result of such breach.

(iv) Tenant shall indemnify, defend and hold Landlord, its principals, officers, directors, agents, employees and servants harmless from and against any liability, loss, costs, claims, damage and expense of whatever kind arising directly or indirectly from the installation, operation, maintenance, repair, and removal of such Equipment, including, but not limited to, attorneys' fees and court costs.

(v) Tenant shall pay all taxes of any kind or nature whatsoever levied upon such Equipment and all licensing fees, franchise fees and other taxes, expenses and other costs of any nature whatsoever relating to the construction, ownership, maintenance and operation of said Equipment.

(vi) The rights afforded Tenant hereunder specifically to include: (i) the right to install and maintain one or more fuel lines between any fuel tanks and any generators; (ii) the right to install and maintain necessary electrical connections from any generators to the Premises; and (iii) the right of reasonable access to those portions of the Building necessary for the installation and maintenance of any generators, tanks, fuel lines, and electrical connections, subject to the terms and conditions of this Lease.

(vii) Tenant shall remove said Equipment at the expiration or earlier termination of the Lease and repair any damage caused by said removal, provided, however, at the written request of Tenant, Landlord agrees to notify Tenant concurrently with Landlord's consent to the placement of such Equipment whether Landlord will require Tenant to remove such alterations, additions or improvements at the end of the Lease Term.

(viii) Landlord grants to Tenant the right, at no additional charge or Rent, to install, and Landlord acknowledges that Tenant's use of the Premises will require

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some or all of the following: (i) backbone fiber optic cabling from two separate means of entry from the adjoining streets to, and core drilling of, the Building core structural wall and from the Building core structural wall, by two diverse paths, to the Premises; (ii) specialty air conditioning equipment in an area to be designated on Tenant's plans and specifications, together with all necessary connections from such location to the Premises; (iii) 3-phase, 4-wire live load electric service (including furnishing and installation of conduit) to the Premises' electrical closet and all necessary connections from such location to Tenant's equipment; (iv) an independent, Tenant controlled fire suppression system which will include access to Tenant for exhaust louvers, shafts or risers necessary for the discharge of exhaust from the Premises from such system as well as Tenant's air conditioning system; (v) connection of the office space areas within the Premises to Landlord's fire alarm system; (vi) a raised floor

system to accommodate Tenant's telecommunications equipment; (vii) a copper insulated ground conductor in conduit from the master ground at the lowest point in the Building to the Premises; and (viii) the installation of interior walls or window covering materials to stabilize environmental conditions within the Premises.

e. Roof-top Access - Landlord hereby agrees that Tenant shall

have, subject to the rights of other tenants in the Building existing as of the date of execution of this Lease, non-exclusive access to and use of a portion of the Building roof for Tenant's communication equipment, the location of which shall be reasonably agreed upon by Landlord and Tenant, provided that Tenant shall have exclusive use and unrestricted access of that portion of the roof which is directly over the Premises.

f. Interference -

(i) Tenant agrees to use commercially reasonable efforts to insure that the Equipment will not cause material interference with (i) any existing communications equipment installed on the Building, or (ii) with the ability of other tenants/occupants of the Building as of the date of this Lease to receive or transmit radio, television, telephone, microwave, short-wave, long-wave or other signals of any sort presently or hereafter installed, or (iii) with any equipment, installation, wires, cabling or machinery (electronic or other wise) at the Building. Should interference occur, Landlord shall provide Tenant with notice of such interference ("Landlord's Interference Notice") and Tenant shall promptly make all commercially reasonable necessary repairs and adjustment, at Tenant's sole cost and expense, to attenuate the interference to Landlord's reasonable satisfaction and any costs and expenses incurred by Landlord in connection therewith shall be paid to Landlord by Tenant within thirty (30) days after Tenant's receipt of Landlord's Interference Notice.

(ii) Landlord shall include in antenna site agreements Landlord executes in the future a provision requiring future antenna site users to use commercially reasonable efforts not to interfere with the radio signals generated from the Premises. Landlord shall have no liability to Tenant for Landlord's failure to include such a provision in further agreements.

(iii) Prior to the installation of any of the Equipment, Tenant shall obtain and supply to Landlord a written evaluation of the Premises to determine if the operation of the Equipment together with the other electrical equipment located at the Building,

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would cause any location in the Building to exceed the FCC radiated power density maximum permissible exposure for workers and the general public or would otherwise expose Landlord to liability to third parties due to such exposure (hereinafter the "MPE"), Tenant shall operate the Equipment in a manner that will not exceed the MPE.

g. Consent - Whenever Landlord's consent is required pursuant

to this Section 57, Landlord shall, within ten (10) business days after its receipt of written notice from Tenant requesting Landlord's consent which such request shall include all information necessary for Landlord to render such consent (including, without limitation, plans and specifications, and permits and licenses) either (i) give its written consent to the Improvements, or (ii) deny its consent to the Improvements, setting forth the reasons for such denial. It shall be deemed reasonable for Landlord to condition its consent to any Improvements on Tenant's agreement to landscape and/or fence any areas affected by the making of such Improvements which may be visible from the outside of the Building and which would not be in keeping with the aesthetic harmony of the Building, including the landscaped areas. If Landlord fails to respond within such ten (10) business day period, then Landlord shall be deemed to have consented to the proposed Improvements.

58. ENVIRONMENTAL INSURANCE. Landlord may obtain and keep in force

during the Term of this Lease, at Tenant's sole cost and expense, a policy or policies of environmental insurance in an amount reasonably determined by Landlord from time to time, covering loss or damage to the Premises, the land underlying the Building, and the Building arising as a result of Tenant's use and occupancy of the Premises

[SIGNATURES ON FOLLOWING PAGE]

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IN WITNESS WHEREOF, the parties herein have hereunto set their hands and seals in triplicate, the day and year first above written.

LANDLORD

BURLINGTON REALTY ASSOCIATES III LIMITED
PARTNERSHIP,
a Delaware limited partnership

By: Burlington Realty Associates III Corporation,
a Maryland Corporation,
its sole general partner

By: /s/ Andrew M. Neher

Its: Senior Vice President

TENANT

EQUINIX,
a Delaware corporation

By: /s/ Roy Earle

Roy Earle

(print name)

VP, IBX Development

(print title)

Its: VP, IBX Development

(print title)

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ADDENDUM

THIS ADDENDUM (the "Addendum") is attached to the Lease dated as of June __, 2000 by and between BURLINGTON REALTY ASSOCIATES III LIMITED PARTNERSHIP, a Delaware limited partnership ("Landlord") and EQUINIX, a Delaware corporation ("Tenant") and incorporated herein by reference thereto. To the extent that there are any conflicts between the provisions of the Lease and the provisions of this Addendum, the provisions of this Addendum shall supersede the conflicting provisions of the Lease.

1. Lease Commencement Date with respect to Premises B. With respect

to Premises B, Tenant acknowledges that the lease with the existing tenant of the Premises B space is due to expire December 31, 2004, and that Landlord expects to deliver Premises B to Tenant on or about January 1, 2005 or on such earlier date as may occur. Accordingly, Tenant shall accept possession of Premises B at such time as Landlord is able to deliver Premises B to Tenant. Landlord agrees to notify Tenant in writing of the date it expects to be able to deliver Premises B to Tenant. Landlord shall deliver Premises B to Tenant in its then "as is" condition. The Base Rent payable for Premises B shall be the same Base Rent Rate then in effect for Premises A as of the Lease Commencement Date with respect to Premises B and shall escalate at the same time and at the same rate as the Base Rent for Premises A. The Lease Term applicable to the Premises B space shall be coterminous with the Term for Premises A. Tenant shall deposit an additional security deposit in an amount to be reasonably determined by Landlord taking into account Tenant's financial condition at the time, the Security Deposit already made by Tenant and the market for Security Deposits at the time; notwithstanding the foregoing, if prior to the Commencement Date with respect to Premises B, (a) the Tenant has maintained a public debt rating of AAA from any of the national recognized rating agencies, no additional security deposit shall be required; or (b) the Tenant has maintained a public debt rating of BBB from any of the national recognized rating agencies, the additional security deposit shall be [*] Dollars (\$[*]); or (c) the Tenant has maintained a public debt rating better than BBB but less than AAA from any of the national recognized rating agencies, the additional security deposit shall be some portion of \$[*], as determined by Landlord in its sole but reasonable judgment. If Tenant has not maintained a public debt rating of at least BBB from any of the national recognized rating agencies, then the terms and conditions contained in the first part of the immediately preceding sentence shall control.

2. Security Deposit. Section 10 of the Lease is hereby amended by

adding the following at the end of Section 10:

(a) The security deposit shall be in the form of an irrevocable and unconditional letter of credit (the "Security Deposit L/C") in the amount set forth in Section 1.k as security for Tenant's full and faithful performance of Tenant's obligations hereunder. The Security Deposit L/C shall be delivered to Landlord at Tenant's sole cost and expense. The Security Deposit L/C shall be issued by and drawn on a bank reasonably acceptable to Landlord,

*CONFIDENTIAL TREATMENT REQUESTED. CONFIDENTIAL PORTION HAS BEEN FILED SEPARATELY WITH THE SECURITIES AND EXCHANGE COMMISSION.

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in Landlord's sole discretion, and shall name Landlord as Beneficiary. The Security Deposit L/C shall be substantially in the form attached hereto as Exhibit C. If the maturity date of the Security Deposit L/C is prior to the end of the Term of the Lease, Tenant shall renew the Security Deposit L/C as often as is necessary with the same bank or financial institution (or a similar bank or financial institution reasonably acceptable to Landlord) and upon the same terms and conditions, not less than thirty (30) days prior to the purported expiration date of the Security Deposit L/C. In the event that Tenant fails to timely renew the Security Deposit L/C as aforesaid, Landlord shall be entitled to draw against the entire amount of the Security Deposit L/C. The Security Deposit L/C shall be assignable by Landlord and upon such assignment to any party assuming in writing the lessor interest in this Lease, Landlord shall be relieved from all liability to Tenant therefor.

(b) Upon the occurrence of any default by Tenant in the payment of Base Rent or upon the occurrence of the events described in Section 22 of the Lease or in the event that Landlord terminates this Lease in accordance with the terms hereof following a default by Tenant, Landlord shall have the right to draw the entire amount of the Security Deposit L/C. Landlord agrees to copy Tenant on any notice to the issuing bank requesting a draw against the Security Deposit L/C. In the event that Tenant defaults in making any money payment required to be made by Tenant under the terms of this Lease other than the payment of Base Rent, then Landlord shall be entitled to draw upon so much of the Security Deposit L/C as equals the defaulted payment(s), plus any interest or other charges due thereon in accordance with this Lease, plus an additional [*]percent ([*]%) of such total. If Landlord elects to make a partial draw upon the Security Deposit L/C, Tenant shall promptly restore the Security Deposit L/C to its original amount within ten (10) days after written demand herefor. Landlord's election to make a partial draw upon the Security Deposit L/C shall in no event prejudice or waive Landlord's right to terminate this Lease if permitted under applicable provisions of this Lease, nor shall such election prejudice or waive any other remedy of Landlord reserved under the terms of this Lease, including the right to draw the entire amount of the Security Deposit L/C, if applicable. The Security Deposit L/C shall be available for payment against the presentation of a sight draft by the Landlord (with simultaneous notice to Tenant) together with a certificate from Landlord that Tenant is in default of its obligations hereunder beyond expiration of any applicable notice and cure periods and that Landlord is entitled, by the terms of this Lease, to draw upon the Security Deposit L/C. The Security Deposit L/C shall provide for facsimile drawings and state that if a demand is presented to the issuing bank by facsimile, the original Letter of Credit shall not be required. The proceeds of the Security Deposit L/C, if drawn by Landlord pursuant to the terms hereof, shall be held by Landlord and applied to reduce any amount owed by Tenant to Landlord. Interest shall be payable in accordance with Section 1.k of the Lease for any Security Deposit L/C proceeds held on account.

(c) In the event that (1) Landlord draws the full amount of the Security Deposit L/C as a result of a default by Tenant, (2) this Lease is not terminated by Landlord as a result of such default, (3) such default is fully cured by Tenant, and (4) there is no outstanding uncured default by Tenant, then the balance of the sums drawn (after the payment of any sums

*CONFIDENTIAL TREATMENT REQUESTED. CONFIDENTIAL PORTION HAS BEEN FILED SEPARATELY WITH THE SECURITIES AND EXCHANGE COMMISSION.

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related to the curing of any defaults) shall be applied first to obtain a replacement letter of credit as security for Tenant's performance hereunder, and the remaining balance, if any, will be refunded to Tenant. Upon the termination of this Lease and the payment in full to Landlord of all damages, costs and expenses to which Landlord is entitled, the balance of any funds drawn from the Security Deposit L/C after satisfying such obligations in full shall be refunded to Tenant.

(d) To the extent that the Security Deposit L/C is either lost or the issuing bank will not honor the Security Deposit L/C, Tenant personally guarantees the proceeds

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of the Security Deposit L/C and will immediately remit to Landlord the amount of the Security Deposit in cash to be held in accordance with this Section 1.k of the Lease."

3. Operating Expense Exclusions. Notwithstanding anything to the

contrary contained in Section 6 of the Lease, Operating Expenses shall not include the following:

(i) Costs of repairs, restoration, replacements or other work occasioned by (1) fire, windstorm or other casualty of an insurable nature (whether such destruction be total or partial) and paid by insurance required to be carried by Landlord under this Lease or (2) the gross negligence or intentional tort of Landlord;

(ii) all costs, fees and expenses incurred in leasing or attempting to lease any portion of the Building;

(iii) ground rent;

(iv) unrecovered expenses resulting directly from the gross negligence of Landlord, its agents, employees or contractors;

(v) costs incurred to correct violations by Landlord of any law, rule, order or regulation which was in effect as of the Commencement Date;

(vi) salaries, wages and benefits of any employee above the level of senior property manager;

(vii) expenses incurred in leasing or procuring tenants for the Building (including lease commissions, advertising expenses and expenses of renovating space for tenants);

(viii) interest or amortization payments on any mortgages or deeds of trust;

(ix) costs incurred to contain, abate, remove or otherwise clean up the Building or the Land required as a result of the presence of Hazardous Materials in, about or below the Building or the Land to the extent caused by Landlord or another tenant;

(x) expenses for the correction of defects in Landlord's initial construction of the Building;

(xi) costs of electricity outside normal business hours sold to tenants of the Building by Landlord or any other special service to the tenants or service in excess of that furnished to Tenant whether or not Landlord receives reimbursement from such tenants as an additional charge;

(xii) all amounts which would otherwise be included in Operating Expenses which are paid to any affiliate or subsidiaries of Landlord, or any representative, employee or agent of same, to the extent the costs of such services exceed the competitive rates for similar services or comparable quality rendered by persons or entities of

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similar skill (i.e., that portion of the costs and expenses for such services that exceed the competitive rate shall not be included in Operating Expenses), competence and experience, provided, however, that a management fee of three percent (3%) of gross revenues shall be deemed not to exceed the competitive rate;

(xiii) legal expenses for disputes with tenants (other than costs arising from claims or disputes where the tenants of the Building would benefit if Landlord prevails, including claims in connection with Landlord's efforts to enforce the Rules and Regulations);

(xiv) rentals and other related expenses incurred in leasing any equipment ordinarily considered to be of a capital nature;

(xv) costs of acquisition of sculpture, paintings, or other objects of art;

(xvi) any Operating Expense of the Landlord which is otherwise paid or reimbursed in full by Tenant or any other tenant of the Building pursuant to this Lease or any other lease pertaining to space in the Building;

(xvii) wages, salaries or other compensation or benefits for off-site employees applicable to the time spent working at other buildings, other than the Building manager (provided that with respect to each employee that services the Building and other buildings, a pro rata portion of such employee's salary shall be included in Operating Expenses).

4. Free Move-In. Landlord shall furnish, without charge, such air-

conditioning, light and power as may be required in the Premises during Tenant's move-in.

5. Water Leaks and Communications Failures.

(a) Notwithstanding any contrary provision of the Lease, in the event that there is a water leak into the Premises, for a reason not caused by the acts of Tenant ("Water Leak"), Tenant shall promptly provide written notice of a Water Leak in the manner set forth in Section 39 of the Lease as modified by Paragraph 4(c) below ("Water Leak Notice"). If the Water Leak Notice is provided by facsimile transmission such notice shall be deemed delivered upon telephone confirmation of receipt of the transmission thereof at the appropriate party's address for notice purposes in accordance with Section 39 of the Lease. If the Water Leak Notice is delivered to Landlord during Building Hours (9:00 a.m. to 5:00 p.m., Monday through Friday, excluding customary holidays), Landlord shall have six (6) hours to commence curing said Water Leak and shall thereafter diligently pursue such cure to completion using commercially reasonable efforts, subject to Force Majeure Events. If the Water Leak Notice is delivered to Landlord outside of Building Hours, Landlord shall have until the next business day, but in no event longer than fifteen (15) hours, to commence curing said Water Leak and shall diligently pursue such cure of a Water Leak within the applicable cure commencement period as extended by Force Majeure Events, Tenant shall be entitled to undertake such commercially reasonable efforts as are necessary to cure the Water Leak. Subject to the rights of other tenants in the Building, Tenant shall have the right to enter such portions of the Building as may be reasonably required to effectuate any reasonable cure of such Water Leak, provided that (i)

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Tenant shall use all reasonable efforts to include the Building manager or Building personnel in connection with the entry into any portions of the Building outside of the Premises, and (ii) Tenant shall repair any damage caused by any such repair activities of Tenant and shall indemnify and hold Landlord harmless from any claims, including any related attorneys' fees, by other tenants in the Building for damage to persons or property resulting from such activities of Tenant. Tenant shall be entitled to reimbursement for the sums reasonably expended by Tenant to effectuate such cure within thirty (30) days after submitting a written invoice of said sums to Landlord; provided that, if Landlord disputes the amount of such claim for reimbursement, Landlord shall give Tenant written notice of such dispute prior to the end of such thirty (30) day period in which event Landlord and Tenant shall meet and confer on not less than two (2) occasions (at a mutually agreeable time and place in the Hudson County, New Jersey or Boston, Massachusetts areas) in the ensuing sixty (60) days in an attempt to resolve such dispute. In no event shall Tenant be entitled to offset such sums. Notwithstanding anything to the contrary contained herein, nothing contained in this Paragraph 4 or elsewhere in the Lease shall be construed in anyway to make Landlord liable to Tenant in any way for a Water Leak caused by any reason other than the gross negligence or willful misconduct of Landlord or its employees, agents or contractors.

(b) Notwithstanding any contrary provision of the Lease, in the event there is a failure in supply of electrical power to the Premises or a telecommunications or data interruption in the Premises, for a reason not caused by the acts of Tenant ("Communication Failure"), Tenant shall promptly provide written notice of a Communication Failure in the manner set forth in Section 39 of the Lease as modified by Paragraph 4(c) below ("Communication Failure Notice"). If the Communication Failure Notice is provided by facsimile transmission such notice shall be deemed delivered upon telephone confirmation of receipt of the transmission thereof at the appropriate party's address for notice purposes in accordance with Section 39 of the Lease. If the Communication Failure Notice is delivered to Landlord during Building Hours, Landlord shall have six (6) hours to commence curing said Communication Failure and shall thereafter diligently pursue such cure to completion using commercially reasonable efforts, subject to Force Majeure Events. If the Communication Failure Notice is delivered to Landlord outside of Building Hours, Landlord shall have until the next business day, but in no event longer than fifteen (15) hours, to commence curing said Communication Failure and shall diligently pursue such cure of a Communication Failure within the applicable cure commencement period as extended by Force Majeure Events, Tenant shall be entitled to undertake such commercially reasonable efforts as are necessary to cure the Communication Failure. Subject to the rights of other tenants in the Building, Tenant shall have the right to enter such portions of the Building as may be reasonably required to effectuate any reasonable cure of such Communication Failure, provided that (i) Tenant shall use all reasonable efforts to include the Building manager or Building personnel in connection with the entry into any portions of the Building outside of the Premises, and (ii) Tenant shall repair any damage caused by any such repair activities of Tenant and shall indemnify and hold Landlord harmless from any claims, including any related attorneys fees, by other tenants in the Building for damage to persons or property resulting from such activities of Tenant. Tenant shall be entitled to

reimbursement for the sums reasonably expended by Tenant to effectuate such cure within thirty (30) days after submitting a written invoice of said sums to Landlord; provided that, if Landlord disputes the amount of such claim for reimbursement, Landlord shall give Tenant written notice of such dispute prior to the end of such thirty (30) day period in which event

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Landlord and Tenant shall meet and confer on not less than two (2) occasions (at a mutually agreeable time and place in the Hudson County, New Jersey or Boston, Massachusetts areas) in the ensuing sixty (60) days in an attempt to resolve such dispute. In no event shall Tenant be entitled to offset such sums. Notwithstanding anything to the contrary contained herein, nothing contained in this Paragraph 4 or elsewhere in the Lease shall be construed in anyway to make Landlord liable to Tenant in any way for a Communication Failure caused by any reason other than the gross negligence or willful misconduct of Landlord or its employees, agents or contractors.

(c) For purposes of this Paragraph 5, during Building Hours, Tenant shall provide written notice to the Building Manager or Building Chief Engineer and outside of Business Hours, Tenant shall provide written notice to the Building Manager, Building Chief Engineer or the Building security guard in the main lobby; provided any such written notice given by facsimile transmission shall be deemed delivered upon telephone confirmation of receipt of the transmission thereof at the appropriate party's address for notice purposes.

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EXHIBIT A

Site Plan with Demised Premises

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EXHIBIT A-1

Site Plan with Outside Area

A-1-1

EXHIBIT B

Lease Commencement Verification Letter

EQUINIX, a Delaware corporation ("Tenant"), hereby certifies that it has entered into a lease with BURLINGTON REALTY ASSOCIATES III LIMITED PARTNERSHIP, a Delaware limited partnership ("Landlord") and verifies the following information as of the ____ day of _____, 2000:

Number of Rentable Square Feet in Premises: _____
Commencement Date: _____
Lease Termination Date: _____
Tenant's Share: _____
Initial Base Rent: _____
Billing Address for Tenant: _____

Attention: _____
Telephone Number: _____
Federal Tax I.D. No.: _____

Tenant acknowledges and agrees that all tenant improvements Landlord is obligated to make to the Premises, if any, have been completed and that Tenant has accepted possession of the Premises and that as of the date hereof, there exist no offsets or defenses to the obligations of Tenant under the Lease. Tenant acknowledges that it has inspected the Premises and found them suitable for Tenant's intended commercial purposes.

By: _____

(print name)

Its: _____

(print title)

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ACKNOWLEDGED AND AGREED TO:

LANDLORD

BURLINGTON REALTY ASSOCIATES III
LIMITED PARTNERSHIP,
a Delaware limited partnership

By: Burlington Realty Associates III Corporation,
a Maryland corporation,
its sole general partner

By: _____

Its: _____

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EXHIBIT C
Form of Letter of Credit

IRREVOCABLE STANDBY LETTER OF CREDIT
NUMBER _____

LETTER OF CREDIT AMOUNT	ISSUE DATE	EXPIRY DATE
US [AMOUNT]	[DATE]	[DATE]

BENEFICIARY:
[LANDLORD]

APPLICANT:
[TENANT]

GENTLEMEN:

WE HEREBY ISSUE OUR IRREVOCABLE STANDBY LETTER OF CREDIT IN YOUR FAVOR FOR THE ACCOUNT OF THE ABOVE REFERENCED APPLICANT IN THE AGGREGATE AMOUNT OF US [AMOUNT] WHICH IS AVAILABLE BY PAYMENT OF YOUR DRAFT(S), AT SIGHT, DRAWN ON OURSELVES, WHEN ACCOMPANIED BY THE FOLLOWING DOCUMENTS:

1. A STATEMENT PURPORTEDLY SIGNED BY AN AUTHORIZED REPRESENTATIVE OF [LANDLORD] (HEREIN CALLED "THE LANDLORD") STATING THAT: "THIS CERTIFIES THAT A DEFAULT EXISTS PURSUANT TO THAT CERTAIN DEED OF LEASE BETWEEN [LANDLORD], LANDLORD AND [TENANT]. TENANT, AS AMENDED FROM TIME TO TIME."

-OR-

"[TENANT] (THE "TENANT") HAS FAILED TO RENEW OR REPLACE THIS LETTER OF CREDIT THIRTY (30) DAYS BEFORE ITS CURRENT EXPIRATION DATE AND LANDLORD IS ACCORDINGLY ENTITLED TO DRAW UPON THIS LETTER OF CREDIT."

2. THE ORIGINAL OF THIS LETTER OF CREDIT.

IT IS A CONDITION OF THIS LETTER OF CREDIT THAT IT SHALL BE DEEMED AUTOMATICALLY EXTENDED WITHOUT WRITTEN AMENDMENT FOR ONE YEAR FROM THE PRESENT OR ANY FUTURE EXPIRY DATE UNLESS AT LEAST FORTY-FIVE (45) DAYS PRIOR TO SUCH EXPIRATION DATE, WE NOTIFY YOU IN WRITING AT THE ABOVE ADDRESS BY EXPRESS COURIER THAT WE ELECT NOT TO RENEW

C-1

THIS LETTER OF CREDIT FOR ANY SUCH ADDITIONAL PERIODS(S). UPON RECEIPT BY YOU OF SUCH NOTICE, YOU MAY DRAW HEREUNDER BY PRESENTATION OF YOUR DRAFT AT SIGHT ON US

PARTIAL DRAWINGS ARE PERMITTED.

THIS IRREVOCABLE LETTER OF CREDIT SETS FORTH IN FULL THE TERMS OF OUR UNDERTAKING. THIS UNDERTAKING SHALL NOT IN ANY WAY BE MODIFIED, AMENDED, AMPLIFIED OR INCORPORATED BY REFERENCE TO ANY DOCUMENT OR CONTRACT REFERRED TO HEREIN.

WE HEREBY AGREE WITH YOU THAT DRAFT(S) DRAWN UNDER AND IN COMPLIANCE WITH THE TERMS AND CONDITIONS OF THIS CREDIT SHALL BE DULY HONORED IF PRESENTED TOGETHER WITH DOCUMENT(S) AS SPECIFIED ABOVE AND THE ORIGINAL OF THIS CREDIT, AT OUR OFFICE LOCATED AT [MUST BE ADDRESS LOCAL TO _____ AREA] ON OR BEFORE THE ABOVE STATED EXPIRY DATE. DRAFT(S) DRAWN UNDER THIS CREDIT MUST SPECIFICALLY REFERENCE OUR CREDIT NUMBER. DRAFTS DRAWN IN COMPLIANCE WITH THE TERMS OF THIS LETTER OF CREDIT SHALL BE HONORED BY US WITHOUT INQUIRY AS OF THE TRUTH OF THE STATEMENTS SET FORTH IN THE DRAW REQUEST AND REGARDLESS OF WHETHER APPLICANT DISPUTES THE CONTENT OR ACCURACY OF SUCH STATEMENTS. FACSIMILE DRAWINGS ARE PERMITTED. IF A DRAFT IS PRESENTED TO US BY FACSIMILE TO OUR FAX NUMBER _____, THE ORIGINAL LETTER OF CREDIT IS NOT REQUIRED.

WE HEREBY ENGAGE WITH YOU THAT DRAWINGS PRESENTED UNDER AND IN COMPLIANCE WITH THE TERMS OF THIS LETTER OF CREDIT WILL BE DULY HONORED WITHIN TWO (2) BUSINESS DAYS AFTER OUR RECEIPT OF YOUR PRESENTATION OF THE CERTIFICATE AND ANY SUCH DOCUMENTS AT THE ABOVE ADDRESS.

EXCEPT AS OTHERWISE EXPRESSLY STATED HEREIN, THIS LETTER OF CREDIT IS SUBJECT TO THE UNIFORM CUSTOMS AND PRACTICE FOR DOCUMENTARY CREDITS, ESTABLISHED BY THE INTERNATIONAL CHAMBER OF COMMERCE, AS IN EFFECT ON THE DATE OF ISSUANCE OF THIS CREDIT.

SINCERELY,

AUTHORIZED REPRESENTATIVE

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SCHEDULE 1

WORK LETTER AGREEMENT

1. Plans. Tenant shall cause its architects and engineers to

prepare and submit to Landlord for approval detailed plans, specifications and working drawings ("Plans") for the construction of Tenant's leasehold improvements ("Improvements") to the Premises, which such approval shall not be unreasonably withheld, conditioned or delayed. Landlord reserves the right to reasonably approve any space planner, architect or engineer employed by Tenant. Tenant's Plans shall include items and information as Landlord shall reasonably require to evaluate Tenant's work. Tenant shall use the Plans to obtain all permits and approvals which are necessary to construct the Improvements. All Improvements shall be constructed in a good and workmanlike manner and in accordance with all applicable laws, codes and regulations, including the Americans with Disabilities Act ("ADA"). It is expressly agreed that (a) Tenant shall not commence any such work until said Plans have been approved by Landlord, and (b) the Plans which have been so approved by Landlord shall be used by Tenant to obtain all permits that are necessary to construct the Improvements. As used herein, the term "Improvements" shall include all work to be done in the Premises pursuant to the Plans, including, but not limited to: demolition work, partitioning, doors, ceiling, floor coverings, wall finishes (including paint and wallcoverings), window coverings, electrical (excluding the cost of computer cabling), plumbing, heating, ventilating and air conditioning, fire protection, cabinets and other millwork. After approval of the Plans by Landlord, no material changes to the Plan shall be made without the prior written approval of Landlord which such approval shall not be unreasonably withheld, conditioned or delayed. Tenant acknowledges that Landlord's review and approval of the Plans is not conducted for the purpose of determining the accuracy and completeness of the Plans, their compliance with applicable codes and governmental regulations including ADA, or their sufficiency for purposes of obtaining a building permit, all of which shall remain the responsibility of Tenant and Tenant's architect. Accordingly, Landlord shall not be responsible for any delays in obtaining the building permit due to the insufficiency of the Plans or any delays due to changes in the Plans required by the applicable governmental regulatory agencies reviewing the Plans.

2. Construction of Improvements.

2.1 Tenant shall obtain Landlord's reasonable approval of Tenant's contractor. Landlord's approval, when required in this Work Letter Agreement, shall be given or denied (as applicable) within ten (10) business days of receipt of the necessary information from Tenant. In the event Landlord fails to respond within such ten (10) business day period, Landlord shall be deemed to have consented to such request for approval. Tenant's contractors and

subcontractors shall be required to provide the following types of insurance, in the minimum amounts indicated, naming Landlord (and Landlord's mortgagee, if required by Landlord) as additional insured:

(a) Workmen's Compensation with full statutory limits for employer's liability.

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(b) Commercial General Liability Insurance including direct and contingent liability in the aggregate amount of One Million and No/100 Dollars (\$1,000,000.00) combined single limit coverage per occurrence for personal injury, death or property damage.

(c) The Liability Policy shall include coverage for Broad Form Hold Harmless Agreement as is contained in the standard contract.

(d) Automobile Liability insurance with bodily injury limits of \$250,000 per person, \$500,000 per accident, and \$50,000 per accident for Property Damage.

Certificates of all of the foregoing insurance shall be delivered to Landlord before construction of the Improvements is started and before Tenant's contractor's equipment is placed upon the Premises. In all other respects, the insurance coverage above mentioned shall comply with the Lease provisions.

2.2 It is agreed that Tenant assumes the entire responsibility and liability due to its negligence, including statutory or common law, for any and all injuries or death of any or all persons, including its contractor, subcontractors and employees, and for any and all damages to property caused by or resulting from or arising out of any act or omission on the part of Tenant, its contractor, subcontractors or employees, in the prosecution of the work thereunder. With respect to such work Tenant agrees to indemnify and save harmless Landlord, its mortgagee, architect, engineers and their employees and all other tenants of the Property from and against all losses and expense, including legal fees, which they may suffer or pay as the result of claims or lawsuits due to, because of or arising out of any and all such injuries, death or damage, whether real or alleged, and Tenant, its contractor and subcontractors shall assume and defend at their own expense all such claims or lawsuits. Tenant agrees to insure this assumed liability in its Comprehensive General Liability Policy and the original or copy of the policy delivered to Landlord shall indicate this contractual coverage.

2.3 For and during the period of construction, Tenant shall provide and pay for all utilities consumed upon the Premises during said period and for the removal of all temporary connections.

2.4 Upon completion of the Improvements, Tenant's contractors and/or subcontractors shall provide Landlord, without cost to Landlord, with one (1) set of transparent "as built" drawings.

2.5 Completion. Tenant shall endeavor to cause the contractor to substantially complete construction of the Improvements in a diligent manner. It shall be the sole responsibility of Tenant to file all drawings and specifications, pay all fees and obtain all permits and applications from any governmental authorities having jurisdiction, and to obtain any certificates or approvals, including a certificate of occupancy, required to enable Tenant to occupy the Premises unless due to the negligent acts of Landlord or its agents. Landlord shall not be liable for any loss or damages as a result of delays in construction of the Premises unless due to the negligent acts of Landlord or its agents. No delay in completion of construction of the

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Improvements shall delay the Commencement Date of the Lease beyond the date specified in the Lease.

3. Incorporation. This Agreement is and shall be incorporated by ----- reference in the Lease, and all of the terms and conditions of the Lease are and shall be incorporated herein by this reference.

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*CONFIDENTIAL TREATMENT REQUESTED
CONFIDENTIAL PORTION HAS BEEN FILED SEPARATED
WITH THE SECURITIES AND EXCHANGE COMMISSION

LEASE
BETWEEN

1. Naxos Schmirgelwerk Mainkur GmbH, and
2. A.A.A. Aktiengesellschaft Allgemeine Anlageverwaltung vorm. Seilwolff AG von
1890,
acting in partnership under the name
Naxos-Union Grundstücksverwaltungsgesellschaft GbR

LANDLORD

AND

EQUINIX, INC.,
a Delaware corporation

TENANT

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LEASE

This Lease (the "Lease") made this 7/th/ day of August 2000 ("Effective Date"), by and between

1. the firm Naxos Schmirgelwerk Mainkur GmbH, GutleutstraBe 175, D-60327 Frankfurt, represented by its managing director Gunter Rothenberger,
2. A.A.A. Aktiengesellschaft Allgemeine Anlageverwaltung vorm. Seilwolff AG von 1890, GutleutstraBe 175, 60327 Frankfurt/M, represented by Mr. Gunter Rothenberger and Mr. Sven Rothenberger;

both companies acting in a German Civil Code Partnership (the Parties at 1. and 2. jointly called: "Landlord"), under the firm name Naxos-Union Grundstücksverwaltungsgesellschaft GbR, Frankfurt/M, and

3. Equinix, Inc., a Delaware corporation, 901 Marshall Street, Redwood City, CA 94063, USA, represented by Christopher L. Birdsong ("Tenant"),

SUMMARY OF BASIC LEASE INFORMATION

This Summary of Basic Lease Information ("Lease Summary") is a part of the Lease and describes the basic terms of the Lease. Each reference in this Lease to any provision in this Lease Summary shall be construed to incorporate all the terms provided under that provision of the Lease Summary. In the event of any conflict between a provision in this Lease Summary and a provision in the balance of the Lease, the latter shall control.

The basic terms of this Lease are:

1. Effective Date: Date of Signing of Lease (see above).

2. Landlord: German Civil Code partnership (cf. above).

3. Tenant: Equinix, Inc., a Delaware corporation, or assignee or

Permitted Transferee.
4. Site, Building, Premises:

(a) Site (Section 1.1): The part of the parcel of the real

property ("Real Property") commonly known as [*], and located in the City of Frankfurt am Main, Fechenheim, State of Hesse, Germany, as shown in Red on the Site Plan attached hereto as Exhibit A, approximately [*] m²/, which includes

an office building of approximately [*] m²/ and First and Second Production Halls of approximately [*] and [*] m²/ respectively which are outlined on the Site Plan.

(b) Building (Section 1.1): First and Second Production Halls

and one office building located on the Site, which contain approximately [*] square meters of

Rentable Area, as outlined in yellow and described in the Description of Real Property attached hereto as Exhibit B; and Supplemental Equipment space as shown in Exhibit C.

(c) Premises: Site, Building, Supplemental Equipment space,

and possibly Other Space as depicted on Exhibits D1 and D2, or as rented from time to time, hereunder.

5. Expansion of the Premises:

(a) First Option To Expand Premises (Section 1.5.1): Tenant has

the right to elect to expand the Premises by an additional [*] square meters of Rentable Area, such option to be exercised no later than December 31, 2003, on the Real Property that is more particularly described in Section 1.5.1 (Exhibit

D1).

(b) Second Option to Expand Premises (Section 1.5.2): Tenant

has the right to elect to expand the Premises by an additional [*] square meters of Rentable Area, such option to be exercised no later than December 31, 2003, on the Real Property that is more particularly described in Section 1.5.2.a

(Exhibit D2, phase 1).

(c) Third Option to Expand Premises (Section 1.5.1 b): Tenant

has the right to elect to expand the Premises by an additional [*] square meters of Rentable Area, such option to be exercised no later than December 31, 2003, on the Real Property that is more particularly described in Section 1.5.2 b

(Exhibit D2, phases 1 & 2).

(d) At the request of Tenant, parties will review the viability of the installation of a mezzanine floor in the center portion of the protected part of the Building if this is permissible pursuant to construction law.

6. Design and Construction of Landlord's Improvements (Section 1.3):

Landlord is to improve the Premises, as required under the Work Letter attached hereto as Exhibit C ("Work Letter"), at Landlord's expense and risk.

7. Handover (Section 2.2):

Landlord shall hand over to Tenant office space ([*] m²/) First Production Hall ([*] m²/) and Second Production Hall ([*] m²/) at the end of six (6) months after signing hereof, after the work to be done in the Premises by Landlord pursuant to the provisions of the Work Letter (Exhibit C) is

substantially complete as certificated by Landlord's and Tenant's architects.

8. Lease Term:

(a) Duration (Section 2.1): Twenty (20) years from the First

Effective Date. Term ends without termination notice if extension options not exercised.

(b) Termination for important cause by either party according to law.

(c) Extension Options (Section 2.5): Tenant has two (2)

Extension Options following the fixed 20 year term of the Lease for a period of five (5) years each, as more particularly described in Section 2.5. Terms end

with lapse of extension option unless second option exercised, or with lapse of

second option period.

(d) In case that Tenant does not exercise First Option to expand as well as Third Option to expand per Section 5 of the Lease Summary, then the lease for lots [*] and [*] shall automatically end on January 1, 2004, 00.01 a.m. In case that Tenant exercises the Second Option to expand, Landlord agrees to transfer the needed additional space from plot [*] to plot [*].

In case that Tenant does not exercise First as well as Third option to expand, Tenant is obliged to approve ("bewilligen") a reduction of the Easement

per Article 13 Lease with regard to Tenant's right to have buildings etc. on plots [*] and [*] (Section 1 Easement) as per January 1, 2004. The Tenant's rights pursuant to Sections 2 - 4 of the Easement shall not be affected but shall remain intact.

9. (a) Rent (Section 4.1):

Office Space:	[*] m/2/ at DM [*/month	DM [*]
First Production Hall:	[*] m/2/ at DM [*/month	[*]
Second Production Hall:	[*] m/2/ at DM [*/month	[*]
Advance on Service Charge:	[*] m/2/ at DM [*/month	[*]
Plus VAT (at present 16%)		[*]

Total		[*] =====

(b) Start payment of Rent for Premises (Site and Building): [*] ([*]) months after Handover. Start payment of advance on service charge [*] ([*]) months after Handover.

Rent and Service Charges to be paid monthly in advance of each month.

(c) Start payment of Rent from beginning of [*] month after Handover of option space (Sec. 5 above). Start payment of advance on Service Charges at Handover of option space. Amount of Rent, Service Charges and VAT per square meter of option space is the same as per square meter of the Production Halls (Sec. 4 (a) above) space, at the time of Handover of the option space.

10. Security:

(a) By Landlord: Easements (Article 13).

(b) By Tenant: (1) Upon signature of lease, Tenant to issue a Parent Company Guarantee; (2) a security Letter of Credit (LC) to be issued four (4) months after the signature of the lease. The LC is to be issued by a German Major Bank or the German branch of a US Bank, at the option of Tenant, for [*] ([*]) months' Rent plus Service

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Charges plus VAT for first three years after signing of contract which LC shall be reduced to [*] months Rent, Service Charges and VAT after first three years after signing. (see Exhibit H for sample LC)

11. Permitted Use (Section 3.1):

limitation general office use and use for installation and operation of telecommunications, electronic, optical, and associated equipment (such as local and long distance switches, nodes, customer collocation and related equipment, in connection with Tenant's fiber optic telecommunications system) (such telecommunications system being herein called "Tenant's System"), warehouse and parking, and all other similar activities associated with the internet. Lessor guarantees that this intended use is not in contradiction with the/a zoning plan.

12. Insurance (Section 9):

(a) Fire and Extended Coverage Insurance - Landlord: One hundred percent (100%) of the full replacement value of the Building subject to customary and reasonable deductible amounts; draft insurance contract to be approved by Tenant.

(b) Liability Insurance- Tenant: Comprehensive liability insurance policy of DM 1,000,000 combined single limit for each occurrence,

including insurance for pollution caused by hazardous materials on property.

(c) Liability Insurance - Tenant: Commercial liability insurance in the amount of DM 5,000,000 for property damages and DM 1,000,000 per occurrence for personal injury or death.

(d) Tenant shall request that its customers provide Fire and Extended Coverage Insurance for their Equipment on the Premises.

13. Parking (Section 8): Landlord shall construct and provide,

without charge to Tenant 25 (twenty five) exclusive parking spaces in the parking area by Handover, as depicted in Exhibit C.

14. Addresses for Notice (Section 19):

(a) Landlord's Address:

Naxos Schmirgelwerk Mainkur GmbH
GutleutstraBe 175
D-60327 Frankfurt/M

or

A.A.A. Aktiengesellschaft Allgemeine Anlageverwaltung vorm.
Seilwolff AG von 1890
GutleutstraBe 175
60327 Frankfurt/M

(b) Tenant's Address:

Equinix, Inc.
901 Marshall Street, 2/nd/ Floor

* CONFIDENTIAL TREATMENT REQUESTED. CONFIDENTIAL PORTION HAS BEEN FILED SEPARATELY WITH THE SECURITIES AND EXCHANGE COMMISSION.

Redwood City, CA
Attn: Director of Real Estate

or

Equinix, Inc.
c/o Baker & McKenzie
Attn.: Dr. Karl-Ludwig Koenen
Bethmannstrasse 50-54
60311 Frankfurt

15. Exhibits: A through I, inclusive, which Exhibits are attached

to this Lease and incorporated herein by this reference.

PRELIMINARY REMARKS

The Landlord owns the Property which is registered in folio [*], Fechenheim of the Frankfurt local court and consists of the following lots: Area ("Flur") [*], lots [*], [*], [*], [*], [*], [*], [*].

It is encumbered as follows:

At the time of signing hereof, parts of the Property are rented. Abt. II, 1 - 3 No. 3 to be deleted. Abt. III to be deleted or priority granted to Easement. The Leases within the fence-line of Exhibit A will be terminated within thirty (30) calendar days after the signing of the contract.

Landlord wants to lease and Tenant wants to rent a certain part of the Property ("Site") which is outlined in red on the Site Plan which is attached hereto as Exhibit A. The two Buildings on this part of the Property are First

Production Hall, a protected building dating from approximately [*] of [*] m/2/ on one floor and the Second Production Hall of approximately [*] m/2/. Furthermore, there is office space of approximately [*] m/2/ in a building contiguous to the First Production Hall.

Tenant intends to use the Building for the purposes described in Sec. 11 Lease Summary. For this purpose, Tenant will invest a very important sum into the improvement and fittings of the Building and machines in the Building. Landlord will first improve the structure of the Building as defined in the Work Letter (Exhibit C), Tenant then will do the fit-out.

Tenant expects that it will originally need approximately [*] m/2/ space. If the business volume develops as expected, Tenant will need up to [*]

m/2/ of space. Landlord agrees that it will plan and construct the expansion space in cooperation with Tenant if Tenant exercises its options within the period of times as defined in this contract.

Landlord agrees to give all the permits and support necessary to have Tenant to get the necessary utilities, in particular telecom lines.

*CONFIDENTIAL TREATMENT REQUESTED. CONFIDENTIAL PORTION HAS BEEN FILED SEPARATELY WITH THE SECURITIES AND EXCHANGE COMMISSION.

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In view of these premises, the Parties hereto agree to enter into the Lease at the following conditions:

ARTICLE 1

SITE, BUILDING, AND PREMISES

1.1 Lease of Premises. Landlord hereby leases to Tenant and Tenant

leases from Landlord the Site described in Paragraph 4 of the Lease Summary

("Site") with the Building on such Site.

In addition, during the Lease Term, Tenant shall lease and have the right to use at no Rental Charge, the Roof Space and the Supplemental Equipment Space around the building, as depicted in Exhibit C. The "Premises" shall include the Building Space, Roof Space and Supplemental Equipment Space, facades. Tenant shall also have right of access to the Building's shafts, conduits, ducts, raceways, risers and roof for the purpose of installing and maintaining Tenant's System.

1.2 Single Tenant Building. Tenant shall have exclusive rights of use

throughout the Lease Term of all common stairways, elevators, sidewalks, plazas and walkways, easements and service alleys surrounding the Building, delivery and loading areas and facilities of the Building, telephone equipment rooms and all other common facilities in or about the Building and the Site, and the appurtenances thereto, as the same may exist from time to time. Such use shall be for Tenant and its customers, agents, employees, assignees, subtenants, licensees and invitees.

1.3 Preparation of Premises; Acceptance. The rights and obligations of

the parties regarding the construction of the Premises are stated in the Work Letter attached to this Lease as Exhibit C. If this Lease conflicts with the

Work Letter, the Work Letter shall prevail. Landlord hereby represents and warrants to Tenant that Landlord shall complete the Premises and Landlord's Improvements, in accordance with the terms and conditions of the Work Letter and that Landlord shall obtain all necessary permits for the construction, at Landlord's expense.

1.4 Verification of Rentable Area. The size of the leased building

space on which the rent has been computed is determined pursuant to DIN 277 (NGF). Within thirty (30) days after Completion Date or any expansion, Landlord's architect shall calculate and certify in writing to Landlord and Tenant the Rentable Area of the Building or any part or expansion thereof. Corridors, staircases and mezzanine floors (including floors constructed by Tenant) to be part of rentable space. Modifications of building or fit-out by Tenant not to be considered.

On this final determination of the Rentable Area of the Building, if the Rentable Area is different from that stated in Sections 4 and 5 Lease

Summary, Rent shall be recalculated in accordance with that final determination. The parties shall execute an amendment to this Lease stating the recalculated Rent. If there is a dispute over the Rentable Area of the Building that has not been settled by the date on which Tenant is required to begin paying Rent under this Lease, Tenant shall pay to Landlord the Rent stated in Section 9 Lease

Summary until final determination of the Rentable Area. If the Rent after final determination of the Rentable Area is more than the Rent specified in Section 9

Lease Summary, the deficiency must be paid by Tenant to Landlord, without interest, within thirty

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(30) days after that final determination. If the Rent after final determination of the Rentable Area is less than the Rent in Section 9 Lease Summary, Landlord

shall credit the overpayment made by Tenant to the next Rent due, without interest.

1.5 Space Expansion - Options.

1.5.1 First Option to Expand. Landlord grants to Tenant the option

to expand the Premises by including an additional [*] m/2/ ([*]square meters) of contiguous space for the purposes of Tenant in a building to be constructed by Landlord on the land as outlined in blue on Exhibit D1 ("Option Space").

Tenant must exercise the option to expand by written notice sent by Tenant to Landlord no later than December 31, 2003.

Upon Tenant's exercise of the option, the Option Space shall be constructed by Landlord at Landlord's expense pursuant to the Work Letter for Option Space (Exhibit E) within 18 (eighteen) months after the exercise of the

option by Tenant and submission of the preliminary design criteria which are sufficient for the Landlord to carry out the architectural and engineering work complying with the Hesse Building Code and shall be leased to Tenant pursuant to the provisions of this Lease. The Parties shall cooperate to clear any design discrepancies.

Rent for the Option Space shall be the Rent per square meter of Rentable Area in effect under this Lease at the commencement of Tenant's occupancy of the Option Space. The Rent payable under this Lease shall be increased by the amount of Rent attributable to the Option Space that is leased by Tenant. The parties shall immediately execute an amendment to this Lease stating the addition of the Option Space to the Premises.

Upon receipt of Tenant's notice to exercise the option, Landlord shall design and construct such space in accordance with the terms set forth in Exhibit E. The Rentable Area of the Option Space shall be subject to

verification as provided in Section 1.4.

1.5.2 a) Second Option to Expand - Phase 1 -. Landlord grants to

Tenant the option to expand the Premises by including an additional [*] m/2/ ([*]square meters) of contiguous space for the purposes of Tenant in a building to be constructed by Landlord on the land as outlined in orange on Exhibit D2

(Phase 1) ("Option Space"). Tenant must exercise the option to expand by written notice delivered by Tenant to Landlord no later than December 31, 2003.

Upon Tenant's exercise of the option the Option Space shall be constructed by Landlord at Landlord's expense, pursuant to the Work Letter for Optional Expansion Space (Exhibit E) within 6 (six) months after landlord

obtains necessary permit approval following the exercise of the option by Tenant and submission of the preliminary design criteria which are sufficient for the Landlord to carry out the architectural and engineering work complying with the Hesse Building Code and shall be leased to Tenant pursuant to the provisions of this Lease. The Parties shall cooperate to clear any design discrepancies.

Rent for the Optional Expansion Space shall be the Rent per square meter of Rentable Area in effect under this Lease at the commencement of Tenant's occupancy of the

*CONFIDENTIAL TREATMENT REQUESTED. CONFIDENTIAL PORTION HAS BEEN FILED SEPARATELY WITH THE SECURITIES AND EXCHANGE COMMISSION.

Option Space. The Rent payable under this Lease shall be increased by the amount of Rent attributable to the Option Space that is leased by Tenant. The parties shall immediately execute an amendment to this Lease stating the addition of the Option Space or part of it to the Premises.

1.5.2 b) Second Option to Expand - Phase 2 -. Landlord grants to Tenant the option to expand the Premises by including an additional [*] m/2/ ([*]square meters) of contiguous space for the purposes of Tenant in a building to be constructed by Landlord on the land as outlined in orange on Exhibit D2 (Phases 1 & 2) ("Option Space"). Tenant must exercise the option to

expand by written notice delivered by Tenant to Landlord no later than December 31, 2003.

Upon Tenant's exercise of the option the Option Space shall be constructed by Landlord at Landlord's expense, pursuant to the Work Letter for

Optional Expansion Space (Exhibit E) within 18 (eighteen) months after the

exercise of the option by Tenant and submission of the preliminary design
criteria which are sufficient for the Landlord to carry out the architectural
and engineering work complying with the Hesse Building Code and shall be leased
to Tenant pursuant to the provisions of this Lease. The Parties shall cooperate
to clear any design discrepancies.

Rent for the Optional Expansion Space shall be the Rent per square
meter of Rentable Area in effect under this Lease at the commencement of
Tenant's occupancy of the Option Space. The Rent payable under this Lease shall
be increased by the amount of Rent attributable to the Option Space that is
leased by Tenant. The parties shall immediately execute an amendment to this
Lease stating the addition of the Option Space or part of it to the Premises.

1.5.3 For clarification purposes, the Parties state their agreement
that the Tenant is free to either not exercise any option or to exercise one,
two or all of the options.

1.6 Verification. The Rentable Area of the Option Space shall be

subject to verification as provided in Section 1.4.

1.7 Assignment of Rights and Obligations of Landlord under Development

Contracts.
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1.7.1 Landlord shall enter into one or several Development Contracts
with a third party ("Developer") providing for the refurbishment of the existing
Building pursuant to sections 4 a) and 6 Lease Summary, Article 1.3, Lease
Exhibits C, D1, D2 and E to the Lease.

1.7.2 At Tenant's request, Landlord shall involve Tenant and its
architects and engineers in the planning, engineering and construction of the
buildings and shall provide Tenant with copies of the Development Contract(s).

1.7.3 In case that the Developer discontinues the performance of the
Development Contract for reasons inherent in the Landlord, the Tenant shall be
entitled but not obliged to take over all rights and obligations of Landlord
under the Development Contract (including the right to termination) and request
performance of the Contract by the

*CONFIDENTIAL TREATMENT REQUESTED. CONFIDENTIAL PORTION HAS BEEN FILED
SEPARATELY WITH THE SECURITIES AND EXCHANGE COMMISSION.

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Developer, at Tenant's expense. In such case, the rent that would be payable
hereunder would be reduced by the costs thus incurred by Tenant plus interest
thereon at the rate of Libor plus 4 % spread evenly over the remaining term of

the lease.

1.8 In the event Tenant finances the refurbishment of the Building in
accordance with Sec. 6 Lease Summary upon terms and conditions of a loan

agreement to be acceptable to the parties, the amount of financing plus interest

at the rate of Libor plus 4 % thereon shall be repaid by reducing the rent that

will be payable hereunder spread evenly over five years.

1.9 In the event that Landlord does not perform or is late in performing
by at least two months, any of the build out or construction obligations under
this Lease or its obligations to obtain permit by the authorities Tenant shall
be entitled, in addition to any other rights that this Lease grants the Tenant
in such case, to have the build out or construction performed and/or to have the
permit obtained by a third party, at Tenant's cost. Tenant then shall be
entitled to the repayment of the costs plus a 15 (fifteen) % surcharge for
Tenant's administrative expenses plus interest thereon at the rate of Libor plus

4 % spread evenly over the remaining term of the lease.
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ARTICLE 2

TERM

2.1 Term. The term of this Lease ("Lease Term") shall commence on the

Effective Date and shall end upon the expiration of twenty (20) years following
said Effective Date plus the number of days between the Effective Date and the

first day of the next successive calendar month if the Effective Date occurs on a day other than the first day of a calendar month ("Lease Expiration Date"), subject to any option, renewal or extension rights of Tenant as provided for in this Lease, unless this Lease is earlier terminated as provided in this Lease.

2.2 Handover Dates. The obligation to pay rent shall commence on the

beginning of the 9/th/ (ninth) month following the month of Handover (Sec. 7 Lease Summary). Upon the determination of the Handover Date, Landlord and Tenant shall execute a written acknowledgement of the Date in a form to be developed by the Parties within the next two months.

2.3 Substantial Completion of Landlord's Work'. The work to be done in

the Premises by Landlord pursuant to the provisions of Exhibit C - Work Letter -

("Landlord's Improvements") shall be "substantially completed" when Landlord has delivered to Tenant a certificate signed by Landlord's architect and Tenant's architect certifying that the Landlord's Improvements have been completed in accordance with the applicable plans and specifications except for minor punchlist items that will not interfere with Tenant's use and enjoyment of the Premises and, where applicable, a final certificate of occupancy for the Premises has been issued by the applicable governmental authorities.

Landlord shall diligently pursue completion, in accordance with of the Work Letter (Exhibit C), of any minor details or adjustments that have not been

performed at the time Landlord gives the aforesaid notice of substantial completion to Tenant.

If, after receiving the aforesaid notice from Landlord that Landlord's work is substantially completed, Tenant shall be delayed in installing and completing or having

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installed and completed any finishing work necessary for the full operation of Tenant's business in the Premises (including, without limitation, the Supplemental Equipment and Tenant's System, by reason of fire, casualty, or other cases of force majeure, then Handover shall be deferred for a period of time equivalent to the period of such delay.

2.4 Delay in Completion.

2.4.1 Delay Beyond Scheduled Substantial Completion Date. If

Landlord, for any reason whatsoever, fails to achieve substantial completion of Landlord's Improvements by the scheduled substantial completion date as described in Exhibit G (the "Scheduled Substantial Completion Date"), the

Handover Date and the date as of which rent shall be payable shall be appropriately adjusted and the Tenant may withhold from the first rental payment and subsequent rental payments as may be necessary, as liquidated damages, an amount equal to [*] times the Rent otherwise due for each commenced day after the Scheduled Substantial Completion Date by which Landlord has failed to achieve substantial completion.

2.5 Options To Extend Term.

Landlord grants to Tenant two (2) options to extend the Lease Term ("Extension Option") for a period of five (5) years each ("Option Term"). The Extension Option may be exercised with respect to all or a portion of the Property. If Tenant properly exercises the Extension Option, the Lease Term, as it applies to the entire Premises then leased by Tenant, shall be extended for the Option Term.

2.5.1 Option Rent. The rent payable by Tenant during any Option

Term shall be equal to whichever is the greater of (1) the rent payable hereunder plus or minus the index; or (2) the Fair Market Rental Value of the Premises, excluding value of Tenant improvements, as of the commencement of the Option Term. Fair Market Rental Value of the Premises shall be the rental rate, including all escalations, at which tenants lease comparable space as of the commencement of the applicable Option Term. For this purpose, "comparable space" shall be space that is: (a) not subleased; (b) not subject to another tenant's expansion rights; (c) not leased to a tenant that holds an ownership interest in the landlord; (d) not leased to a tenant under a renewal or an extension of a lease; (e) comparable in size, location, and quality to the Premises; (f) leased for a term comparable to the Option Term; and (g) located in comparable buildings with similar zoning.

2.5.2 Exercise of Option. To exercise its Extension Option, Tenant

shall deliver written notice to Landlord which must be put into the mail no less than one hundred fifty (150) days before the expiration of the initial Lease Term or Option Term that has been exercised by Tenant, stating Tenant's intent to exercise its option. The parties shall have thirty (30) days after Landlord receives the option notice in which to agree on the Rent for the applicable Option Term. If the parties agree on the Rent for the Option Term during such thirty (30) day period, they shall promptly execute an amendment in accordance with Subsection 2.5.4.

If the parties are unable to agree on the Rent in accordance with Subsection 2.5.2 within such thirty (30) day period, then within ten (10) days

after the expiration of such thirty (30) day period each party, at its cost and by giving notice to the other party, shall appoint a real estate broker with at least ten (10) years recent and continuous full-time commercial brokerage experience in the area and market segment in

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which the Premises are located to set the rent for the applicable Option Term. If a party does not appoint a broker within ten (10) days after the other party has given notice of the name of its broker, the single broker appointed shall be the sole broker and shall set the rent for the applicable Option Term. If the two brokers are appointed by the parties as stated in this Section, they shall meet promptly and attempt to set the rent. If they are unable to agree within thirty (30) days after the second broker has been appointed, they shall attempt to select a third broker meeting the qualifications stated in this Section within ten (10) days after the last day the two brokers are given to set the rent. If they are unable to agree on the third broker, either of the parties to this Lease by giving ten (10) days notice to the other party can file a petition with the President of the IHK Frankfurt, solely for the purpose of selecting a third broker who meets the qualifications stated in this Section. Each party shall bear half the cost of the President's appointment of the third broker and payment of the third broker's fee. The third broker, however selected, shall be a person who, directly or indirectly, has not previously provided services, been employed by or acted in any capacity for either party or any affiliate of a party.

Within thirty (30) days after the selection of the third broker, a majority of the brokers shall set the rent for the applicable Option Term. If a majority of the brokers are unable to set the rent within the stipulated period of time, the three appraisals shall be added together and their total divided by three; the resulting quotient shall be the rent for the Premises during the applicable Option Term. In setting the minimum monthly rent for the Option Term, the broker or brokers shall consider the use to which the Premises are restricted under this Lease and shall not consider the highest and best use for the Premises without regard to the restriction on use of the Premises contained in this Lease. If, however, any determination of the rent is more than five percent (5%) higher or lower than the middle determination of the rent, such determination shall be disregarded. If a determination is disregarded, the remaining two determinations shall be added together and their total divided by two; the resulting quotient shall be the rent for the Premises during the applicable Option Term.

2.5.3 Withdrawal from Option by Tenant. After the rent for the

Option Term has been set, the brokers shall immediately notify the parties. If Tenant objects to the rent that has been set, Tenant shall have the right to have the Lease expire at the end of the then current term. Tenant's election to allow this Lease to expire at the end of the then current term must be exercised within thirty (30) days after receipt of notice from the brokers of the rent by letter to the Landlord which must be posted before the end of the thirtieth (30/th/) day.

2.5.4 Amendment to Lease. If Tenant timely exercises its Extension

Options, Landlord and Tenant shall promptly execute an amendment to this Lease extending the Lease Term on the terms and conditions set forth in this Section

2.5.

2.6 Holding Over. Any holding over by Tenant shall not be nor be

construed to be a renewal of the term of this Lease but shall constitute a month-to-month tenancy which may be terminated by either party upon thirty (30) days prior written notice to the other party, and shall otherwise be on the same terms and conditions herein set forth.

ARTICLE 3

USE OF PREMISES, NO COMPETITORS

3.1 Tenant's Use. The Premises shall be used and occupied by Tenant for

the purposes described in Sec. 11 Lease Summary. Landlord warrants to Tenant that the premises are acceptable for Tenant's use according to the zoning plan for the area and that Landlord will obtain all building and utilization permits both for the Buildings which Landlord will improve and both later expansions.

3.2 Any essential changes of the intended or actual utilization of the Premises by Tenant require the Landlord's prior written consent which may be given on condition that Tenant obtains any necessary permits by the authorities, at Tenant's expense.

3.3 Landlord's Obligations. Landlord shall lease space on parts of the

Property that are not used by Tenant to third parties only for purposes consistent with the maintenance of a first class commercial building of the kind and character of the Building as of the date hereof.

3.4 Competitors. Landlord shall not rent other parts of the Property to

telecommunication companies, telehouses, data centers, Internet businesses, or other direct competitors.

Landlord shall not allow any advertising for the above competitors on the Real Property.

ARTICLE 4

RENT

4.1 Monthly Base Rent. Tenant shall pay to Landlord the base rent plus an

advance on Service Charges plus VAT ("Monthly Base Rent") in equal monthly installments as set forth in the Schedule of Monthly Base Rent set forth in the Lease Summary, subject to adjustment and recalculation as provided in Subsection

1.4. Rent shall be paid in advance, after the end of the rent-free period, on
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or before the third workday of every calendar month during the Lease Term. Payment shall be made to Landlord's account no. 7905151 with Commerzbank AG in Frankfurt/M (BLZ 500 400 00) or at any other account that Landlord may from time to time designate in writing.

4.2 Default. In case of default of payment by the Tenant, the Landlord

shall be entitled to charge default interest of [*]% ([*] percent) p. a. above the respective basic interest rate pursuant to the Transitory Law on Discount Rates and/or, as of January 1, 2002, at the interest rate replacing the basic interest rate unless the Landlord proves a higher or the Tenant proves a lower damage in each case. This shall not affect any right of termination of the Landlord.

4.3 Initial Payment; Proration. If any Rent payment is for a period

shorter than one calendar month, the Rent for that fractional calendar month shall accrue on a daily basis for each day of that fractional month at a daily rate equal to 1/365 of the total annual Rent. All other payments or adjustments that are required to be made under the terms of this Lease and that require proration on a time basis shall be prorated on the same basis.

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4.4 Service Charges. Service Charges (ancillary costs and administration

costs) shall be levied in the form of monthly advance payments and shall be counted for by the landlord on an annual basis. The conciliation of the prepaid with the payable costs shall be done in the form of an additional payment by the Tenant or a credit by the Landlord on the rental payment day that follows the month on which the landlord had submitted the computation to the Tenant.

4.4.1 Service Charges within the meaning of this Lease Agreement

shall be charges, contributions, fees and costs arising or accruing now or in the future to the Landlord from the Site (not all of the Real Property) Building or economic unit (the latter includes ancillary buildings, garages/underground garages, equipment and fit outs) and/or its intended utilisation, in particular the costs

- for all current public charges, real estate tax, garbage removal, chimney sweeping, sewage, water supply and drainage (including rain water/surface water);
- for road cleaning, removal of snow and ice/strewing, cleaning and maintenance of pavements, roads, parking lots as well as upkeeping and cleaning of all outside facilities, green and garden areas;
- for cleaning of common areas of the buildings, cleaning and upkeeping of outside glass and facade areas as well as vermin control;
- for the operation and lighting of common areas of the buildings and outside facilities, including replacement of used means of lighting as well as regular safety control;
- for the operation and maintenance of common technical equipment and facilities as well as for the utilisation of general communication systems (high frequency cable etc.);
- for all reasonable risk insurance coverage of the property (not including insurance against loss of rental), for all necessary third-party liability insurances as well as for the safety controls demanded under the insurance contracts;
- for housekeeper or for housekeeper services rendered by other parties as well as supervision services and doorkeeper;
- for the property management. As regards these costs, a monthly lump-sum in the amount of one percent (1 %) of the rent (without advance for ancillary costs plus statutory Value Added Tax is agreed upon ("Lump-Sum Management Fee"). The Lump-Sum Management Fee in respect of which no further proof of costs is required shall also be owed if the Landlord manages the object himself;

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- all other operating cost pursuant to Appendix 3 to Sec. 27, 2/nd/ Berechnungs Ordinance;
- additional costs for 24 hour service pursuant to Sec. 6.1 below;
- all insurances wished by the Tenant;
- water costs pursuant to Sec. 6.2.

4.4.2 To the extent such costs arise anew or are increased in connection with a proper management, they may be apportioned by the Landlord to the Tenant as of the time they arise or are increased and adequate advance payments may be determined in this respect. To the extent that the Landlord does not have any up-to-date real estate tax assessments, the anticipated charges for real estate tax shall be calculated.

4.4.3 To the extent that the above ancillary costs are apportioned among the tenants of the Object, Landlord shall determine the allocation key and the allocation period in its discretion by safeguarding the principle of equal treatment of all tenants and by taking into account the applicable statutory provisions. In case of doubt, the accounting for these ancillary costs shall be made in the ratio of the respective Leased Areas of the Premises to the Leased Areas of the Property.

4.4.4 The proper removal of refuse, that will not be picked up as house refuse (in particular special refuse and hazardous material as well as bulky refuse such as packaging etc.), shall be the responsibility of Tenant. Tenant shall also be responsible for properly storing such refuse temporarily until same has been disposed of, Landlord shall, however, endeavour to assist in this respect to the extent possible.

4.4.5 If the accounting of the Landlord should show an increase or a reduction of the costs, the advance payments for the next following accounting period shall be adequately increased and/or reduced.

4.4.6 Statement of Actual Direct Expenses and Payment by Tenant.

Landlord shall give to Tenant on or before the first day of April following the

end of each Expense Year a statement ("Statement") stating the Service Charges incurred or accrued for that preceding Expense Year and indicating the amount, if any, of any excess of costs over advance payments or vice versa ("Excess"). The Statement shall be prepared in accordance with Generally Accepted Accounting Principles and this Lease, and shall be certified to be true and correct by Landlord.

On receipt of the Statement for each Expense Year ending during the Lease Term for which an Excess exists, Tenant shall pay, with its next installment of Monthly Base Rent due, the full amount of that Excess or Landlord shall repay the Excess to Tenant.

4.4.7 Landlord's Books and Records; Tenant's Audit Rights. Tenant

and its authorized representatives may examine, inspect, audit, and copy the records of Landlord regarding each Statement at Landlord's office during normal business hours at any time during the Lease Term. The payment of the amounts shown on the Statement by Tenant shall not preclude Tenant from questioning the correctness of any item of the Statement subject to the rights in this Section

4.3.
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Tenant and its authorized representatives shall have the right, at Tenant's cost and on no less than ten (10) days' prior written notice to Landlord and during Landlord's normal Business Hours, to audit Landlord's records regarding service charges, at Landlord's principal accounting offices. Tenant shall bear all fees and costs of the audit, unless the parties determine that service charges and Tax Expenses taken as a whole as respects the Premises for any calendar year were overstated by two percent (2%) or more. In that event, Landlord shall pay for the reasonable costs of that audit.

4.5 Payment of VAT. Tenant shall pay VAT on rent and service charges at

the rate in force from time to time, at present 16%.

Tenant states that Tenant will perform entrepreneurial activities in the premises within the meaning of the German Turnover Tax Act and that Tenant will exclusively utilize the premises for turnovers which are subject to deduction of prior tax. Tenant shall deliver to Landlord, upon the latter's substantiated request a written declaration, for submission to the competent tax office by Landlord, to the effect that Tenant utilizes the premises exclusively for turnovers which do not exclude the deduction of prior tax. To the extent that Landlord must furnish further proof in this regard to the tax authorities, Tenant shall be obligated to furnish the pertinent proof to Landlord or directly to the tax authorities.

Tenant agrees that it will continue the entrepreneurial activities within the meaning of the Turnover Tax Law during the term hereof. In case it turns out during the term hereof, that the entrepreneurial activities of Tenant within the meaning of the Turnover Tax Act have ceased to be performed, Tenant shall be liable to compensate the damage to Landlord which is caused to Landlord by the fact that the tax authorities do not accept the fact that Tenant continues its entrepreneurial activities and, for this reason, Landlord can deduct prior tax.

Landlord agrees to provide Tenant any documents which Tenant may require in order to deduct the turnover tax paid by Tenant to Landlord as pretax.

ARTICLE 4a

SECURITY, INDEXATION

4a.1 Security. Tenant shall furnish (1) a Parent Company Guarantee

upon signature of the lease; (2) the security (IC) per Section 10 Lease Summary by December 4/th/, 2000 (four (4) months after signing of the lease) amounting to [*] ([*]) times the monthly Base Rent plus Service Charges plus VAT which shall be reduced to three months' rent after the lapse of the first three years after signing of this contract, in the form of a surety by a U.S. Bank with a branch in Germany with the text provided in Exhibit H.

Aforementioned surety shall be renewed annually since pursuant to American banking practice Tenant cannot issue bank guarantees longer than for a period of 12 months. Surety to provide that it will not expire before Landlord has received replacement surety.

4a.2 Indexation

4a.2.1 In case that the monthly price index for the cost of living of all private households in Germany (1995 = 100) as determined by the Federal Bureau of Statistics, Wiesbaden, every month, has gone up or down by more than 10% compared to its level on 7/th/ February 2000 or in the month of any adaptation of the rent pursuant to this Sec. 4.a.2.1, the rent shall be increased or decreased by the same percentage. The change of the rent shall enter into effect as of the first day of the month which follows the month in which the Federal Bureau of Statistics has publicised the 10% change of the said index.

4a.2.2 The foregoing adjustments shall be made automatically so that the amount adjusted to the index change is owed without special demand as of the beginning of the month in question. For as long as the Tenant has not received a written new calculation from the Landlord, a default in payment cannot occur.

4.a.2.3 The Parties hereto jointly assume that the above mentioned index clause shall be deemed to have been approved in accordance with (S) 4 para. (1) of the Regulation on Price Clauses of September 23, 1998 and does not constitute an inadequate disadvantage to either party hereto within the meaning of (S) 2 of the Regulation on Price Clauses. If (S) 4 para. (1) of the Regulation on Price Clauses should not apply and/or a required approval should not be granted, the parties hereto undertake to agree on clauses which can be approved and which come as close as possible, economically, to the above index clause.

4a.3 Financing by Landlord. In case Tenant assist Landlord in -----
the financing of the build out costs, the letter of credit (Sec. 4a.1) shall be returned to Tenant

ARTICLE 5

MAINTENANCE

5.1 Maintenance of Building and Premises. Except as otherwise provided in -----
this Lease, during the Lease Term, Landlord, at its expense, agrees to maintain the Building and the Property in first class condition. This obligation shall include the maintenance and repair of any elevator, sewage, electrical, telecom (except for Tenant's individual electrical water and telecom equipment and systems, which shall be maintained by Tenant), water supply, foundation, superstructure, structural roof, roofing membrane, exterior walls and glazing (including, without limitation, curtain wall), and other structural members and parts of the Building, all ordinary maintenance of the exterior portions of the Building such as painting and/or washing the exterior walls and windows, maintaining the exterior portions of the Building, polishing or waxing any exterior components, rubbish removal. In addition, Landlord's obligation to maintain the Building and Premises shall include the cleaning and maintaining of all exterior lighting, signage, sidewalks, hardscape, parking lot surface, fencing, irrigation, landscaping and loading docks located on the Real Property, except for Tenant's Supplemental Equipment Space, which shall be maintained by Tenant. In performing its maintenance obligations hereunder, Landlord shall take all reasonable efforts to minimize any interference with Tenant's operations.

Tenant shall be responsible for repairs to Tenants improvements inside the buildings.

Landlord shall be exclusively responsible for the Real Property outside the Site.

5.2 Maintenance by Tenant. Tenant shall be responsible for the -----
maintenance, including repair and/or replacement desired by Tenant, of its Supplemental Equipment and all other equipment, fixtures, and other personal property owned by Tenant and used in connection with the Premises as well as for decorative repairs inside the Building.

5.3 Floorload. Landlord guarantees that the ground floors of the buildings -----
can bear loads of 2,500 kg/square meter, with the exception of the Office which will bear 750 kg/square meter. This load may only be exceeded after prior written consent of Landlord.

5.4 Visitors. Tenant shall be responsible for damage to Landlord's -----
property caused by visitors, suppliers and craftsmen of Tenant, at least

negligently.

ARTICLE 6

UTILITIES AND SERVICES

6.1 Standard of Operations. Landlord shall operate the Premises, Building

and Real Property in accordance with the standard of operation at least commensurate with the general standard of operation of other buildings and building projects located in Frankfurt/Main that are comparable in age, location, quality of construction, services and amenities to the Premises, Building and the Real Property.

In addition, Landlord shall provide, for the use by Tenant and its customers, agents and employees on a 24 hour by 365 days basis, ("Business Hours"), building utility services and building maintenance personnel who shall be on duty in the Building or reasonably available to Tenant and capable of immediately performing any services or work required.

6.2 Landlord to Provide Utilities. Landlord shall furnish unheated water

from mains for drinking, lavatory and toilet purposes drawn through fixtures installed by Landlord, or by Tenant with Landlord's prior written consent, which consent shall not be unreasonably withheld or delayed, and heated water for lavatory purposes from regular building supply in such quantities as required for the comfortable and normal use of the Premises. Tenant shall pay Landlord, as Additional Rent, for any additional water which is furnished for any other purposes. The amount that Tenant shall pay Landlord for such additional water shall be the average price per liter charged to the Landlord for the Building by the entity providing water.

Landlord hereby agrees that Tenant takes groundwater which is needed for Tenant's operations from a well to be drilled by Tenant on the Property, at Tenant's own expense. Landlord makes Tenant aware of the fact that Tenant needs a permit of the authorities for the drilling of the well and the taking of groundwater which permit, in the experience of Landlord, may not be granted. Landlord will support Tenant's application to the competent authority but does not accept any warranty that the permit will be granted.

6.3 Tenant Services.

6.3.1 Heating and air conditioning ("HVAC") service in the Premises

will be provided by Tenant, at Tenant's sole cost and expense, through separate package units which shall be subject to the direct control of Tenant. Subject to Landlord's prior written approval of Tenant's plans and specifications, such approval not to be unreasonably withheld or delayed, Tenant shall have the right at its option to install in a location or locations within

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the Building Space, Roof Space and/or Supplemental Equipment Space, and have direct control over, "Tenant's HVAC Equipment" and other equipment as described in Article 18 below. The acquisition and operation of Tenant's HVAC Equipment

(including without limitation the purchase, installation, and maintenance thereof) shall be at Tenant's sole cost and expense, and the electrical consumption resulting from Tenant's usage of Tenant's HVAC Equipment as well as the costs of availability's of the electricity shall be separately metered, billed to Tenant and paid by Tenant.

6.3.2 Tenant shall have the right, at Tenant's sole cost and expense and subject to Landlord's prior approval of the plans and specifications, which approval shall not be unreasonably withheld or delayed, to install at Tenant's expense and have direct control over transformer(s) to obtain an electrical supply for the Premises providing up to 45,000 amps at 400 volts or as otherwise required, three-phase wiring, through a number of separate cables run to the Premises. The cost of such electrical supply as well as the costs of availability and all other electricity provided to the Premises shall be separately metered to the Premises at Tenant's sole cost and expense (including without limitations, the cost of any metering equipment or the installation cost thereof).

Tenant shall pay directly to Supplier when due the cost of all electricity provided to and/or consumed in the Premises and by all of Tenant's equipment (including without limitation Tenant's HVAC Equipment);

In addition, Tenant shall bear the cost of replacement of lamps, starters and ballasts for lighting fixtures within the Premises. In the event Tenant desires electric power in excess of the level set forth in the first sentence in this Section 6.3.2 or available from Landlord ("Additional

Electrical Supply"), Tenant may, at its own expense, elect to make direct

arrangements with an electrical supplier to obtain such Additional Electrical Supply directly. Landlord agrees to cooperate with Tenant and the Supplier, reasonably and in good faith in this regard.

6.3.3 Landlord shall not provide janitorial or security services to the Premises other than those listed in Section 6.1 above. Tenant shall be solely responsible, at Tenant's sole cost and expense, for keeping all areas used by Tenant, in a neat, clean, safe and secure condition, and for performing all janitorial services and other cleaning of the Premises appropriate to maintain the Premises in a manner consistent with the quality of the Building.

6.4 Failure to Furnish Utilities. Rent of any kind provided in this Lease

shall be equitably abated in the event Tenant, for whatever reason, is unable to obtain any of the Building's utility systems serving the Premises for a period of twenty-four (24) hours, unless the damage or defective condition relating to such systems is caused by Tenant, its employees, licensees or invitees. The amount of abatement shall be determined according to the extent such unavailability interferes with Tenant's normal business operations on the Premises. In the event of any stoppage or interruption of services, Landlord shall use its best efforts to restore said services as soon as possible. Notwithstanding anything stated to the contrary herein, Tenant shall have the right, at its option, to terminate this Lease if any such stoppage or interruption of said services continues for any reason for more than thirty (30) consecutive days and such stoppage or interruption materially interferes with Tenant's use of the Premises.

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ARTICLE 7

ALTERATIONS AND IMPROVEMENTS

7.1 Alterations to Premises by Tenant. During the Lease Term, except as

set forth in the Work Letter, Tenant shall make no alterations, installations, additions, or improvements to the Premises that materially affect or impair the structural integrity of the Building without submitting to Landlord plans and specifications therefor and obtaining Landlord's written consent, which consent will not be unreasonably withheld or delayed.

Landlord, without any cost to itself, shall cooperate with Tenant in securing building and other permits and authority necessary from time to time for any work permitted under this Lease.

Tenant may at any time remove any equipment and trade fixtures installed by Tenant in the Premises and replace the same with equipment or fixtures of the same general type, size and configuration without the consent or approval of the Landlord. Improvements made by Tenant at any time to the Premises during the Lease Term shall be and remain the property of Tenant.

Upon the expiration or earlier termination of this Lease, with respect to improvements made by Tenant hereunder or under the Work Letter, as well as installations, equipment and fixtures including Supplemental Equipment (Art. 18), Tenant shall have the option of: (1) leaving all or part of such improvements etc., in which case they shall be deemed to be the property of Landlord upon the date of termination; or (2) removing all or part of such improvements etc. before termination of the Lease and Tenant repairs any damage caused to the Premises from removing such improvements, ordinary wear and tear excepted. Alternative (1) only to apply in case of Landlord's consent.

7.2 Consent. To the extent the Landlord's consent is required pursuant to

this Section 7, Landlord shall within five (5) days after its receipt of written notice from Tenant requesting Landlord's consent, which such request shall include information necessary for Landlord to render such consent (including, without limitation, plans and specifications, permits and licenses, as necessary), either (i) give its written consent to the alteration, or (ii) deny its consent to the alteration setting forth the reasons for such denial. If Landlord fails to respond within such five (5) day period, then Landlord shall be deemed to have consented to the alterations.

7.3 Landlord's Right to Change the Real Property. Except as otherwise

expressly provided in this Lease (including its obligations for maintenance and repair in Article 5), Landlord shall make no change to the Site (including the

parking areas) or to the Building without the prior written approval of the Tenant.

ARTICLE 8

PARKING

Included in Tenant's Rent is the right of Tenant's employees,

independent contractors, customers and invitees to have the right to use free of charge the 25 (twenty five) parking spaces depicted on Exhibit C to be constructed by Landlord at it's expense, at the location outlined in the Site Plan (Exhibit C), by Handover.

ARTICLE 9

INSURANCE AND INDEMNITY

9.1 Fire and Extended Coverage Insurance. At all times during the term of

this Lease, Landlord shall keep the Building (excluding the land) insured against damage and destruction by fire, vandalism, and other perils covered by the broadest extended coverage endorsement obtainable in the amount of One Hundred Percent (100%) of the full replacement value of the Building (excluding the land) in its entirety, including debris removal, subject to customary and reasonable deductible amounts. The insurance policies required above shall provide that the replacement cost of the Building (excluding the land) shall be redetermined by Landlord subject to approval by Tenant in intervals of no more than one year. Such insurance shall insure the interests of both Landlord and Tenant in the Building, as their respective interests may appear from time to time, and shall name Tenant as additional insured.

Tenant shall himself insure the Supplemental Equipment (Article 18 hereof) and shall request that its customers insure their Equipment on the Premises.

Prior to Handover the Parties shall insure its own installations.

9.2 Proceeds. All moneys collected from the insurance company or

companies from damage or destruction to the Building, or any part thereof, shall be held by Landlord in trust to be used and applied exclusively in accordance with Article 10 ("Destruction and Untenantability of Premises").

9.3 Liability Insurance - Tenant. Tenant agrees to purchase at its own

expense and to keep in force during the term of this Lease, a policy or policies of comprehensive liability insurance, including public liability and property damage (but excepting from the policy coverage, injuries or damage to persons or property resulting from the negligence of Landlord or from Landlord's breach of any of Landlord's covenants in this Lease). Tenant agrees to purchase special environmental liability insurance in order to adequately cover any risk which is caused, by Tenant's operations.

9.4 Waiver of Subrogation. The parties release each other, and their

respective authorized representatives, from any claims for damage to any person or to the Premises and the Building and other improvements in which the Premises are located, and to the fixtures, personal property, tenant's improvements, and alterations of either Landlord or Tenant in or on the Premises and the Building and other improvements in which the Premises are located that are caused by or result from risks insured against under any insurance policies carried by the parties and in force at the time of any such damage. Each party shall cause each insurance policy obtained by it to provide that the insurance company waives all right of recovery by way of subrogation against either party in connection with any damage covered by any policy. Neither party shall be liable to the other for any damage caused by fire or any of the risks insured against under any insurance policy required by this Lease.

9.5 Other Insurance Matters. In the event either party receives a thirty

(30) day written notice of cancellation concerning any of the required policies, or should either party fail to have in effect the required coverage at anytime during this Lease, the party for whose benefit such insurance is carried may give notice to the other party to reinstate or acquire the affected coverage. Should the party required to carry such insurance fail to reinstate or

acquire the affected coverage within ten (10) days of the other party's notice to reinstate or acquire such coverage, the other party shall have the right to obtain such insurance and reinstate or acquire the affected coverage, and the party required to carry such insurance shall reimburse the other party for the cost thereof.

A copy of each policy, or a certificate of the policy, together with evidence of payment of premiums, shall be deposited with the other party at least twenty (20) days prior to the Handover, and on renewal of the policy, not less than twenty (20) days before expiration of the term of the policy. The cost of all insurance required to be carried by Landlord hereunder shall be a

Direct Expense for which Tenant shall be obligated to pay its Tenant's Share thereof.

ARTICLE 10

DESTRUCTION AND UNTENANTABILITY OF PREMISES

10.1 Loss - Insured or Uninsured. If during the Lease Term, the Premises

or any portion thereof is damaged by fire, earthquake or other casualty or other peril, Landlord shall with all due diligence repair or rebuild the Building and the Premises to the condition at least equal to that existing immediately prior to said damage. In connection therewith, Landlord shall use any such insurance proceeds for such purpose, together with any insurance proceeds received by Tenant by reason of insurance on improvements made by it in excess of the actual amount needed to replace or restore Tenant's improvements, fixtures and equipment, provided that any such proceeds received by Tenant shall only be used for the replacement or restoration of Tenant's improvements, fixtures and equipment.

10.2 Major Damage. "Major damage" to the buildings is defined as damage to

such extent that the estimated cost of full repair of such damage is greater than fifty percent (50%) of the then full replacement value of the buildings. Any other damage to the buildings from any such casualty or risks shall be deemed to be "non-major."

10.3 Tenant's Option to Terminate in Certain Events. If during the Lease

Term the buildings or any portion thereof receives damage the effect of which is to render the Premises untenable, in Tenant's opinion, for continued occupancy for a period of one hundred and eighty (180) days or more, then Tenant shall have the option to terminate this Lease upon thirty (30) days' notice to Landlord. This right of termination shall be independent from, and in addition to, any other right of termination Tenant has under the Lease or under law.

10.4 Landlord's Option to Terminate in Event of Major Damage to Buildings.

If during the Lease Term the buildings or any portion thereof receives major damage, Landlord shall have the option to terminate this Lease on sixty (60) days' written notice to Tenant. Notwithstanding the foregoing, Landlord shall have the absolute obligation to rebuild the buildings after major damage in the manner set forth in Section 10.1 if either (a) the insurance proceeds are

sufficient to pay for such rebuilding and Tenant does not elect to terminate this Lease under Section 10.3 above, or (b) Tenant gives notice, in writing,

prior to the expiration of the sixty (60)-day period set forth above, that it desires to have the buildings, or so much thereof as may be necessary to constitute a complete architectural unit, restored to a condition which will provide Tenant with suitable facilities, satisfactory in Tenant's sole opinion for its continued use of the Premises, and that Tenant will supply additional funds, if any, that may be necessary, in addition to any insurance proceeds, to pay for such partial rebuilding. If Tenant gives such notice to Landlord, Tenant and Landlord

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shall each agree upon the plans and specifications for such rebuilding, the cost thereof, and the method by which Tenant shall supply to Landlord the additional funds necessary for such rebuilding, and the Rent necessary for such rebuilding, and the Rent paid by Tenant shall be equitably reduced in accordance with its contribution of additional funds toward such rebuilding by amortizing such contribution over the then remaining Lease Term.

10.5 Abatement of Rent. In the event that after any damage or destruction

this Lease is not terminated in accordance with its provisions, Rent shall be equitably prorated and abated during the period commencing with the date of the casualty and continuing until such repairs are completed in the proportion that the Rent of the part usable by Tenant for the normal operation of Tenant's business on the Premises bears to the rental of the total space then leased by Tenant, taking into consideration the rental rate per square foot of Rentable Area of the Premises for which the proration is made and any adverse effects and disruptions to Tenant's business caused during the period of such repairs.

ARTICLE 11

SURRENDER

Tenant covenants that on the last day of the Lease Term or on the last day of a renewal or extension of this Lease, it will peaceably and quietly leave and surrender the Premises in as good condition as they are on the Commencement Date (or the date such individual Unit is delivered to Tenant),

ordinary wear and tear, repairs and replacements required to be made by Landlord, loss by fire, casualty and causes beyond Tenant's control, and alterations, additions and improvements herein permitted, excepted.

ARTICLE 12

TRANSFER OF TENANT'S INTEREST

12.1 Assign, Sublet.

12.1.1 Except with respect to Customers and affiliates or assigns (as that term is defined below), Tenant shall not either voluntarily, or by operation of law, assign, this Lease or any interest therein, and shall not sublet the Premises or any part thereof, or allow any other person (the employees, agents, servants and invitees of Tenant excepted) to occupy or use the Premises, or any portion thereof, without first obtaining the written consent of Landlord, which consent shall not be unreasonably withheld or delayed.

It is reasonably withheld, for example, if (a) a proposed assignee or subtenant refuses to enter into a written assignment agreement or sublease, reasonably satisfactory to Landlord, which provides that it will abide by and assume all of the terms and conditions of this Lease for the term of any assignment or sublease and containing such other terms and conditions as Landlord reasonably deems necessary; (b) the use of the Premises by the proposed assignee or subtenant will not be for the use permitted by this Lease.

12.1.2 Tenant shall have the right, without Landlord's consent, upon thirty (30) days advance written notice to Landlord, to assign the Lease or sublet the whole or any part of the Premises to any entity that controls, is controlled by or is under common control with Tenant or to which substantially all of the assets of Tenant may be transferred (each of the transactions referenced above in this subparagraph (i) are hereinafter referred to as a

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"Permitted Transfer" and each surviving entity shall hereinafter be referred to as a "Permitted Transferee"); provided that such Permitted Transfer is subject to the following conditions:

(i) Tenant, to the extent Tenant survives such transaction, shall remain fully liable under the terms and conditions of the Lease;

(ii) Any such Permitted Transferee shall be subject to all of the terms, covenants, and conditions of the Lease except as otherwise specifically provided in this Lease;

(iii) Any such Permitted Transferee expressly assumes the obligations of Tenant under the Lease;

(iv) Such Permitted Transferee has a net worth at least equal to the net worth of Tenant as of the date of this Lease.

12.2 Co-Location Agreements. Landlord acknowledges that Tenant's business

to be conducted on the Premises requires the installation on the Premises of certain communications equipment by telecommunications customers of Tenant ("Customers") in order for such Customers to interconnect with Tenant's terminal facilities or to permit Tenant to manage or operate their equipment. Notwithstanding anything contained elsewhere in this Article 12, Landlord hereby

consents in advance to any sublease, license agreement, "Co-Location Agreement" or like agreement (collectively, "Co-Location Agreements") between Tenant and such a Customer for the purpose of permitting such an arrangement as is described in this Section 12.2. The effectiveness of such advance consent as to

a particular Customer's Co-Location Agreement is conditioned on Tenant not giving such Customer any rights not given Tenant under this Lease.

ARTICLE 13

EASEMENT

13.1 Landlord agrees to take all necessary steps in order to register an Easement ("beschränkte persönliche Dienstbarkeit") in favor of Tenant as per Exhibit I on the Property. Tenant agrees to take all necessary steps in order to deregister the Easement upon termination of this Lease.

13.2 The Easement shall rank before all encumbrances other than Encumbrances II 1 and 2. The text of the "Bewilligung" shall be as in Exhibit I hereto. Tenant shall bear the costs of registration of the Easement.

13.3 Landlord shall submit the application for registration to the Frankfurt Local Court - land register - after Tenant has put up the Security (Section 4a.1) for Landlord. If the Easement is not registered with proper priority within two months after Tenant has provided the security to Landlord, the obligation to pay rent shall begin two days later than provided in Section 9 (b) Lease Summary for each day of delay of registration.

13.4 Landlord agrees not to sell the Property before the Easement has been registered.

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ARTICLE 14

ENVIRONMENTAL REPRESENTATIONS

14.1 Definition of "Hazardous Materials."

"Hazardous Material" shall mean any (a) oil, flammable substances,

explosives, radioactive materials, hazardous wastes or substances, toxic wastes or substances or any other wastes, materials or pollutants which (i) pose a hazard to the Project or to persons on or about the Project or (ii) cause the Project to be in violation of any Hazardous Materials Laws; (b) asbestos in any form, urea formaldehyde foam insulation, transformers or other equipment that contain dielectric fluid containing levels of polychlorinated biphenyls, or radon gas; (c) chemical, material or substance defined as or included in the definition of "hazardous substances", "hazardous wastes", "hazardous materials", "extremely hazardous waste", "restricted hazardous waste", or "toxic substances" or words of similar import under any applicable law or under the regulations adopted or publications promulgated pursuant thereto; (d) other chemical, material or substance, exposure to which is prohibited, limited or regulated by any governmental authority or may or could pose a hazard to the health and safety of the occupants of the Project or the owners and/or occupants of property adjacent to or surrounding the Project, or any other Person coming upon the Project or adjacent property; and (e) other chemicals, materials or substances which may or could pose a hazard to the environment.

14.2 Compliance with Laws. Landlord represents and warrants ("sichert zu")

to Tenant that at the Handover Dates (and as respects Option Space, at the date of delivery of any respective Option Space to Tenant), the Premises, the Building and the Property are in compliance with all Hazardous Materials Laws. Landlord shall take all commercially reasonable action to keep the Project, the Building and the Premises in compliance with Hazardous Materials Laws during the term of the Lease; in particular, Landlord shall be responsible for any additional clean-up of hazardous materials which existed on the Property at the time of the Handover which may be required by new environmental local or other legislation.

14.3 Submission of Certificate. Landlord agrees to deliver Tenant a

statement of the competent governmental authority, prior to Handover, stating that the authority has convinced itself that hazardous ("schadliche") effects on the user and/or that no further measures for waste removal ("altlastenbedingte Maanahmen") are required for the planned commercial utilization.

14.4 In case that unexploded ordinance or graves are found in the course of Tenant's excavation work, Landlord shall be responsible for their removal. Landlord shall pay the reasonable costs of any site survey by "Kampfmittelraumdienst".

14.5 Landlord shall compensate Tenant for the cost of the Arcadis invoice(s) up to an amount of DM 21,000 plus VAT. In addition Landlord shall compensate Tenant for any reasonable costs associated with Tenant's or Tenant's subcontractors monitoring of Landlord's implementation of the site cleanup per

Exhibit C up to DM 15,000 plus VAT.

ARTICLE 15

INSPECTION AND ENTRY BY OWNER

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15.1 Landlord's Right of Entry. Landlord and its agents shall have the

right at any reasonable time and upon at least seven (7) days written notice to Tenant, to enter upon and escorted by Tenants representative the Premises so long as it does not interfere with the business activities of Tenant on the Premises, for the purpose of inspection, serving or posting notices, maintaining the Premises, making any necessary repairs, alterations or additions to any portion of the Premises to the extent required or permitted to Landlord under

this Lease.

15.2 Restrictions on Entry. Except in an emergency, when accompanied by an

authorized representative of Tenant or with the express prior written approval of Tenant, Landlord shall not enter Tenant's special security areas ("Special Security Areas"), and any other security areas so designated by notice from Tenant in the future. Landlord shall observe any and all reasonable rules and regulations that Tenant may adopt as respects access to the Special Security Areas.

15.3 Emergency Entry. Despite any other provision of this Section 15,

Landlord and Landlord's agents may enter the Premises, including the Special Security Areas, without any advance notice when necessary to address emergency situations. For purposes of this section, an emergency situation is one that poses a threat of imminent bodily harm or substantial property damage. If Landlord makes an emergency entry onto the Premises when no authorized representative of Tenant is present, Landlord shall provide prompt telephone notice to Tenant after that entry and shall take reasonable steps to secure the Premises until a representative of Tenant arrives at the Premises.

ARTICLE 16

NOTICE

16.1 Notices. All notices (including requests, demands, approvals, or

other communications) under this Lease shall be in writing.

16.1.1 Method of Delivery. Notice shall be sufficiently given for

all purposes as follows:

(a) When personally delivered to the recipient, notice is effective on delivery.

(b) When mailed first class to the last address of the recipient known to the party giving notice, notice is effective on delivery.

(c) When mailed by certified mail with return receipt requested, notice is effective on receipt if delivery is confirmed by return receipt.

(d) When delivered by overnight delivery with charges prepaid or charged to the sender's account, notice is effective on delivery if delivery is confirmed by the delivery service.

(e) When sent by telex or fax to the last telex or fax number of the recipient known to the party giving notice, notice is effective on receipt as long as (1) a duplicate copy of the notice is promptly given by certified mail or by overnight delivery or (2) the receiving party delivers a written confirmation of receipt. Subject to the foregoing

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requirements, any notice given by telex or fax shall be considered to have been received on the next business day if it is received after 5 p.m. (recipient's time) or on a nonbusiness day.

16.2 Refused, Unclaimed, or Undeliverable Notices. Any correctly addressed

notice that is refused, unclaimed, or undeliverable because of an act or omission of the party to be notified shall be considered to be effective as of the first date that the notice was refused, unclaimed, or considered undeliverable by the postal authorities, messenger, or overnight delivery service.

16.3 Addresses. Addresses for purposes of giving notice are as set forth

in the Lease Summary or such other address as a party may designate from time to time.

ARTICLE 17

SIGNAGE

Tenant shall have the exclusive right throughout the term of this Lease, at Tenant's sole cost and expense, to erect signage on the exterior of the Building, and on the Real Property, provided, however that such signage shall conform with all applicable Laws and Orders.

ARTICLE 18

SUPPLEMENTAL EQUIPMENT

18.1 Supplemental Equipment. Tenant shall have the right to install, on

the terms and conditions set forth herein, at Tenant's sole cost and expense,
the following:

18.1.1 A heating, ventilating and air conditioning system and related
connections to the Premises (the "Tenant's HVAC Equipment") within the Building
Space and/or on the Roof and/or outside on the Supplemental Equipment Space.

18.1.2 A dry-pipe, FM 200 or gas-based fire suppression system (the
"Fire-Suppression System") in the Premises. In connection with Tenant's
installation of the Fire Suppression System, Tenant shall have the right to
disconnect and cap, if necessary, in compliance with applicable law, any
existing fire-suppression system in the Premises.

18.1.3 Emergency generators within the Building and/or on the Roof or
on the Supplemental Equipment Space ("Tenant Generators") together with, if
required, corresponding remote radiators ("Radiators"). Tenant shall install
Tenant's Generators and Radiators in compliance with all applicable law, and
shall be solely responsible for all costs and expenses incurred in connection
with the installation, maintenance and operation thereof.

In addition, from and after expansion of the Premises in accordance
with the terms of this Lease, Landlord shall permit Tenant to install, at
Tenant's sole cost and expense additional emergency generators (the "Expansion
Generators") In addition, in the event Tenant elects to install the Expansion
Generators, Tenant shall, subject to the requirements of this Section 18, be
permitted to install at its sole cost and expense, additional Fuel Tanks and
Radiators.

18.1.4 The Electrical Equipment and other items required.

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18.1.5 Such connection equipment, such as conduits, cables, risers,
feeders and materials (collectively, the "Connecting Equipment") in the shafts,
ducts, conduits, chases, utility closets and other facilities of the Building as
is reasonably necessary to connect Tenant's HVAC Equipment, Tenant's Generator
Equipment, the Generator Fuel Tank, the Electrical Equipment and the Fire-
Suppression System to Tenant's System and other machinery and equipment in the
Premises.

18.1.6 Aluminum conduits ("Conduit") running from and within the
Premises and two (2) minimum points of entry in the Building to connect with the
fiber optic network of Tenant's chosen fiber optic service providers. Tenant may
also install conduit through trenches as described in section 13.2.

18.1.7 New telecommunications lines and related equipment
(collectively "Lines") in the Tenant's Conduit.

18.1.8 All of the above items are sometimes collectively referred to
as the "Supplemental Equipment."

18.2 Tenant shall obtain any required permits for its works at its own
risk and expense.

ARTICLE 19

MISCELLANEOUS

19.1 Word Usage. Unless the context clearly requires otherwise: (a) the

plural and singular number shall each be considered to include the other; (b)
the masculine, feminine, and neuter genders shall each be considered to include
the others; (c) "shall," "will," "must," "agrees," and "covenants" are each
mandatory; (d) "may" is permissive; (e) "or" is not exclusive; and (f)
"includes" and "including" are not limiting.

19.2 Entire Agreement. This Lease, including all exhibits, contains all of

the terms, covenants, conditions and agreements between Landlord and Tenant
relating in any manner to the rental, use and occupancy of the Premises. No
prior agreement or understanding pertaining to the same shall be valid or of any
force or effect, and the terms, covenants, conditions and provisions of this
Lease cannot be altered, changed, modified or added to, except in writing and
signed by Landlord and Tenant. All references herein, directly or indirectly, to
the term of this Lease shall also be deemed to include any extensions or
renewals thereof provided Tenant herein, unless expressly provided to the
contrary.

19.3 Governing Law. This Lease shall be governed exclusively by its

express provisions and by the laws of the Federal Republic of Germany.

19.4 Invalidity. If any term or provision of this Lease, or the

application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Lease or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each term and provision of this Lease shall be valid and shall be enforced to the fullest extent permitted by law.

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19.5 Written Form. Oral side agreements do not exist. Amendments of and

supplements to this Lease as well as any other statements of one party to the other party are only valid if in writing. In case that a written statement has to be made by a certain date, it shall be sufficient if it is put into the mail by registered letter by such date.

The parties hereto agree to take all action and make all statements required in order to meet the statutory requirement of the written form, in particular in connection with the conclusion of amendments and supplements and not to terminate this Lease on the basis of the grounds that the statutory written form may not have been complied with. The parties hereto furthermore agree that any non-observance of the written form as required by Section 125 Second Sentence German Civil Code shall not affect the validity of this agreement.

19.6 Euro Clause. All DM-amounts mentioned in this lease may also be paid

in the equivalent Euro amounts at any time. As of January 1, 2002 all payments shall be made in Euro.

ARTICLE 20

RIGHTS OF CANCELLATION

20.1 Tenant. Tenant shall be entitled to cancel this Lease if the

following conditions are not met:

- Written statement by the competent authority as described in section 14.3,
- written statement by City of Frankfurt pursuant to which the utilization of the Property as an internet exchange center is permissible and that certain construction projects of Landlord and of Tenant will be permitted ("Vorbescheid"), Tenant can terminate if such statement is not received within six months after submission of all construction documents by Tenant,
- Written promise by supplier to supply sufficient power as needed by Equinix's development criteria/operational schedule (12 MVA for first phase, and extended up to 50MVA maximum 18 - 24 months after signature of lease),
- permission (local) authorities regarding approvals and permits for (diesel) generators, fuel tanks, antenna(-s) and satellite dish(-es); including permission from the Historical Preservation Department authorities to obtain permits that meet Equinix's schedule and design requirements (in line with the minutes of the RKW meeting on June 9, 2000 as attached hereto).

Tenant shall also be entitled to cancel this Lease, if

- Landlord does not get permission for second expansion per Section

5b) of the Lease Summary, 6 months after exercise of option and

receipt of preliminary design criteria by Tenant; Landlord shall use best efforts to

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obtain all necessary permits to implement Tenant's space expansion options per Art. 1.5 of this Lease.

- Landlord is late by one (1) months with Handover (claims for damages reserved).

20.2 Delay Beyond Outside Substantial Completion Date. If Landlord, for

any reason whatsoever, fails to achieve substantial completion by the "Outside Substantial Completion Date" set forth as Exhibit G, then Tenant at its option

shall have the right to immediately withdraw the exercise of option 1 (per

Section 5a) Lease Summary) and option 3 (per Section 5c) Lease Summary).

20.3 In case that Tenant cancels this Lease or withdraws from an option pursuant to Section 20.2. for any of the above reasons, all rights to claim damages remain reserved.

ARTICLE 21

RIGHT TO FIRST OFFER

Landlord hereby grants Tenant the following Right to First Offer:

21.1 In the event that Landlord wants to sell all or part of the Property or grant a hereditary building right (Erbbaurecht) in the future, Landlord shall notify Tenant of Landlord's intention in advance per registered letter, indicating the major conditions of the intended purchase contract that Landlord wants to achieve.

21.2 In case that Tenant does not notify Landlord by registered letter, that Tenant wants to acquire this part or all of the Property, within two months after receipt of the notification by Landlord, Landlord shall be free to offer the part or all of the Property to third parties.

21.3 Landlord is not permitted, however, to sell the property at worse conditions than those that it had given to Tenant. In case that Landlord has such intention, it must give the Tenant again the opportunity to acquire the part or all of the Property at the changed conditions. Tenant then has six weeks to notify Landlord of Tenant's intention to acquire the Property. Otherwise the Landlord is free to offer the Property to third parties.

21.4 This Right to First Offer shall be secured by a priority notice ("Vormerkung") over all plots of the property which the parties shall apply for before Handover.

ARTICLE 22

MULTIPLE LANDLORDS

In case that (following a sale) several landlords own the Property, the following shall apply:

- The landlords shall appoint one landlord to be responsible for the maintenance of the whole Property. They shall be jointly and severally liable for the performance of all obligations under the Lease.
- The landlords shall jointly insure the Property.

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- In case of destruction and/or untenability of Premises (Article 10), the Premises shall be regarded as being one building.
- Any notice pursuant to Article 16 if given by Tenant to one landlord is deemed as also have been given to the other landlord(s).
- The lease term is the same for all landlords.
- The rent and service charges shall be split between the landlords in the proportion of the office and colocation are that is let to Tenant by either landlord.

IN WITNESS WHEREOF, the parties have executed this Lease the day and year first above written.

1. LANDLORD:

1.1 Naxos Schmirgelwerk Mainkur GmbH

By: /S/ Gunter Rothenberger

Name: Gunter Rothenberger

Its: Managing Director

1.2 A.A.A. Aktiengesellschaft Allgemeine
Anlagenverwaltung vorm. Seilwolff AG von 1890

By: /s/ Gunter Rothenberger

Name: Gunter Rothenberger

Its: Verstand

2. TENANT

EQUINIX, INC., a Delaware Corporation

By: /s/ Chris L. Birdsong

Name: Chris L. Birdsong

Its: Director, IBX Development and Operations

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EXHIBIT A

SITE PLAN

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EXHIBIT B

DESCRIPTION OF SERVICES

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EXHIBIT C

Equinix European IBX Build out
Frankfurt - Naxos Union
Work Letter - Existing Building and Site

Landlord's Scope of Building works

The buildings are to be handed over as clean, dry shells, free from contamination and fit for immediate occupation. Utilities are to be capped off and any live sections remaining identified.

The Landlord is to carry out this work scope under Section 6 of the Lease Summary. Bechtel personnel will be permitted reasonable access at any time during the works to monitor quality and schedule.

1. Site Clean Up

1) Contain the exposed asbestos pipe lagging and arrange for its safe removal by an approved asbestos removal contractor. Dispose off site to a licensed disposal facility.

2) Complete groundwater remediation measures as recommended in Arcadis report of 5/th/ July

3) Strip out oil-contaminated wood block floor from western half of building and remove any contaminated material found below as far as practical.

4) Install additional underfloor vapour extraction points and operate the underfloor vapour removal system until safe levels are achieved in accordance with current German statutes. Leave vapour removal pipework system in place under floor slabs and relocate filtration equipment outside of production halls for future monitoring and further use if required.

5) Remove any further asbestos, asbestos cement or other harmful elements

identified by Arcadis investigation 7/th/-17/th/ July from the building and dispose offsite

- 6) Remove any lead based paint from steel structure by grit blasting using a silica free medium.
- 7) Remove all PCB filled transformers from site and dispose. Remove any PCB contaminated material from transformer pens.
- 8) Remove all waste oils, paints, chemicals including empty containers from site prior to handover
- 9) Thoroughly clean the building prior to handover to remove all dust and other contaminating materials.
- 10) Obtain certification from all relevant Frankfurt City authorities that site is free from contamination and any other harmful substances or objects to permit building change of

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use and occupation

2. Internal Strip out

- 1) Remove all internal partition walls e.g. paint cabins
- 2) Remove heating system including pipes, radiators and blower/heaters
- 3) Strip-out gantry cranes and crane rails (excepting for the original crane to be preserved)
- 4) Strip out all existing electrical power switchgear, distribution, lighting, cabling etc.
- 5) Strip out ventilation systems, curtains, telephones, first aid boxes and all other fixtures.
- 6) Dismantle and remove paint drying equipment from the basement under the first Production Hall
- 7) Strip out painting equipment from outbuilding to western side
- 8) Remove boiler equipment, flues, pipework, water treatment equipment etc. from boiler rooms and dispose off site taking care that no asbestos is uncovered during this work.

3. Roofing

"Northlight" roof to first Production Hall

- 1) Check condition of existing lightweight concrete infill planks and remove if necessary
- 2) Strip off existing wired glazing panels and dispose
- 3) Install an aluminum profile cladding system over entire roof area including new channels to valleys with minimum 1:48 fall. The work to be carried out to DIN 18299, DIN 18338 and DIN 18339. Aluminum sections and sheets proposed for covering the roof openings must be to specification Z-14.1-181
- 4) Provide falls (minimum 1:4 8) to the existing flat valley between the two roofs to prevent ponding and fit new meshes to top of downpipes
- 5) Roof to second Production Hall
- 6) Remove skylight cupolas
- 7) Close openings in lightweight concrete slabs (method to be agreed)
- 8) Install new waterproofing system to entire roof to give a 25 year guarantee watertight

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- 9) Replace cupolas or replacements

Roofs generally

- 10) Provide new, safe roof access from within the building. Remove existing roof ladders.

11) Repair/ replace roof gutters and drainage pipework to match style of existing

12) Install new Lightning Protection system to latest VDE specification

4. Building Works

1) Remove and rebuild any unsound areas of brickwork identified in condition survey

2) Repoint other areas of exposed brickwork as required

3) Repaint / apply waterproof treatment to internal surfaces of shed walls

4) Construct Level 4 bullet resistant blockwork (or precast concrete panel) walls behind windows of protected western, eastern and Northern facades

5) Close up doorways not required for new layout (Brick external to match/ block internal)

6) Cast new reinforced concrete floor to agreed specification (min 25kN/m2 loading) throughout the second Production Hall.

7) Infill spaces left in the new floor of first production Hall following removal of internal walls, electrical switchgear etc.

8) Replace internal rainwater pipes and box in with leak detection

5. Existing Office block Refurbishment

1) Strip out existing office partitions/ceilings/floor coverings

2) Strip out sinks, showers, toilets, tiling etc from basement.

3) Refurbish ground floor as entrance/security area and offices.

4) Second floor to be fitted out as individual offices. Fit out to be to modern commercial standard with suspended ceilings and carpeted floors.

5) Refurbish all floors to take uniformly distributed loads of 7.5 kN/m2.

6) Provide new lighting, heating, and phone connections to offices

7) Basement to be left as bare shell with minimum lighting/heating as storage

8)

E-5

6. External Works

1) Demolish the surrounding outbuildings in accordance with Landlord's Improvements Plan - Exhibit C, to 1metre below ground level and remove all demolition materials from site.

2) Fuel tanks to be cleaned and refurbished to a standard suitable for process water storage duty.

3) Construct NATO perimeter security fence 2.1 metres high from steel posts and wire mesh fabric with 45 degree extension arms with three rows of barbed wire complete with 6 metre wide security gates. Fence to be located 18 metres from existing production halls as indicated on Exhibit A plan.

4) Obtain necessary permits and fell the trees indicated on the Site Plan -Exhibit C and remove the stumps. Clear trees and bushes adjacent to existing office to provide vehicular access around buildings.

5) Landlord will design and implement a landscaping scheme to form buffer zone around the buildings including planting of replacement trees to compensate for those felled

6) Construct car parking for 25 vehicles as shown on the Site Plan Exhibit C. Car parking to be designed with adequate lighting levels for 24 hour operations.

7) The Landlord will arrange for the Mains gas supply to be disconnected at the property boundary

8) Existing Chimney stack to be surveyed and remedial works undertaken to

ensure it is safe for duration of lease. This may include re-pointing the brickwork, filling or reinforcing the stack, capping off, repainting or replacement of the steel bands and a new lightening protection system.

E-6

EXHIBIT D

OPTIONAL EXPANSION SPACE

- a) D1 - First Option to Expand Premises
- b) D2 - Second Option to Expand Premises

E-7

EXHIBIT E

WORK LETTER FOR OPTION SPACE

1. A new building and an extension to the existing building are to be constructed by the Landlord for the phased development of the site as indicated on the Exhibits D1 and D2 drawings for either the First or Second Option to Expand Premises.

2. The North side of the new building will be laid out for office space. The East side of the building will contain the main electrical equipment. Behind the office area the building will incorporate a warehouse type layout of single storey construction. Transformers, diesel generators, fuel tanks, chillers, cooling towers and associated pumps will be located outside the building.

3. The building shall be constructed from pre-cast concrete and/or steel frames and beams with internal and external walls constructed from a combination of pre-cast concrete panels, brickwork and profiled steel sheeting all in accordance with German Regulations for Construction Work (DIN 18299) and the Preliminary Design Package (PDP). Floor plans will be issued to the Landlord no later than 31 December, 2003 showing the layout and form of construction of the main elements of the building.

4. The roof shall be constructed with minimum falls of 1 in 48 to perimeter drainage gutters and down-pipes. Multi-layered roof sheeting and insulation shall provide thermal insulation and a vapour barrier to meet the Roofing and Roof Insulation Work code (DIN 18338) and shall be guaranteed to be watertight for 25 years. The Landlord shall undertake regular maintenance to ensure that the roof remains watertight at all times.

5. All plumbing work shall be in accordance with Plumbing Works code (DIN 18339).

6. All electrical work shall be in accordance with the latest VDE specifications.

7. The ground floors shall be of reinforced concrete construction complying with the Equinix specifications for compatibility of the anti-static coating system. The sub-grade and concrete slab shall be designed and constructed to accommodate a uniformly distributed load of 25 kN/m².

8. The overall floor area for Charette Option D1 (First Option to Expand Premises) will be approximately [*]m² while the Charette Option D2 (Second Option to Expand Premises) Phase 1 area will be approximately [*] m² and Phase 2 area will be approximately [*] m². The overall height of the building will be approximately [*] m.

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EXHIBIT F

ACKNOWLEDGEMENT OF FIRST HANDOVER DATE

E-9

EXHIBIT G

SCHEDULED SUBSTANTIAL AND OUTSIDE COMPLETION DATES

E-10

EXHIBIT H

LETTER OF CREDIT

E-11

EXHIBIT I

LANDLORD'S/TENANT'S APPLICATION FOR EASEMENTS
("BEWILLIGUNGEN")

E-12

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SEPARATELY WITH THE SECURITIES AND
EXCHANGE COMMISSION.

- (1) QUATTROCENTO LIMITED
- (2) EQUINIX UK LIMITED

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=====
Counterpart/
                LEASE
                - relating to -
                  [*]
                [*] London [*]
=====

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SEPARATELY WITH THE SECURITIES AND EXCHANGE COMMISSION.

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THIS LEASE is made the 14th day of July 2000

BETWEEN:

- (1) QUATTROCENTO LIMITED whose registered office is at 45 The Esplanade St Helier Jersey Channel Islands JE4 8WQ (registered in Jersey under company number 68191) ("Landlord") and
- (2) EQUINIX UK LIMITED (Company Registration No. 3923886) whose registered office is at 100 New Bridge Street London EC4V 6JA ("Tenant")

WITNESSES as follows:

1. DEFINITIONS AND INTERPRETATION

1.1 In this Lease the following words and expressions shall have the following meanings unless the context requires otherwise:

"Agreement for Lease" an agreement for lease in respect of the Demised Premises dated 1 June 2000 and made between the Landlord (1) and the Tenant (2)

"CDM Regulations" the Construction (Design and Management) Regulations 1994 and "Health and Safety File" has the meaning given therein

"Demised Premises" the property described in the First Schedule hereto and all additions and improvements from time to time made thereto and the Landlord's fixtures and fittings therein but excluding any airspace thereover

"Excepted Part" any part or parts of the buildings forming part of the Demised Premises comprising not less than [*] square feet of the floor space (measured on a gross internal floor area basis) provided that every Excepted Part shall have the benefit of and be subject to such rights as shall be necessary required to ensure that such Excepted Part complies with all statutory obligations and in particular fire regulations and building regulations

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"Planning Acts" the Town and Country Planning Act 1990 the Planning (Listed Buildings and Conservation Areas) Act 1990 the Planning (Hazardous Substances) Act 1990 the Planning (Consequential Provisions) Act 1990 and the Planning and Compensation Act 1991

"Prescribed Rate" a rate of interest of [*]% per annum above the base rate from time to time of National Westminster Bank plc or such other clearing bank as the Landlord may from time to time specify or (in the event of base rates being no longer published or used) such other comparable rate of interest as the Landlord and the Tenant may from time to time agree in writing and if not agreed as shall be determined by a chartered accountant nominated by the President or Vice-President for the time being of the Institute of Chartered Accountants on the application of either party and acting as an arbitrator in accordance with the Arbitration Act 1996

"Quarter Days" 25 March 24 June 29 September and 25 December in each year and "Quarter Day" any one of the Quarter Days

"Term" the term of years granted by Clause 2 hereof and shall include the period of any holding over extension or continuation thereof whether pursuant to statute or at common law and

"1995 Act" the Landlord and Tenant (Covenants) Act 1995

1.2 The expressions "Landlord" and "Tenant" include their respective successors in title and "Tenant" shall include the personal representatives of the Tenant and any person in whom this Lease may from time to time be vested by whatever means

1.3 Covenants by the Landlord shall be effective to bind the Landlord only in respect of such period when the reversion immediately expectant on this Lease is vested in the Landlord and shall not bind the Landlord personally after it shall have parted with all interest in the reversion and the Landlord shall be and is hereby released from any liability thereunder in relation to any period after it shall have parted with such reversion

1.4 Words importing the singular number only shall include the plural and where there are two or more persons included in the expressions "Landlord" or "Tenant" covenants expressed to be made by the Landlord or the Tenant shall be deemed to be made by such persons jointly and severally

1.5 Words importing the masculine gender only shall include the feminine and neuter genders and words denoting natural persons shall include companies and corporations and vice versa

1.6 Any reference to this Lease shall be deemed a reference to this Lease and any deed agreement or other document supplemental or collateral hereto or entered into pursuant to the terms hereof

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1.7 A reference to any Act of Parliament or statutory instrument includes any Act or instrument for the time being in force amending or replacing the same any directly applicable directive or other law of the European Union or European Community affecting the same and having direct effect in the United Kingdom and any instrument regulation or bye-law for the time being in force under any such Act

1.8 References to the President and Vice-President of the Royal Institution of Chartered Surveyors and the Institute of Chartered Accountants include references to the equivalent officers of any Institution Association or other body of which either of them may become part.

2. DEMISE

In consideration of the rents hereinafter reserved and of the covenants by the Tenant hereinafter contained the Landlord HEREBY DEMISES unto the Tenant the Demised Premises TOGETHER WITH (but to the exclusion of all other liberties privileges easements rights or advantages whatsoever) the rights specified in the Second Schedule hereto TO HOLD the same unto the Tenant for a term of TWENTY - FIVE YEARS commencing on and including 26th June, 2000 to and including 25th June, 2025 YIELDING AND PAYING therefor FIRSTLY from the date hereof until 25th June 2001 the rent of one peppercorn (if demanded) and thereafter during the Term yearly and proportionately for any fraction of a year the rent of [*] POUNDS ((Pounds)[*]) per annum (but subject to review as hereinafter provided) such rent to be paid by equal quarterly payments in advance on the Quarter Days without any deduction whatsoever the first payment (or a duly apportioned part of it) to be made on the first anniversary of the date hereof SECONDLY in respect of the Demised Premises from and including 26th June, 2000 by way of further or additional rent on demand all sums payable by the Tenant pursuant to sub-clause 5.3.1 hereof and THIRDLY by way of further or additional rent all value added tax interest and other sums whatsoever from time to time payable by the Tenant to the Landlord pursuant to the provisions of this Lease

3. TENANT'S COVENANTS'

The Tenant HEREBY COVENANTS with the Landlord as follows:

3.1 To Pay Rent

To pay the rents hereinbefore reserved on the days and in the manner aforesaid without any deduction whatsoever and without exercising or seeking to exercise any right of set-off

3.2 To Pay Rates

To pay (or indemnify the Landlord against) all existing and future rates taxes

duties charges assessments impositions and outgoings whatsoever (whether imposed by statute or otherwise and whether of a national or local character and whether of the nature of capital or revenue and even

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though of a wholly novel character) now or at any time during the Term payable in respect of the Demised Premises or any part thereof or by the owner or occupier thereof

3.3 To Pay Gas Electricity and Water Charges

To pay all charges for gas electricity water telecommunications and other supplies consumed on the Demised Premises and all charges for the hire of meters and equipment in respect thereof and to observe all regulations of the gas electricity and water authorities and to keep the Landlord indemnified against the non-payment breach non-observance or non-performance thereof

3.4 To Pay Value Added Tax and Interest

3.4.1 To pay any value added tax or any tax substituted therefore or levied in addition thereto and chargeable in respect of all or any rents and any other payments or supplies to be made under the provisions of this Lease

3.4.2 To pay to the Landlord all interest which may become due by virtue of any of the provisions of this Lease

3.5 To Pay Fees

To pay to the Landlord on an indemnity basis all reasonable and proper costs fees charges and expenses (including legal costs and fees of bailiffs surveyors architects engineers and other professional advisers) incurred by the Landlord:

3.5.1 attendant upon or incidental to every application made by the Tenant for a consent or licence required or made necessary by the provisions of this Lease whether the same be granted or refused or proffered subject to any lawful qualification or condition or whether the application be withdrawn (but not where a court has found that such consent has been unlawfully refused or withheld)

3.5.2 incidental to the preparation and service of a notice under Section 146 of the Law of Property Act 1925 or incurred by or in genuine contemplation of proceedings under Sections 146 or 147 of that Act whether or not in any such case forfeiture is avoided otherwise than by relief granted by the court

3.5.3 in connection with the recovery of arrears of rent due from the Tenant hereunder or

3.5.4 in connection with the supervision of the carrying out of any works of repair or making good carried out pursuant to any notice served under the foregoing provisions

3.6 To Pay Share of Common Expenses

To pay or repay to the Landlord within 10 days of demand a fair proportion (to be conclusively determined by the Landlord's surveyor acting properly) of any expenses incurred in repairing maintaining renewing (where beyond economic repair) and cleansing all walls fences sewers

drains channels sanitary or sewerage apparatus pipes wires passageways stairways entrance ways roads pavements and other things the use of which is common to the Demised Premises and to other premises

3.7 To Repair

At all times during the Term to keep the Demised Premises in good and substantial repair and condition and whenever necessary to rebuild reconstruct renew or replace the whole of the Demised Premises or any part thereof (except only damage by risks against which the Landlord has insured save where the insurance monies are irrecoverable in consequence of any act or default of the Tenant) and to renew and replace from time to time all landlord's fixtures and fittings and appurtenances in the Demised Premises which may become or be beyond repair at any time during or at the expiration or sooner determination of the Term AND without prejudice to the generality of the foregoing:

3.7.1 to clean all windows (both inside and outside) in the Demised Premises whenever necessary

3.7.2 to clean and repoint the external stone and brickwork

of the Demised Premises when necessary during the Term and in any event in the last year thereof (howsoever determined unless carried out within the preceding three years)

3.7.3 to keep such parts of the Demised Premises as shall not from time to time be built upon in a clean and tidy condition and free from rubbish and weeds and deposits of materials or refuse and

3.7.4 to cause all electrical hydraulic and other mechanical installations and equipment whatsoever within the Demised Premises or under the control of the Tenant and serving the same to be properly and regularly serviced and maintained and when necessary repaired or replaced by qualified persons who and at intervals which are approved by the manufacturers of such installations and equipment and by the insurers of the Demised Premises

3.8 To Decorate

3.8.1 Interior

Whenever necessary throughout the Term and at least in every fifth year thereof and also in the last year thereof (howsoever determined) to paint paper or otherwise decorate or treat in a proper and workmanlike manner all the inside wood metal and other parts of the Demised Premises heretofore or usually or which ought to be painted papered or otherwise decorated or treated

3.8.2 Exterior

Whenever necessary throughout the Term and at least in every third year thereof and in the last year thereof (howsoever determined (unless so decorated in the previous year)) to paint or otherwise suitably decorate or treat in a proper and workmanlike manner all the external parts of the Demised Premises heretofore or usually so painted or otherwise decorated or treated the tints

or colours on each occasion to be first approved in writing by the Landlord and at proper intervals to apply such (if any) other treatments as may be appropriate to the remainder of the external parts of the Demised Premises

3.9 To Yield Up

3.9.1 To yield up the Demised Premises with the fixtures and fittings and additions thereto (except tenant's or trade fixtures or fittings which have been lawfully removed) at the expiration or sooner determination of the Term in good and substantial repair and condition and decorated in accordance with the several covenants herein contained and to make good any damage caused to the Demised Premises by the removal of any tenant's or trade fixtures or fittings

3.9.2 If any alteration or addition shall have been made to the Demised Premises during the Term other than the Tenant's Works (as that term is defined in the Agreement for Lease) and unless and to the extent that the Landlord requests the Tenant in writing not to do so (whether as to the whole or part thereof) to remove the same on such yielding up together with all signs writing painting moulding or other illustration of the name or business of the Tenant and any sub-tenant and to reinstate the Demised Premises to their state and condition after completion of the Tenant's Works carried out by the Tenant pursuant to the Agreement for Lease but nevertheless in such good and substantial repair and condition as aforesaid and any dispute as to such repair and condition shall be dealt with by adopting the procedure set out in Clause 8.3 hereof

3.10 Alterations and Signs

3.10.1 On any application for consent pursuant to the following provisions of this Clause to submit to the Landlord in triplicate adequate scale drawings and a specification of the alterations or additions proposed to be made

3.10.2 Not to exhibit any sign fascia notice or advertisement on the outside of the Demised Premises or so as to be visible outside the Demised Premises except a sign showing the trading name of the Tenant or sub-tenants subject to that sign being of a size design layout and of materials all approved in writing by the Landlord (such consent not to be unreasonably withheld or delayed)

3.10.3 Not to exhibit any sign notice or advertisement on the inside of the Demised Premises and visible from outside except usual and inoffensive trade advertisements notices and signs which are reasonably necessary for the purposes of the business of the Tenant and are of a kind ordinarily displayed by businesses similar to that of the Tenant

3.10.4 (Save in respect of the Tenant's Works) not without the prior written consent of the Landlord by deed (which shall not be unreasonably withheld or delayed) and then only in accordance with plans previously approved by the Landlord (which approval shall not be unreasonably withheld or delayed) and under the supervision and to the reasonable

satisfaction of the Landlord's surveyor:

3.10.4.1. to make any structural alteration or addition to the Demised Premises or any part thereof or

3.10.4.2. to exhibit any sign fascia notice or advertisement as aforesaid or

3.10.4.3. to erect any aerial mast satellite dish air conditioning condenser or other plant machinery or apparatus whatsoever to the exterior of the Demised Premises

Save that if the Landlord has not responded to the Tenant's request within 15 working days of receiving the same then the Landlord's approval shall be deemed to have been given

3.10.5 Save in respect of the Tenant's Works not to commence to make any alteration or addition to the Demised Premises without first covenanting with the Landlord in such terms as the Landlord may specify that unless and to the extent that the Landlord requests the Tenant in writing not to do so the Tenant shall on the expiration or sooner determination of the Term remove all or part of such alteration or addition and reinstate the Demised Premises to their former state and condition after completion of the Tenant's Works but nevertheless in such good and substantial repair and condition as hereinbefore provided

3.10.6 If any works of alteration or addition shall be carried out in breach of any of the foregoing covenants and if the Tenant shall not remove the same and make good any damage to the Demised Premises caused by such removal and otherwise reinstate the Demised Premises to their condition prior to the carrying out of such alteration or addition (but in such good and substantial repair and condition as aforesaid) forthwith following the receipt of written notice from the Landlord requiring it to do so it shall be lawful for the Landlord to enter the Demised Premises and itself carry out such removal and reinstatement and all costs and expenses of it so doing shall be payable by the Tenant to the Landlord on demand on a full indemnity basis

3.10.7 Provided That the Tenant may without consent carry out internal non-structural alterations subject to the Tenant supplying to the Landlord:

3.10.7.1. prior to such works being commenced drawings and a specification thereof in duplicate and written confirmation from the fire authority that the fire certificate relating to the Demised Premises is not thereby invalidated and

3.10.7.2. immediately thereafter drawings and a specification in duplicate of any such partitioning erected or altered

3.11 Not to Overload

Not to overload the floors of or any of the services in or to the Demised Premises nor to suspend any excessive weight from any part of the Demised Premises

3.12 To Permit Landlord to Enter

To permit the Landlord and the Landlord's servants and agents and all other persons properly authorised by the Landlord (with or without workmen) at all reasonable times during the Term (upon prior written appointment of not less than seven days' previous notice except in the case of emergency) to enter the Demised Premises accompanied at all times by a representative of the Tenant (but not more than once in any twelve month period except in case of emergency) for the purpose of examining the state of repair and condition thereof and of taking a schedule of the landlord's fixtures and fittings therein and thereupon the Landlord may:

3.12.1 serve upon the Tenant notice in writing specifying any structural repairs necessary to be done in order to comply with the Tenant's obligations hereunder and/or any repairs necessary to be done to keep the Demised Premises wind and watertight and

3.12.2 require the Tenant to execute the same as soon as practicable

and if the Tenant shall make default in complying with such notice within two months of the date thereof or in the performance of any of the Tenant's covenants herein contained it shall be lawful for the Landlord (but without prejudice to the right of re-entry hereinafter contained) to enter upon the Demised Premises and execute such repairs in accordance with the covenants and provisions hereof and the cost of such repairs (including the fees of surveyors architects engineers and other consultants employed or retained by the Landlord) shall be repaid as a debt by the Tenant to the Landlord on demand and shall be recoverable as rent in arrear

3.13 Defects Notices

3.13.1 As soon as the Tenant becomes aware of the same to give notice forthwith to the Landlord of any want of repair or defect in the Demised Premises or any part thereof by reason of which the Landlord might incur liability by statute or otherwise to any other person and to display any warnings or notices which the Landlord may reasonably require for the purposes of avoiding or defraying any such liability and to immediately take all steps necessary to minimise consequential disrepair and to prevent loss damage or injury to persons or to property

3.13.2 Immediately upon receipt by the Tenant and forthwith after receipt by any sub-tenant of:

3.13.2.1. any notice of a proposal for alteration of the Valuation List under the Local Government Finance Act 1988 in respect of the Demised Premises

3.13.2.2. any notice of the imposition or proposed imposition of any new substituted increased altered rate tax duty charge assessment or outgoing whatsoever in respect of the Demised Premises or any part thereof or

3.13.2.3. any other notice order or proposal affecting the Demised Premises or any interest in the Demised Premises in any manner whatsoever

to send a copy thereof to the Landlord and to take all reasonable steps to comply with such notice proposal order or communication and if so requested by the Landlord and at the joint expense of the Landlord and the Tenant to make or join with the Landlord in making such objections representations or appeal in respect thereof as the Landlord may require unless to do so would be prejudicial to the Tenant's use and enjoyment of the Demised Premises

3.14 CDM Regulations

3.14.1 In carrying out any works of repair alteration or addition or any other works whatsoever to the Demised Premises to fully comply with the CDM Regulations

3.14.2 Within six months after completion of any works of repair alteration or addition or any other works whatsoever to the Demised Premises to provide the Landlord with a certified copy of the Health and Safety File relating to the Demised Premises consequent upon the carrying out of such works and if the Tenant shall fail to do so the Landlord may enter the Demised Premises and carry out such inspections and investigations necessary to enable the Landlord to make a complete record of the works carried out and to obtain such other information as the Health and Safety File should contain and the Tenant shall pay the costs and expenses of the Landlord in so doing on a full indemnity basis

3.14.3 Upon any yielding up of the Demised Premises to deliver up to the Landlord the Health and Safety File relating to the Demised Premises duly maintained in accordance with the CDM Regulations and containing proper reference to any works of removal and reinstatement carried out prior to such yielding up

3.15 To Comply with Statutory Requirements etc.

3.15.1 At all times during the Term to execute all such works and do all such things as under or by virtue of any Act or Acts of Parliament and all other applicable laws of the United Kingdom and elsewhere (including without limitation directly applicable directives or other laws of the European Union or the European Community having direct effect in the United Kingdom) now or hereafter to be passed and all orders bye-laws rules and regulations made thereunder (including without limitation the Factories Act 1961 the Offices Shops and Railway Premises Act 1963 the Fire Precautions Act 1971 (and any requirement of a Fire Certificate issued pursuant thereto whether issued to the Landlord the Tenant or any sub-tenant) the Fire Precautions (Workplace) Regulations 1997 (as amended) the Health and Safety at Work etc. Act 1974 the Control of Pollution Act 1974 the Environmental Protection Act 1990 the Environment Act 1995 the CDM Regulations and the Gas Safety (Installation and Use) Regulations 1994) are or shall be directed or necessary to be executed or done upon or in respect of the Demised Premises or any part thereof or in respect of the user thereof by the owner lessee tenant or occupier thereof

3.15.2 Not at any time during the Term to do or omit or suffer to be done or omitted on or about the Demised Premises any act or thing the doing or omission of which may under any such Act of Parliament or other law cause the Landlord to incur or have imposed or become liable to pay any penalty damages compensation costs charges expenses or other impositions whatsoever

3.15.3 To comply with all requirements and recommendations of the competent fire authority and the insurers of the Demised

Premises in relation to fire precautions affecting the Demised Premises and to supply and equip and keep the Demised Premises supplied and equipped with such fire alarm smoke detection and smoke ventilation systems and such fire fighting appliances as are necessary to so comply and to keep all such systems and appliances unobstructed and open to inspection and properly maintained

3.15.4 To keep all means of escape from the Demised Premises in case of fire or other emergency clear and unobstructed at all times

3.15.5 Within 10 days of receipt of the same to supply to the Landlord a certified copy of any fire certificate relating to the Demised Premises together with any amendments thereto which may be made from time to time

3.16 Planning Acts

3.16.1 At all times during the Term to comply in all respects with the provisions and requirements of the Planning Acts 3.16.2 Save in respect of the Tenant's Works not to make any application for planning permission for change of use in respect of the Demised Premises or any part thereof

3.16.3 Save in respect of the Tenant's Works not without the prior written consent of the Landlord to make any application for any other planning permission in respect of the Demised Premises or any part thereof nor to enter into any agreement with any local planning or other competent authority regulating the use or development of the Demised Premises Provided That the Landlord shall not unreasonably withhold consent to an application for planning permission in respect of works of alteration of or addition to the Demised Premises if the Landlord has granted consent for such works in accordance with this Lease

3.16.4 Unless the Landlord otherwise directs in writing the Tenant will carry out before the expiration or sooner determination of the Term any works stipulated to be carried out to the Demised Premises by a date subsequent to such expiration or sooner determination as a condition of any planning permission which may be granted and implemented during the Term

3.16.5 Not to serve any purchase notice under the Planning Acts in relation to the Demised Premises

3.17 To Indemnify

During the Term and any subsequent period during which the Tenant may remain in possession of the Demised Premises to be responsible for and to indemnify the Landlord against all claims demands actions proceedings liabilities reasonable and proper costs charges and expenses in respect of or incurred in connection with:

3.17.1 any damage or injury occasioned to:

3.17.1.1. the Demised Premises

3.17.1.2. any adjacent or neighbouring premises or

3.17.1.3. any person or any other property moveable

or immoveable

by any act default or negligence of the Tenant or of the servants agents licensees or invitees of the Tenant or by any breach of the covenants on the part of the Tenant herein contained

3.17.2 all such works things acts and omissions as are specified in Clause 3.15 hereof

3.17.3 any obligation to abate a nuisance or to remedy any other matter in connection with the Demised Premises in obedience to a notice served by a local authority and

3.17.4 any contravention of the Planning Acts

3.18 Prohibited Alienation

3.18.1 Not to assign or charge part only of the Demised Premises whether or not being an Excepted Part

3.18.2 Not to underlet any part or parts of the Demised Premises other than (subject to the provisions of Clause 3.19 hereof) an Excepted Part

3.18.3 Not to permit any underlessee of the Demised Premises or any Excepted Part to sub-underlet any part thereof or assign part only of the premises underlet

3.18.4 Not to grant any underlease of the Demised Premises

or any Excepted Part if such grant would cause or permit the number of separate occupations of the Demised Premises at any time or from time to time to exceed four

3.18.5 Not to share the possession or occupation of or permit any other person to occupy the whole or any part of the Demised Premises Provided That where the Tenant is a company it may without consent share occupation of the whole or part of the Demised Premises with a company which throughout the period of such sharing is a member of the same group of companies (as defined by Section 42 of the Landlord and Tenant Act 1954) as the Tenant the Tenant covenanting that:

3.18.5.1. immediately after the commencement and termination of such sharing it will give written notice thereof to the Landlord

3.18.5.2. no tenancy will be created by such sharing and

3.18.5.3. upon such company ceasing to be a member of the same group of companies as the Tenant it shall forthwith vacate the Demised Premises

3.18.6 Not to hold on trust for another the whole or any part of the Demised Premises or any interest of the Tenant therein under this Lease

3.19 Permitted Alienation

3.19.1 Not to assign the whole of the Demised Premises to another member of the same group of companies as the Tenant Provided That subject to the succeeding provisions of this Clause 3.19 the Tenant may so assign to another member which is a holding company and which is not itself a subsidiary ("holding company" and "subsidiary" having the meanings given by Section 736 of the Companies Act 1985)

3.19.2 Not to assign the whole of the Demised Premises without the prior written consent of the Landlord by deed which consent shall not be unreasonably withheld or delayed

3.19.3 Without prejudice to the generality of the preceding sub-clause 3.19.2 and any other matter or circumstances which may render reasonable the Landlord withholding its licence or consent to an assignment of the Demised Premises or any other condition subject to which it may be reasonable to grant such licence or consent the Landlord may withhold its licence or consent to an assignment in the circumstances set out in sub-clause 3.19.4 below or such licence or consent may be granted subject to the conditions set out in sub-clause 3.19.5 below

3.19.4 The circumstances referred to above are:

3.19.4.1. Where any rents or other monies whatsoever due and payable hereunder by the Tenant remain unpaid save where such rents or other monies are genuinely disputed and are the subject of court proceedings

3.19.4.2. Where any works which the Tenant is or was required to carry out as a condition of the grant of this Lease or of any agreement for the grant of this Lease have not been duly carried out in compliance with that requirement or any time limit thereby imposed unless:

3.19.4.2.1 the Tenant or the proposed assignee proffers an adequate bond or other security or

3.19.4.2.2 the proposed assignee covenants with the Landlord to complete such works

3.19.4.3. Where there subsists any material breach of any of the covenants by the Tenant herein contained which the Tenant has failed to remedy or the remedy of which has not been adequately secured in a manner or on terms reasonably acceptable to the Landlord

3.19.5 The conditions referred to above are:

3.19.5.1. That the Tenant and the proposed assignee enter into an authorised guarantee agreement (as defined in Section 16 of the 1995 Act) and licence to assign in such form as the Landlord shall reasonably require

3.19.5.2. That any guarantor of the Tenant's obligations under this Lease shall have guaranteed to the Landlord that the Tenant will comply with the terms and conditions of the authorised guarantee agreement referred to in the immediately preceding sub-clause in such form as the Landlord shall reasonably require

3.19.5.3. That prior to completion of the proposed

assignment any surety for the proposed assignee shall first (jointly and severally if more than one) covenant with the Landlord in the terms contained in the Fourth Schedule hereto (as if references therein to the Tenant were references to the Assignee) and otherwise in such terms as the Landlord shall reasonably require

3.19.6 Not to underlet the whole of the Demised Premises or any Excepted Part nor permit any underlessee of the whole of the Demised Premises or any Excepted Part to assign such underlease without the prior written consent of the Landlord by deed which consent shall not be unreasonably withheld or delayed and not to so underlet or permit such assignment unless in relation to the whole of the Demised Premises or the Excepted Part as the circumstances require:

3.19.6.1. The proposed underlessee or assignee has first covenanted directly with the Landlord (jointly and severally if more than one):

3.19.6.1.1 to pay the rents reserved by the underlease and to perform and observe the covenants by the underlessee and the conditions to be contained in the underlease

3.19.6.1.2 not to grant any sub-underlease of part out of such proposed underlease and

3.19.6.1.3 not to do omit or suffer or permit in relation to the premises underlet any act or thing which would or might cause the Tenant to be in breach of this Lease or which if done omitted suffered or permitted by the Tenant would constitute a breach of this Lease

3.19.6.2. Any surety for the proposed underlessee or assignee shall first have covenanted with the Landlord (jointly and severally if more than one) as surety in such form as the Landlord shall reasonably require that the underlessee or assignee (as the case may be) will perform and observe the covenants by the underlessee and the conditions contained in the underlease and the covenants given by the underlessee pursuant to the foregoing sub-clause 3.19.6.1.1

3.19.6.3. Any proposed underlease is granted in a form first approved in writing by the Landlord (such approval not to be unreasonably withheld or

delayed) without any fine or premium being payable by the Tenant or the underlessee and at a rent equal to the then open market rent of the premises underlet being not less than the rent then payable hereunder if such underlease comprises the whole of the Demised Premises or not less than a due proportion of the rent then payable hereunder if such underlease comprises an Excepted Part (such rent in either case being payable in advance on the days on which rent is payable under this Lease) and contains provisions for the review of the rent thereby reserved on the basis and on the dates on which the rent hereby reserved is to be reviewed

3.19.6.4. The proposed underlease of an Excepted Part contains provisions for the repair and decoration by the underlessee of such Excepted Part and/or for the payment by the underlessee of a fair and proper proportion of the cost of repairing and decorating any part of the Demised Premises thereafter used in common by and/or being of common benefit to the Excepted Part and the remainder of the Demised Premises

3.19.6.5. Any proposed underlease of an Excepted Part which creates a tenancy to which Part II of the Landlord and Tenant Act 1954 applies contains an agreement authorised by the court pursuant to Section 38(4) of that Act excluding the provisions of Sections 24 to 28 inclusive thereof in relation to that underlease

3.19.7 Not to waive or vary any of the provisions of any underlease of the Demised Premises and (save where sensible commercial discretion dictates otherwise) to enforce (by proceedings arbitration or otherwise as may be appropriate) the covenants on the part of the underlessee and the provisions for review of rent contained in any underlease and not to agree any review of rent pursuant thereto without the prior written approval of the Landlord under this Lease which approval shall not be unreasonably withheld

3.19.8 The Landlord hereby acknowledges and agrees that the Tenant's contemplated use of the Demised Premises and the installation operation maintenance repair and replacement of telecommunications equipment and related facilities by the Tenant's customers and vendors shall not be in breach of the foregoing provisions of this Clause 3.19

3.20 Registration

3.20.1 Within 28 days next after any transfer assignment mortgage charge devolution underletting of or licence to occupy (derivative or otherwise) the Demised Premises to give written notice thereof to the Landlord and to leave with the Landlord a true copy of the instrument effecting or

evidencing such transmission or devolution of any estate or interest in the Demised Premises and to pay a reasonable fee being not less than Thirty Pounds ((Pounds)30) for the registration of each such notice

3.20.2 From time to time on demand during the Term to furnish the Landlord with full particulars of all derivative interests of or in the Demised Premises howsoever remote or inferior including particulars of the rents payable in respect of such derivative interests and such further particulars as the Landlord may require

3.21 Sale or Re-letting Notices

To permit the Landlord and the Landlord's agents at any time during the Term to enter upon the Demised Premises (but not the interior thereof) in order to affix upon the exterior thereof (but not so as materially to obstruct or interfere with the access of light and air to or the user to the Demised Premises) notice-boards or bills for selling the same and during the last six months of the Term howsoever determined for re-letting the same and that the Tenant will not remove or obscure such notice-boards or bills and will (as well before as during the said last six months of the Term) permit all persons authorised in writing by the Landlord and accompanied by the Landlord's designated representative and the Tenant's representative and after making a prior appointment of not less than 48 hours to view the Demised Premises at reasonable hours in the daytime

3.22 Permitted Use

Not to use the Demised Premises or any part thereof or suffer the same to be used otherwise than as an internet business exchange with ancillary offices and recreation areas or any use within Classes B1 B2 and/or B8 of the Schedule to the Town and Country Planning (Use Classes) Order 1987 and the Landlord acknowledges and agrees that the use by the Tenant as an internet business exchange shall include the installation operation maintenance repair and replacement of telecommunications equipment and related facilities within the Demised Premises

3.23 Nuisance

3.23.1 Not to do or permit or suffer any nuisance upon the Demised Premises and to abate any nuisance which may arise (whether or not through the act of any person) and not at any time to use the Demised Premises or any part thereof or allow the same to be used for any illegal or immoral purpose and not to hold any sale by auction or political meeting or public show upon the Demised Premises or use the same for gambling or residential or sleeping purposes or for any noisy offensive or dangerous trade manufacture or occupation

3.23.2 Without limiting the foregoing not to play any musical instrument or apparatus upon the Demised Premises which can be heard outside the Demised Premises and not to install or use in or upon the Demised Premises any machinery or apparatus which causes noise or vibration which can be heard or felt in any adjacent premises or which may cause any physical damage

3.24 Refuse Deleterious Materials

3.24.1 Not to cause or permit from the Demised Premises the discharge into any drains or sewers serving the Demised Premises of any oil grease or deleterious materials or any waste or matter which is prohibited by law or which causes or is likely to cause a nuisance or annoyance or any damage obstruction or destruction thereof and to make good or remedy any damage obstruction or destruction so caused to the reasonable satisfaction of the Landlord

3.24.2 Not to cause or permit the discharge into the air from the Demised Premises of any fumes smoke gas soot ash dust grit or other noxious emission which is prohibited by law or which causes or is likely to cause any nuisance annoyance damage or harm

3.24.3 Not to cause or permit from the Demised Premises any deposit in on or under the Demised Premises or any discharge or escape from the Demised Premises of any matter substance material waste or effluent which would cause or be likely to cause:

3.24.3.1. any nuisance annoyance damage or harm

3.24.3.2. any pollution of any watercourse or any controlled waters or

3.24.3.3. the Demised Premises or any other land to be contaminated land and for the purposes of this and the foregoing sub-clause:

"controlled waters" has the meaning given in Section 104 of the Water Resources Act 1991 and "harm" and "contaminated land" have the meanings given in Section 78A of the Environmental Protection Act 1990

3.24.4 Not to deposit any refuse or rubbish outside the

Demised Premises

3.24.5 Until its removal from the Demised Premises to store all refuse and rubbish in such manner as causes no fire or health hazard

3.24.6 Not to keep any material or liquid of a dangerous corrosive toxic contaminative combustibile explosive radioactive volatile unstable or offensive nature upon the Demised Premises

3.25 Loss of Easements

Not knowingly to obstruct or suffer to be obstructed any of the windows or light or any other privilege right or easement belonging to the Demised Premises or any buildings comprised in the Demised Premises nor to permit any new window light passage drain or other encroachment or easement to be made into against upon or over the Demised Premises or any part thereof and in case any encroachment or easement whatsoever shall be attempted to be made or acquired by any person or persons whomsoever to give notice thereof in writing to the Landlord immediately the same shall come to the notice of the Tenant and to do all such things as may be proper for preventing any new encroachment or easement being made or acquired

3.26 Tenant's Works

To carry out the works to the Demised Premises referred to in the Agreement for Lease within nine months of the date hereof to the reasonable satisfaction of the Landlord

3.27 To Observe Covenants Affecting Freehold

At all times during the Term to observe and comply with the covenants stipulations and provisions affecting the Demised Premises including (without prejudice to the foregoing) those contained or referred to in the deeds and documents brief particulars of which are specified in the Third Schedule hereto and to keep the Landlord indemnified against all losses damages claims costs and expenses in any way relating thereto or arising from any breach of this covenant

4. LANDLORD'S COVENANTS'

Quiet Enjoyment

The Landlord HEREBY COVENANTS with the Tenant that the Tenant paying the rents hereby reserved and observing and performing the several covenants and stipulations on the part of the Tenant herein contained shall peaceably hold and enjoy the Demised Premises throughout the Term without any interruption by the Landlord or any person rightfully claiming under or in trust for the Landlord or through title paramount

5. INSURANCE

5.1 Definition

In this Clause 5 "Insured Risks" means fire and such other risks as the Landlord shall in its reasonable discretion determine

5.2 Landlord's Covenants'

The Landlord covenants with the Tenant:

5.2.1 To Insure

To keep insured or cause to be insured at all times throughout the Term from and against loss or damage by the Insured Risks (subject in relation to any particular risk to insurance for that risk being ordinarily available with a reputable insurer for property such as the Demised Premises and subject to such excesses exclusions or limitations as the policy of insurance may stipulate):

5.2.1.1. the Demised Premises (but not the Tenant's or trade fixtures and fittings) to the full value of the cost of rebuilding the same (to be determined from time to time by the Landlord's surveyor and to include the cost of demolition and removal of debris plus professional fees in connection with such rebuilding and value added tax (or any tax substituted therefor or levied in addition thereto) payable on any of such costs and fees and to have due regard both to the time at which such loss or damage may be sustained and to any possible delay in the commencement and execution of such rebuilding) and

5.2.1.2. a sum representing three years' rent (taking account where appropriate of any anticipated reviews thereof) payable under this Lease

5.2.2 To Reinstate

In the event of damage to or destruction of the Demised Premises by any of the Insured Risks then subject to:

5.2.2.1. the provisions hereinafter contained in relation to frustration of rebuilding

5.2.2.2. the policy of insurance not having been vitiated or payment of the policy monies refused in whole or in part by reason of any act or default of the Tenant or any sub-tenant or licensee of the Tenant and

5.2.2.3. the Landlord being able to obtain all necessary consents which it will use all reasonable endeavours to obtain

the Landlord will lay out all monies received (and where insufficient make up the deficiency from its own funds in reinstating and rebuilding the Demised Premises with all convenient speed) PROVIDED THAT in the event of substantial damage to or destruction of the Demised Premises by an Insured Risk such rebuilding or reinstatement of the Demised Premises shall be either in the form in which they were immediately before the damage or destruction or in that form with such modifications as:

5.2.2.4. may be required by any competent authority as a condition of the grant of any consent

5.2.2.5. the Landlord may reasonably make to the design or specification thereof to reflect then current building practice or

5.2.2.6. the Landlord may otherwise reasonably require but so that the Demised Premises as rebuilt and reinstated shall provide accommodation not materially less convenient and commodious than that existing immediately before the destruction or damage

5.2.3 To Produce Evidence of Insurance

To produce to the Tenant upon written request (but not more than once in any insurance period save where there have been material changes) reasonable evidence of the terms of the insurance policy and of payment of the current premium

5.3 Tenant's Covenants'

The Tenant covenants with the Landlord:

5.3.1 Pay Costs of Insurance

To repay to the Landlord within 14 days of demand a sum or sums of money equal to the amount or amounts from time to time paid by the Landlord for the insurance of the Demised Premises in accordance with the foregoing covenants and against public and third party liability of the

Landlord and in the revaluation of the Demised Premises for insurance purposes (provided that such revaluations shall not be carried out more than once in any three year period)

5.3.2 Pay Excess

In the event of any insured damage occurring to pay to the Landlord on demand the amount of any excess to be borne by the Landlord pursuant to the policy of insurance

5.3.3 Insurers' Requirements

5.3.3.1. To comply with all requirements of the Landlord's insurers in respect of the Demised Premises and not to do or permit to be done in or upon the Demised Premises or any part thereof anything which may increase the premium upon any policy for the insurance of the Demised Premises or any other premises or which shall invalidate or preclude the renewal of any such policy of insurance or which may be prejudicial in any way to any claim which may fall to be made thereunder

5.3.3.2. If any damage to or destruction of the Demised Premises shall occur due to any of the Insured Risks and any insurance money under any insurance effected under the terms of this Lease shall be irrecoverable by reason solely or partly of any act or default of the Tenant or its servants agents underlessees invitees or any one for whom the Tenant is responsible then the Tenant will forthwith pay to the Landlord on demand the whole or (as the case may be) the irrecoverable part of the cost (including any costs of site and debris clearance and architects' quantity surveyors' engineers' and other professional person's fees and incidental expenses) of making good such damage or destruction

5.3.4 Unoccupied Premises

Without limiting the foregoing to immediately notify the Landlord in writing if the Tenant ceases to occupy or trade from the Demised Premises and to comply with all requirements of the Landlord's insurers (so far as not inconsistent

with the Tenant's obligations hereunder) in respect of the Demised Premises whenever the same shall be vacant and unoccupied

5.3.5 Information to Landlord

To inform the Landlord in writing of the cost of and the reinstatement value from time to time of all improvements additions fixtures and fittings to the Demised Premises made or affixed by the Tenant which may become Landlord's fixtures and fittings

5.3.6 Notice to Landlord of Damage

Upon becoming aware of forthwith give written notice to the Landlord of any damage to or destruction of the Demised Premises by any of the Insured Risks

5.3.7 Other Insurance

To insure and keep insured in an insurance office to be approved in writing by the Landlord:

5.3.7.1. all plate and armoured glass in the Demised Premises against loss or damage by accident to the full reinstatement value thereof

5.3.7.2. (to the extent not covered by insurance effected by the Landlord pursuant to sub-clause 5.2.1 hereof) all plant and machinery forming part of the Demised Premises against loss or damage due to explosion breakdown or other sudden or unforeseen cause and

5.3.7.3. any public and third party liability of the Tenant in respect of the Demised Premises

and whenever required to produce to the Landlord (but not more than once in any insurance period) the policy or policies of such insurance and the receipt for each last premium due in respect thereof and in case any such plant and machinery shall be destroyed or damaged by any Insured Risk all monies received in respect of the insurance thereof shall with all convenient speed be laid out in reinstating the same

5.4 Suspension of Rent

If at any time or times during the Term the Demised Premises or any part or parts thereof shall be destroyed or so damaged by any of the Insured Risks as to be unfit for occupation or use by the Tenant and the policy effected by the Landlord shall not have been vitiated or payment of the policy monies refused in whole or in part by reason of any act or default of the Tenant the rent firstly hereinbefore reserved or such part or parts thereof as is commensurate with the part or parts of the Demised Premises or means of access so rendered unfit for occupation or use shall cease to be payable from the happening thereof until the sooner of:

5.4.1 the date when the same has or have been fully reinstated and rendered fit for occupation and use or

5.4.2 the date following the expiration of the period of loss of rent insurance to be effected by the Landlord hereunder or (if it shall occur) the postponed date of determination certified pursuant to sub-clause 5.5.1 hereof

5.5 Determination

5.5.1 If reinstatement of the Demised Premises pursuant to sub-clause 5.2.2 hereof shall not have been completed so as to render the Demised Premises suitable for occupation and use on the day immediately following the expiration of the period of loss of rent insurance to be effected by the Landlord hereunder (in this Clause referred to as "Relevant Period") then either the Landlord or the Tenant may at any time thereafter (but not after the date of practical completion in relation to such reinstatement) determine this Lease by giving written notice to the other Provided That if before the expiration of the Relevant Period the Landlord's surveyor shall certify in writing a date not later than six months after the expiration of the Relevant Period by which in his opinion such reinstatement shall be so completed then such right of determination shall be postponed to the date so certified

5.5.2 Any such determination shall be without prejudice to any claim by either party against the other in respect of any antecedent breach of covenant upon such determination any insurance monies shall belong to the Landlord absolutely

5.6 Insurance in the Landlord's Office'

If the Landlord for the time being is an insurance company or a member of a group of companies which includes an insurance company it shall be entitled to effect or maintain in its own office or in the office of any insurance company within such group any insurance it is required to effect pursuant to this Lease

and the premiums charged by the Landlord or such other company shall for the purpose of any covenant by the Tenant to pay or contribute towards the cost of such insurance be deemed to have been paid by the Landlord on the first day of the period of insurance to which the relevant premium relates

6. PROVISOS

PROVIDED ALWAYS AND IT IS HEREBY AGREED as follows:

6.1 Interest on Rents in Arrear

If the rents hereby reserved or any part thereof or any other monies payable to the Landlord hereunder shall not be paid on any of the days herein appointed for payment (whether legally demanded or not) or if payment of the same shall be proffered to but not accepted by the Landlord during the subsistence of any breach of covenant by the Tenant which the Landlord reasonably considers would be waived by such acceptance the said rents or the parts thereof or other monies unpaid as aforesaid shall bear interest at the Prescribed Rate from the date when the same shall become due until the date of actual payment whether after or before any judgment and such interest shall for all purposes be treated as rent in arrear and be recoverable by distress or other process of law Provided That nothing in this Clause shall entitle the Tenant to withhold or delay any payment of the rent after the date upon which it first falls due or in any way prejudice affect or derogate from the rights of the Landlord under the proviso for re-entry hereinafter contained

6.2 For Re-entry

If and whenever:

6.2.1 the rents hereby reserved or any part thereof shall be in arrear or unpaid for 21 days after becoming payable (whether formally demanded or not) or

6.2.2 there shall be any material breach non-performance or non-observance of any covenants conditions or agreements herein contained and on the part of the Tenant to be performed or observed which is not remedied within 14 days of receiving notice from the Landlord that such breach subsists or

6.2.3 where the Tenant for the time being is a company:

6.2.3.1. an order is made or a resolution passed for the winding-up of the Tenant or

6.2.3.2. a provisional liquidator is appointed in respect of the Tenant or

6.2.3.3. an administration order is made in respect of the Tenant or

6.2.3.4. a receiver (including an administrative receiver) is appointed in respect of the Tenant or any assets of the Tenant or

6.2.3.5. any voluntary arrangement is proposed pursuant to Part I of the Insolvency Act 1986 in respect of the Tenant or

6.2.3.6. the Tenant shall otherwise cease for any other reason to be or to remain liable under its covenants contained in or arising from this Lease or cease for any reason to maintain its corporate existence or

6.2.4 where the Tenant for the time being is an individual:

6.2.4.1. the Tenant proposes a voluntary arrangement under Part VIII of the Insolvency Act 1986 or

6.2.4.2. the Tenant suffers a bankruptcy order to be made under the said Act or shall petition the court for his or her own bankruptcy or

6.2.5 the Tenant shall enter into any arrangement or composition for the benefit of the creditors of the Tenant or shall suffer any distress or execution to be levied on the goods of the Tenant

THEN and in any such case it shall be lawful for the Landlord at any time thereafter to re-enter the Demised Premises or any part thereof in the name of the whole and to peaceably hold and enjoy the same as if this Lease had not been granted and thereupon the Term shall absolutely determine but without prejudice to any right of action of the Landlord in respect of any antecedent breach by the Tenant of any of the obligations on the part of the Tenant herein contained

6.3 Rent Demands

The demand for or the acceptance of rent or any other monies due under this Lease by the Landlord or its agents shall not waive any breach of the Tenant's covenants or the conditions contained in this Lease and any such breach shall for all purposes of this Lease constitute a continuing breach

6.4 Consents Easements Notices etc.

6.4.1 Any licence or consent to be given by the Landlord pursuant to this Lease shall unless the Landlord otherwise first expressly agrees in writing be given only by deed under seal duly executed by the Landlord

6.4.2 The Tenant shall not by virtue of this demise be deemed to have acquired or be entitled to nor shall it during the Term acquire or become entitled by any means whatever in respect of the Demised Premises to any easement from or over or affecting any other land or premises now or at any time hereafter belonging to the Landlord and not comprised in this demise

6.4.3 Notwithstanding any rights hereby granted to the Tenant and the covenants by the Landlord contained in this Lease the Landlord may at any time hereafter without obtaining any consent from the Tenant and without paying any compensation to the Tenant erect any new buildings of any height depth or width on any land not included in this demise now or at any time hereafter belonging to the Landlord or raise to any height or extend or add to in width or depth or otherwise alter any existing or new building on any such land whether or not such new or extended or altered building may obstruct or affect the passage of light and air or the access to the Demised Premises or any new building replacing the Demised Premises in whole or in part

6.4.4 The Landlord may settle or compromise with any other party any claim or entitlement in respect of interference to or infringement of any rights of light or air or any other easement or enjoyment to which the Demised Premises may from time to time be entitled on such terms and conditions as the Landlord in its discretion may think fit without the consent or approval of the Tenant and without being liable to the Tenant for any damages or compensation whatsoever in respect thereof

6.4.5 Any notice to be served or given hereunder shall be sufficiently served or given:

6.4.5.1 on or to the Tenant if delivered to or sent by recorded delivery or registered post to the Tenant at the Demised Premises or to its usual principal place of business in the United Kingdom or (if a company) to its registered office which at the date of such delivery or sending is registered with the Registrar of Companies or (if an individual) to his usual place of abode in the United Kingdom and if sent by recorded delivery or registered post such service shall be deemed to be made on the working day following the date of posting and

6.4.5.2 on or to the Landlord if delivered to or sent by recorded delivery or registered post to the Landlord at its registered office which at the date of such delivery or sending is registered with the Registrar of Companies or to such other address for service as the Landlord shall from time to time notify in writing to the Tenant hereunder and if sent by recorded delivery or registered post such service shall be deemed to be made on the working day following the date of posting

6.4.6 The Clause headings hereto and the heading of any Schedule hereto shall not affect the construction of this Lease

6.5 No Warranty by Landlord

The Landlord gives no warranty express or implied that the use of the Demised Premises or any part thereof for any specific purpose is authorised under the Planning Acts or otherwise or that the Demised Premises or any part thereof are suitable for the purpose of the Tenant or for any purpose

7. RENT REVIEW

7.1 With effect from each of the fifth tenth fifteenth and twentieth anniversaries of the date on which the Term is herein expressed to commence (the date of the relevant anniversary being "Review Date") the rent firstly hereby reserved payable hereunder shall be the Reviewed Rent as defined in Clause 7.2 hereof

7.2 The Reviewed Rent shall be whichever is the greater of:

7.2.1 the rent payable hereunder immediately prior to the Review Date (but ignoring for such purpose any suspension of rent pursuant to the terms of this Lease) or

7.2.2 the open market rent which would become payable for the Demised Premises after the expiry of a rent free period for fitting out works of such length as would be negotiated on a letting of the Demised Premises at the Review Date if the Demised Premises were so let with vacant possession in the open market by a willing landlord to a willing tenant without payment of any

premium or other capital sum by the Tenant for a term of 10 years commencing on the Review Date and on the same terms in all other respects as this Lease except the rent hereby firstly reserved but including the same provisions for rent review as are herein contained but effective from every fifth anniversary of the date of commencement of the term of such letting

Assuming:

7.2.3 that the Demised Premises may be used for any use within the same Class in the Schedule to the Town and Country Planning (Use Classes) Order 1987 as any use from time to time permitted hereunder

7.2.4 that the Demised Premises are ready for immediate use and occupation

7.2.5 that all the Tenant's obligations herein have been complied with

7.2.6 that any destruction of or damage to the Demised Premises has been made good before the Review Date

7.2.7 that any additions or alterations carried out on or to the Demised Premises during the Term which have diminished the rental value of the Demised Premises have been removed or reinstated

7.2.8 that the Tenant and any prospective willing tenant is registered as a taxable person under the Value Added Tax Act 1994 and is entitled to credit as input tax any value added tax payable by the Tenant on the rents and other sums payable to the Landlord hereunder

7.2.9 that no reduction is to be made to take account of any rental concession or other inducement for fitting out works which on a new letting with vacant possession might be granted to an incoming tenant

7.2.10 that the gross internal floor area of the Demised Premises is [*] square feet

But disregarding:

7.2.11 any effect on rent of the fact that the Tenant any authorised sub-tenant or their respective predecessors in title have been in occupation of the Demised Premises

7.2.12 any goodwill attached to the Demised Premises by reason of the carrying on thereof of the business of the Tenant any authorised sub-tenant or their respective predecessors in title and

7.2.13 any increase in rental value of the Demised Premises attributable to the existence at the Review Date of any improvement to the Demised Premises or any part thereof carried out with the prior written consent of the Landlord where required otherwise than pursuant to an obligation to the Landlord or its predecessors in title by the Tenant any authorised sub-tenant or their respective predecessors in title during the Term or during any period of occupation prior thereto arising out of any agreement to grant the Term (it being acknowledged that the items of works described in the Agreement for Lease constitute improvements to be disregarded under this sub-clause 7.2.13 or

7.2.14 the rent payable on the basis of the operation of the following formula:

$A \times B$

where A is the rent per square foot per annum based on [%] of the open market rental value which would be payable for a [*] square foot industrial and/or warehouse building of the same specification as the Demised Premises of not less than five years in age situated within a three mile radius of the Demised Premises and otherwise on the same terms and conditions as set out in sub-clause 7.2.2 (other than sub-clause 7.2.10) and

where B is [*] square feet

*CONFIDENTIAL TREATMENT REQUESTED. CONFIDENTIAL PORTION HAS BEEN FILED SEPARATELY WITH THE SECURITIES AND EXCHANGE COMMISSION.

7.3.1 The Landlord and the Tenant (or their respective surveyors) may at any time consult together and endeavour to reach agreement as to the amount of the Reviewed Rent

7.3.2 If the Landlord and the Tenant (or their surveyors as aforesaid) shall fail so to consult or to agree upon the Reviewed Rent by the date one calendar month after the Review Date (or within such extended period as the Landlord and the Tenant mutually agree in writing) the determination of the Reviewed Rent may at the instance of either party be referred to a duly

qualified independent surveyor to be appointed by agreement between the Landlord and the Tenant and in default of such agreement to be appointed on the application of either party by the President or any Vice-President for the time being of the Royal Institution of Chartered Surveyors (who shall from time to time if necessary appoint a successor or successors) and any surveyor appointed shall act as an independent expert and the costs thereof shall be paid as determined by the surveyor or in the absence of any such determination by the Landlord and the Tenant in equal shares

7.3.3 In acting as an independent expert the surveyor shall allow the parties to submit representations and cross-representations as to their opinion of the Reviewed Rent and shall have due regard to the same but shall nevertheless determine the Reviewed Rent in his own absolute discretion

7.4 Forthwith after the Reviewed Rent has from time to time been ascertained in accordance with the foregoing provisions a memorandum specifying the Reviewed Rent shall be recorded in writing by separate instrument and signed by or on behalf of the Landlord and the Tenant and shall at all times thereafter be conclusive evidence of the amount of the rent then payable and the Tenant shall pay the Landlord's costs of preparing and completing such memorandum

7.5.1 The Tenant shall as from and including the Review Date pay the Reviewed Rent at the time and in manner aforesaid which Reviewed Rent shall remain payable until it shall be further increased pursuant to the provisions of this Clause or until the expiration of the Term (whichever shall first occur)

7.5.2 If the Reviewed Rent shall for any reason not have been ascertained prior to the Review Date the Tenant shall continue to pay rent at the rate payable immediately prior to the Review Date until the Reviewed Rent shall have been ascertained and upon the date ("Due Date") 14 days after the date of such ascertainment there shall be payable (in addition to any rent then due and payable at the rate of the Reviewed Rent):

7.5.2.1. such sum ("Addition") as with the rent already paid for the period from and after the Review Date down to the Quarter Day following the Due Date will equal the total amount of the Reviewed Rent payable for that period and

7.5.2.2. interest at the 3% below the Prescribed Rate from the Review Date to the Due Date calculated on a day-to-day basis and compounded

quarterly on the Quarter Days on so much of the Addition as would from time to time have become payable if the Reviewed Rent had been ascertained prior to the Review Date

7.6 If at any Review Date the Landlord is prevented by any Act of Parliament from reviewing rent pursuant to this Clause then the Landlord may by written notice to the Tenant postpone such Review Date to the first day upon which such review may lawfully be implemented but if the Landlord shall not so require then the Review Date shall be that specified hereunder or as otherwise stipulated or permitted by such Act of Parliament

8. TENANT'S RIGHT OF DETERMINATION

The Tenant may determine this Lease on the fifteenth and/or twentieth anniversary of the Term (either such date hereinafter referred to as "Determination Date") if the Tenant gives to the Landlord not less than 12 months' prior written notice of such determination expiring on the Determination Date and if such notice is given and if the Tenant shall up to the Determination Date have:

8.1 paid all rents due under this Lease

8.2 performed its obligations pursuant to Clause 3.9 above and

8.3 either the Reinstatement Notice (as defined below) has been complied with or the Reinstatement Sum (as defined below) has been paid to the Landlord in accordance with the following provisions:

8.3.1 the Landlord shall instruct the Landlord's surveyor (who shall act as an independent and impartial expert) to inspect the Demised Premises no later than six weeks prior to the Determination Date

8.3.2 the Landlord's surveyor shall be instructed to notify the Tenant in writing ("Reinstatement Notice") no later than four weeks prior to the Determination Date of any works which in the reasonable opinion of the Landlord's surveyor must be undertaken by the Tenant in order to comply with the obligations contained in Clause 3.9 by the Determination Date ("Reinstatement Works") and what in the reasonable opinion of the Landlord's surveyor represents the proper and reasonable cost of carrying out the Reinstatement Works ("Reinstatement Sum")

8.3.3 if a Reinstatement Notice shall be served on the

Tenant and the Reinstatement Works shall not have been completed to the reasonable satisfaction of the Landlord's surveyor on or before the Determination Date then the Tenant shall on the Determination Date or within seven working days of written demand whichever shall be the later pay to the Landlord the Reinstatement Sum and

8.3.4 the Landlord shall immediately place the Reinstatement Sum in a separate designated interest bearing deposit account and shall apply the Reinstatement Sum in carrying out and completing the Reinstatement Works as soon as is reasonably practicable and in any event within three months after the Determination Date and shall within seven working days after completion of the Reinstatement Works or the expiry of the said three

month period whichever shall be the earlier pay to the Tenant any difference between the Reinstatement Sum and the costs actually incurred by the Landlord in carrying out the Reinstatement Works together with all interest accrued on the balance of the Reinstatement Sum being repaid to the Tenant (less any tax properly payable on such interest) and the Landlord shall at the request of the Tenant produce satisfactory documentary evidence of the sums so incurred

then on the Determination Date this Lease shall absolutely determine and be of no further effect but such determination shall be without prejudice to the rights of either party in respect of any antecedent claim or breach of covenant or condition hereunder

9. 1995 ACT

It is agreed and declared that the tenancy hereby created is a new tenancy for the purposes of the 1995 Act

10. CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999

Unless otherwise expressly stated nothing in this Lease shall create or confer any rights or other benefits pursuant to the Contracts (Rights of Third Parties) Act 1999 in favour of any person other than the parties to this Lease

IN WITNESS whereof this Deed has been duly executed and delivered unconditionally on the date first before written

THE FIRST SCHEDULE

THE DEMISED PREMISES

The land and buildings known as [*] London [*] shown for identification purposes only edged red on the attached plan

*CONFIDENTIAL TREATMENT REQUESTED. CONFIDENTIAL PORTION HAS BEEN FILED SEPARATELY WITH THE SECURITIES AND EXCHANGE COMMISSION.

THE SECOND SCHEDULE

Rights Granted

1. The exclusive right to use the airspace above the Demised Premises for all reasonable purposes in connection with the use and enjoyment of the Demised Premises and the construction and retention of any alteration or addition to the Demised Premises for consent has been obtained pursuant to the provisions of this Lease and for the proper performance and observance of the Tenant's covenants and the conditions herein contained but not further or otherwise
2. The exclusive right to exhibit signs as detailed in sub-clause 3.10.2

THE THIRD SCHEDULE

Subjections

All matters contained or referred to in the property and charges registers of title numbers [*] and [*]

*CONFIDENTIAL TREATMENT REQUESTED. CONFIDENTIAL PORTION HAS BEEN FILED SEPARATELY WITH THE SECURITIES AND EXCHANGE COMMISSION.

THE FOURTH SCHEDULE

Covenants by Surety

Director

THE COMMON SEAL of)
EQUINIX UK LIMITED)
was hereunto affixed in the presence of:)

Director

Secretary

LEASE AGREEMENT

THIS LEASE AGREEMENT is made this 20th day of March, 2000, between ARE-2425/2400/2450 Garcia Bayshore LLC, a Delaware limited liability company ("Landlord"), and EQUINIX, INC., a Delaware corporation ("Tenant").

Address: 2425 Garcia Avenue, Mountain View, California

Premises: That portion of the Project, containing approximately 13,700 rentable square feet, as determined by Landlord, as shown on Exhibit A, and being 100% of the rentable square footage of the building located at 2425 Garcia Avenue, Mountain View, California ("Building").

Project: The real property on which the building in which the Premises are located, together with all improvements thereon and appurtenances thereto as described on Exhibit B.

<TABLE>			
<S>	<C>	<C>	<C>
Base Rent:	\$3.85/rentable square foot/month	Rentable Area of Premises:	13,700 sq. ft.
Rentable Area of Project:	98,964 sq. ft.	Tenant's Share of Operating Expenses:	100%
Building's Share of the Project:	13.84%	Security Deposit:	None.
Target Delivery Date:	May 1, 2000		
</TABLE>			

Rent Adjustment Percentage: CPI Adjustment Percentage (as defined in Section 4) but not less than 3% nor more than 5% annually.

Base Term: Commencing on the Delivery Date and continuing until April 30, 2007

Permitted Use: Office and related uses consistent with the character of the Building

Address for Rent Payment: Landlord's Notice Address:

135 N. Los Robles Avenue,
Suite 250 Pasadena, CA 91101
Attention: Accounts Receivable

135 N. Los Robles Avenue, Suite 250
Pasadena, CA 91101
Attention: General Counsel

Tenant's Notice Address:
901 Marshall Street

Redwood City, CA 94063
Attention: Mr. Philip Koen

The following Exhibits and Addenda are attached hereto and incorporated herein by this reference:

<TABLE>		
<S>	<C>	
[X] EXHIBIT A - PREMISES DESCRIPTION	[X] EXHIBIT B - DESCRIPTION OF PROJECT	
[X] EXHIBIT C - WORK LETTER	[X] EXHIBIT D - DELIVERY DATE	
[X] EXHIBIT E - RULES AND REGULATIONS	[X] EXHIBIT F - TENANT'S PERSONAL PROPERTY	
[X] EXHIBIT G - ESTOPPEL CERTIFICATE	[X] EXHIBIT H - NONDISTURBANCE AGREEMENT	
</TABLE>		

1. Lease of Premises. Upon and subject to all of the terms and conditions hereof, Landlord hereby leases the Premises to Tenant and Tenant hereby leases the Premises from Landlord. The portions of the Project which are for the non-exclusive use of tenants of the Project are collectively referred to herein as the "Common Areas." Landlord reserves the right to modify Common Areas, provided that such modifications do not materially adversely affect Tenant's use of the Premises for the Permitted Use.

2. Delivery; Acceptance of Premises; Delivery Date. Landlord shall use reasonable efforts to make the Premises available to Tenant for Tenant's Work under the Work Letter on the Target Delivery Date ("Delivery" or "Deliver"); provided that Tenant may not enter the Premises unless and until Tenant has delivered to Landlord evidence of the insurance required hereby and by the Work Letter. If Landlord fails to timely Deliver the Premises, Landlord shall not be liable to Tenant for any loss or damage resulting therefrom, and

this Lease shall not be void or voidable except as provided herein. If Landlord does not Deliver the Premises within 60 days of the Target Delivery Date for any reason other than Force Majeure delays, this Lease shall be voidable by Tenant by written notice to Landlord, and if so voided: (a) so long as Tenant is not in default hereunder, the Security Deposit shall be returned to Tenant, and (b) neither Landlord nor Tenant shall have any further rights, duties or obligations under this Lease, except with respect to provisions which expressly survive termination of this Lease. As used herein, the term "Force Majeure" shall have the meaning set forth for such terms in Section 34. If Tenant does not elect to void this Lease within 5 business days of the lapse of such 60 day period, such right to void this Lease shall be waived and this Lease shall remain in full force and effect. Nothing herein shall in any way limit Landlord's right to terminate this Lease pursuant to Sections 18 or 19 hereof.

The "Delivery Date" shall be the date Landlord Delivers the Premises to Tenant Upon request of Landlord, Tenant shall execute and deliver a written acknowledgment of the Delivery Date and the expiration date of the Term when such are established in the form attached to this Lease as Exhibit D; provided, however, Tenant's failure to execute and deliver such acknowledgment shall not affect Landlord's rights hereunder. The "Term" of this Lease shall be the Base Term and any Extension Terms which Tenant may elect pursuant to Section 40 hereof.

Except as set forth in the Work Letter and Section 7 regarding Landlord's obligations with respect to the compliance of the Premises with Legal Requirements as of the Delivery Date, if applicable: (i) Tenant shall accept the Premises in their condition as of the Delivery Date, subject to all applicable laws, ordinances, regulations, covenants and restrictions; (ii) Landlord shall have no obligation for any defects in the Premises; and (iii) Tenant's taking

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possession of the Premises shall be conclusive evidence that Tenant accepts the Premises and that the Premises were in good condition at the time possession was taken. Any occupancy of the Premises by Tenant before the Delivery Date shall be subject to all of the terms and conditions of this Lease.

Tenant agrees and acknowledges that neither Landlord nor any agent of Landlord has made any representation or warranty with respect to the condition of any or all of the Premises or the Project, and/or the suitability of the Premises or the Project for the conduct of Tenant's business, and Tenant waives any implied warranty that the Premises or the Project are suitable for the Permitted Use. This Lease constitutes the complete agreement of Landlord and Tenant with respect to the subject matter hereof and supersedes any and all prior representations, inducements, promises, agreements, understandings and negotiations which are not contained herein. Landlord in executing this Lease does so in reliance upon Tenant's representations, warranties, acknowledgments and agreements contained herein.

3. Rent.

(a) Base Rent. Tenant shall pay to Landlord in advance, without demand, abatement, deduction or set-off, monthly installments of Base Rent on or before the first day of each calendar month during the Term hereof, in lawful money of the United States of America, at the office of Landlord for payment of Rent set forth above, or to such other person or at such other place as Landlord may from time designate in writing. Payments of Base Rent for any fractional calendar month shall be prorated and paid on the basis of a 30 day month. The obligation of Tenant to pay Base Rent and other sums to Landlord and the obligations of Landlord under this Lease are independent obligations. Tenant shall have no right at any time to abate, reduce, or set-off any Rent due hereunder except for any abatement as may be expressly provided in this Lease. Notwithstanding anything herein to the contrary, so long as Tenant is not in Default, Base Rent shall not be due or payable until August 1, 2000; provided, however, that if the Premises are not available for Delivery (whether or not this Lease has then been executed) on May 1, 2000, Base Rent shall not be due until August 1, 2000, plus the number of days from May 1, 2000, until the date the Premises are ready for Delivery to Tenant.

(b) Additional Rent. In addition to Base Rent, Tenant agrees to pay to Landlord as additional rent ("Additional Rent"): (i) Tenant's Share of "Operating Expenses," and (ii) any and all other amounts Tenant assumes or agrees to pay under the provisions of this Lease, including, without limitation, any and all other sums that may become due by reason of any default of Tenant or failure to comply with the agreements, terms, covenants and conditions of this Lease to be performed by Tenant, after any applicable notice and cure period.

4. Base Rent Adjustments.

(a) Additional Tenant Improvement Allowance. For every dollar, or portion thereof, of the Additional Tenant Improvement Allowance (as defined in the Work

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Letter) disbursed by Landlord as provided in the Work Letter, Base Rent shall increase by 0.018 per rentable square foot per month.

(b) CPI Adjustment Percentage. Base Rent shall be increased on each annual anniversary of the first day of the first full month during the Term of this Lease by multiplying the Base Rent payable immediately before such adjustment by the Rent Adjustment Percentage and adding the resulting amount to the Base Rent payable immediately before such adjustment. Base Rent, as so adjusted, shall thereafter be due as provided herein. Base Rent adjustments for any fractional calendar month shall be prorated. "CPI Adjustment Percentage" means a fraction, stated as a percentage, the numerator of which shall be the Index for the calendar month 3 months before the month in which the Base Rent adjustment is to be made, and the denominator of which shall be the Index for the calendar month 3 months before the last Base Rent adjustment or, if no prior Base Rent adjustment has been made, 3 months before the first day of the first full month during the Term of this Lease. Landlord shall give Tenant written notice indicating the Base Rent, as adjusted pursuant to this Section, and the method of computation, and Tenant shall pay to Landlord an amount equal to any underpayment of Base Rent by Tenant within fifteen days of Landlord's notice to Tenant. "Index" means the "Consumer Price Index-All Urban Consumers-San Francisco Metropolitan Area" compiled by the U.S. Department of Labor, Bureau of Labor Statistics, (1982-84 = 100). If a substantial change is made in the Index, the revised Index shall be used, subject to such adjustments as Landlord may reasonably deem appropriate in order to make the revised Index comparable to the prior Index. If the Bureau of Labor Statistics ceases to publish the Index, then the successor or most nearly comparable index, as reasonably determined by Landlord, shall be used, subject to such adjustments as Landlord may reasonably deem appropriate in order to make the new index comparable to the Index.

5. Operating Expense Payments. Landlord shall deliver to Tenant a written estimate of Operating Expenses for each calendar year during the Term (the "Annual Estimate"), which may be revised by Landlord from time to time during such calendar year. During each month of the Term, on the same date that Base Rent is due, Tenant shall pay Landlord an amount equal to 1/12 of the annual cost, as reasonably estimated by Landlord from time to time, of Tenant's Share of Operating Expenses. Payments for any fractional calendar month shall be prorated.

The term "Operating Expenses" means all costs and expenses of any kind or description whatsoever incurred or accrued by Landlord with respect to the Building (including the Building's Share of all costs and expenses of any kind or description incurred or accrued by Landlord with respect to the Project which are not specific to the Building or any other building located in the Project) (including Taxes, reasonable reserves consistent with good business practice for future repairs and replacements, capital repairs and improvements amortized over the lesser of 7 years and the useful life of such capital items (provided that any replacement roof shall be amortized over 10 years) and only the portion of the costs so amortized during the Term of the Lease shall be included in Operating Expenses, and the costs of Landlord's third party

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property manager or, if there is no third party property manager, administration rent in the amount of 3.0% of Base Rent), excluding only:

(a) the original design and construction costs of the Project and renovation prior to the date of the Lease and costs of correcting defects in such original construction or renovation;

(b) completing, fixturing, improving, renovating, painting, redecorating or other work, which Landlord pays for or performs for specific tenants within their premises and costs of correcting defects in such work;

(c) capital expenditures for expansion of the Project;

(d) interest, financing costs, principal and amortization of funds borrowed by Landlord, whether secured or unsecured and all payments of base rent (but not taxes or operating expenses) under any ground lease;

(e) depreciation of the Project (except for capital improvements, the cost of which are includable in Operating Expenses);

(f) advertising, legal and space planning expenses and leasing commissions and other costs and expenses incurred in procuring tenants for the Project, including any leasing office maintained in the Project;

(g) salaries, wages, benefits and other compensation paid to officers and employees of Landlord who are not assigned in whole or in part to the operation, management, maintenance or repair of the Project;

(h) costs of utilities (other than for Common Areas exterior to other buildings in the Project);

(i) any expenses otherwise includable within Operating Expenses to the extent actually reimbursed by persons other than tenants of the Project under leases for space in the Project;

(j) legal and other expenses incurred in the negotiation or enforcement of leases or in the enforcement of Landlord's title or interest in the Project or any part thereof;

(k) costs relating to maintaining Landlord's existence, either as a corporation, partnership, or other entity;

(l) costs (including attorneys' fees and costs of settlement, judgments and payments in lieu thereof) arising from claims, disputes or potential disputes pertaining to Landlord, but not the Project, or from Landlord's failure to make any payment required to be made by Landlord hereunder before delinquency;

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(m) costs incurred by Landlord due to the violation by Landlord, its employees, agents or contractors or any tenant of the terms and conditions of any lease of space in the Project or any Legal Requirement;

(n) tax penalties incurred as a result of Landlord's negligence, inability or unwillingness to make payment and/or to file any tax or informational returns when due;

(o) overhead and profit increment paid to the Landlord or to subsidiaries or affiliates of Landlord for goods and/or services in or to the Project to the extent the same exceeds the costs of such goods and/or services rendered by unaffiliated third parties on a competitive basis;

(p) costs arising from Landlord's charitable or political contributions or fine art maintained at the Project;

(q) costs to be reimbursed by other tenants of the Project, whether or not actually paid;

(r) costs in connection with services (including electricity), items or other benefits of a type which are not standard for the Project and which are not available to Tenant without specific charges therefor, but which are provided to another tenant or occupant of the Project, whether or not such other tenant or occupant is specifically charged therefore by Landlord;

(s) costs incurred in the sale or refinancing of the Project;

(t) net income, franchise, capital stock, estate or inheritance taxes;

(u) costs incurred by reason of the remediation or other environmental response regarding any contamination of the Premises or the Project or soils or groundwater thereunder, by Hazardous Materials, except to the extent such contamination first originates during the Term as the result of a breach by Tenant of its obligations under Section 30; and

(v) any deductible on a Landlord insurance policy to the extent exceeding \$25,000, or, in the case of a claim for earthquake damage, 5% of the value of the Building.

Within 90 days after the end of each calendar year (or such longer period as may be reasonably required), Landlord shall furnish to Tenant a statement (an "Annual Statement") showing in reasonable detail: (a) the total and Tenant's Share of actual Operating Expenses for the previous calendar year, and (b) the total of Tenant's payments in respect of Operating Expenses for such year. If Tenant's Share of actual Operating Expenses for such year exceeds Tenant's payments of Operating Expenses for such year, the excess shall be due and payable by Tenant as Rent within 30 days of Landlord's delivery of the Annual Statement. If Tenant's payments of Operating Expenses for such year exceed Tenant's Share of actual Operating Expenses for such year Landlord shall, in its sole and absolute discretion, either: (i) credit the excess amount to the next succeeding installments of Operating Expenses due hereunder, or (ii) pay the excess to Tenant within 30 days after delivery of such Annual Statement, except that

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after expiration, or earlier termination of the Term, Landlord shall pay the excess to Tenant within such 30 day period, after deducting all other amounts due Landlord.

The Annual Statement shall be final and binding upon Tenant unless Tenant, within 30 days after Tenant's receipt thereof, shall contest any item therein by giving written notice to Landlord, specifying each item contested and the reason therefor. If, during such 30 day period, Tenant reasonably and in good faith questions or contests the correctness of Landlord's statement of Tenant's Share of Operating Expenses, Landlord will provide Tenant with access to Landlord's books and records relating to the operation of the Project and such information as Landlord reasonably determines to be responsive to Tenant's questions. If after Tenant's review of such information, Landlord and Tenant cannot agree upon the amount of Tenant's Share of Operating Expenses, then Tenant shall have the right to have an independent public accounting firm selected from among the largest in the United States, hired by Tenant (at Tenant's sole cost and expense) and approved by Landlord (which approval shall not be unreasonably withheld or delayed), audit and/or review Landlord's books and records relating to the operation of the Project and such other information relating to the operation of the Project for the year in question (the "Independent Review"). The results of any such Independent Review shall be binding on Landlord and Tenant. If the Independent Review shows that Tenant's pro rata share of the Operating Expenses actually paid by Tenant for the calendar year in question exceeded Tenant's obligations for such calendar year, Landlord shall at Landlord's option either (i) credit the excess amount to the next succeeding installments of estimated Operating Expenses or (ii) pay the excess to Tenant within 30 days after delivery of such statement, except that after expiration or earlier termination of the Term, Landlord shall pay the excess to Tenant within such 30 day period, after deducting all other amounts due Landlord. If the Independent Review shows that Tenant's payments of Tenant's Share of Operating Expenses for such calendar year were less than Tenant's obligation for the calendar year, Tenant shall pay the deficiency to the Landlord within 30 days after delivery of such statement. If the Independent Review shows that Tenant has overpaid Tenant's pro rata share of Operating Expenses by more than 5% then Landlord shall reimburse Tenant for all costs incurred by Tenant for the Independent Review. Operating Expenses for the calendar years in which Tenant's obligation to share therein begins and ends shall be prorated. Notwithstanding anything set forth herein to the contrary, if the Project is not at least 95% occupied on average during any year of the Term, Tenant's Share of Operating Expenses for such year shall be computed as though the Project had been 95% occupied on average during such year.

"Tenant's Share" shall be the percentage set forth on the first page of this Lease as Tenant's Share as reasonably adjusted by Landlord for changes in the physical size of the Premises or the Project occurring thereafter. Landlord may equitably increase Tenant's Share for any item of expense or cost reimbursable by Tenant that relates to a repair, replacement, or service that benefits only the Premises or only a portion of the Project that includes the Premises or that varies with occupancy or use. Base Rent, Tenant's Share of Operating Expenses and all other amounts payable by Tenant to Landlord hereunder are collectively referred to herein as "Rent."

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6. Security Deposit. Intentionally omitted.

7. Use. The Premises shall be used solely for the Permitted Use set forth in the Basic Lease Provisions, in compliance with all laws, orders, judgments, ordinances, regulations, codes, directives, permits, licenses, covenants and restrictions now or hereafter applicable to the Premises, and the use and occupancy thereof (collectively, "Legal Requirements"). Tenant shall, upon 5 days' written notice from Landlord, discontinue any use of the Premises which is declared by any governmental authority having jurisdiction to be a violation of any Legal Requirement. Tenant will not use or permit the Premises to be used for any purpose or in any manner that would void Tenant's or Landlord's insurance, increase the insurance risk, or cause the disallowance of any sprinkler or other credits. Tenant shall reimburse Landlord promptly upon demand for any additional premium charged for any such insurance policy by reason of Tenant's failure to comply with the provisions of this Section or otherwise caused by Tenant's use and/or occupancy of the Premises. Tenant will use the Premises in a careful, safe and proper manner and will not commit waste, overload the floor or structure of the Premises, subject the Premises to use that would damage the Premises or obstruct or interfere with the rights of Landlord or other tenants or occupants of the Project, including conducting or giving notice of any auction, liquidation, or going out of business sale on the Premises, or using or allowing the Premises to be used for any unlawful purpose. Tenant shall cause any equipment or machinery to be installed in the Premises so as to reasonably prevent sounds or vibrations therefrom from extending into Common Areas, or other space in the Project. Tenant shall not place any machinery or equipment weighing 500 pounds or more in or upon the Premises or transport or move such items through the Common Areas of the Project or in the Project elevators without the prior written consent of Landlord. Except as may be provided under the Work Letter, Tenant shall not, without the prior written consent of Landlord, use the Premises in any manner which will require ventilation, air exchange, heating, gas, steam, electricity or water beyond the existing capacity of the Project as proportionately allocated to the Premises based upon Tenant's Share as usually furnished for the Permitted Use.

Landlord shall be responsible for the compliance of the Project with Legal Requirements, including the Americans With Disabilities Act, 42 U.S.C. (S) 12101, et seq. (together with regulations promulgated pursuant thereto, "ADA"), as of the Delivery Date (in its then condition and before any work to be undertaken by Tenant pursuant to the Work Letter). Tenant, at its sole expense, shall make any alterations or modifications, to the interior or the exterior of the Premises or the Project, that are required by Legal Requirements (including, without limitation, compliance of the Premises with the ADA) related to the performance of Tenant's work under the Work Letter and/or Tenant's use or occupancy of the Premises. Notwithstanding any other provision herein to the contrary, but subject to Landlord's obligations as of the Delivery Date of the Lease, Tenant shall be responsible for any and all demands, claims, liabilities, losses, costs, expenses, actions, causes of action, damages or judgments, and all reasonable expenses incurred in investigating or resisting the same (including, without limitation, reasonable attorneys' fees, charges and disbursements and costs of suit) (collectively, "Claims") arising out of or in connection with any failure of the Premises, or the Project to the extent related to Tenant's use or occupancy of the Premises, to comply with any Legal Requirement from and after the Delivery Date, and Tenant shall indemnify, defend, hold and save Landlord harmless from and against any and all Claims arising out of or in connection with

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any failure of the Premises, or the Project to the extent related to Tenant's use or occupancy of the Premises, to comply with any Legal Requirement from and after the Delivery Date.

8. Holding Over. If, with Landlord's express written consent, Tenant retains possession of the Premises after the termination of the Term, (i) unless otherwise agreed in such written consent, such possession shall be subject to immediate termination by Landlord at any time, (ii) all of the other terms and provisions of this Lease (including, without limitation, the adjustment of Base Rent pursuant to Section 4 hereof) shall remain in full force and effect (excluding any expansion or renewal option or other similar right or option) during such holdover period, (iii) Tenant shall continue to pay Base Rent in the amount payable upon the date of the expiration or earlier termination of this Lease or such other amount as Landlord may indicate, in Landlord's sole and absolute discretion, in such written consent, and (iv) all other payments shall continue under the terms of this Lease. If Tenant remains in possession of the Premises after the expiration or earlier termination of the Term without the express written consent of Landlord, (A) Tenant shall become a tenant at sufferance upon the terms of this Lease except that the monthly rental shall be equal to 200% of the Rent in effect during the last 30 days of the Term, and (B) Tenant shall be responsible for all damages suffered by Landlord resulting from or occasioned by Tenant's holding over. No holding over by Tenant, whether with or without consent of Landlord, shall operate to extend this Lease except as otherwise expressly provided, and this Section 8 shall not be construed as consent for Tenant to retain possession of the Premises. Acceptance by Landlord of Rent after the expiration or earlier termination of the Term shall not result in a renewal or reinstatement of this Lease.

9. Taxes. Landlord shall pay, as part of Operating Expenses, all taxes, levies, assessments and governmental charges of any kind (collectively referred to as "Taxes") imposed by any federal, state, regional, municipal, local or other governmental authority or agency, including, without limitation, quasi-public agencies (collectively, "Governmental Authority") during the Term, including, without limitation all Taxes: (i) imposed on or measured by or based, in whole or in part, on rent payable to Landlord under this Lease and/or from the rental by Landlord of the Project or any portion thereof, or (ii) based on the square footage, assessed value or other measure or evaluation of any kind of the Premises or the Project, or (iii) assessed or imposed by or on the operation or maintenance of any portion of the Premises or the Project, including parking, or (iv) assessed or imposed by, or at the direction of, or resulting from statutes or regulations, or interpretations thereof, promulgated by, any Governmental Authority, or (v) imposed as a license or other fee on Landlord's business of leasing space in the Project. Landlord may contest by appropriate legal proceedings the amount, validity, or application of any Taxes or liens securing Taxes. Taxes shall not include any net income taxes imposed on Landlord unless such net income taxes are in substitution for any Taxes payable hereunder. If any such Tax is levied or assessed directly against Tenant, then Tenant shall be responsible for and shall pay the same at such times and in such manner as the taxing authority shall require. Tenant shall pay, prior to delinquency, any and all Taxes levied or assessed against any personal property or trade fixtures placed by Tenant in the Premises, whether levied or assessed against Landlord or Tenant. If any Taxes on Tenant's personal property or trade fixtures are levied against Landlord or Landlord's property, or if the assessed valuation of the Project is increased by a value attributable to improvements in or alterations to the Premises, whether owned by Landlord or Tenant and whether or not affixed to the real property so as to become a part thereof, higher than the base valuation on which Landlord from

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time-to-time allocates Taxes to all tenants in the Project, Landlord shall have

the right, but not the obligation, to pay such Taxes. Landlord's determination of any excess assessed valuation shall be binding and conclusive, absent manifest error. The amount of any such payment by Landlord shall constitute Additional Rent due from Tenant to Landlord immediately upon demand.

10. Parking. Tenant shall have the right to park in common with other tenants of the Project (in proportion to the rentable square feet in the Premises and the aggregate rentable square feet in the Project) in those areas designated for non-reserved parking subject in each case to Landlord's rules and regulations. The amount of such parking provided by Landlord to Tenant will be in compliance with applicable codes as of the Delivery Date. Landlord may allocate parking spaces among Tenant and other tenants in the Project if Landlord determines that such parking facilities are becoming crowded, or not in compliance with Governmental Authority. Landlord shall not be responsible for enforcing Tenant's parking rights against any third parties, including other tenants of the Project. Landlord shall not be responsible for enforcing Tenant's parking rights against any third parties, including other tenants of the Project.

11. Utilities, Services. Landlord shall pay, as Operating Expenses, for all water, electricity, gas, telephone, sewer, and other utilities, refuse and trash collection and landscaping and janitorial services (collectively, "Utilities") used in the Common Areas of the Project, all maintenance charges for Utilities, and any storm sewer charges or other similar charges for Utilities imposed by any governmental entity or Utility provider, and any taxes, penalties, surcharges or similar charges thereon. Tenant shall pay directly to the Utility provider, prior to delinquency, any separately metered Utilities and services (including janitorial services) which may be furnished to Tenant or the Premises during the Term. Tenant shall pay, as part of Operating Expenses, its share of all charges for jointly metered Utilities based upon consumption, as reasonably determined by Landlord. No interruption or failure of Utilities, from any cause whatsoever other than Landlord's willful misconduct, shall result in eviction or constructive eviction of Tenant, termination of this Lease or the abatement of Rent. Tenant agrees to limit use of water and sewer to normal restroom, lunchroom and office use.

12. Alterations and Tenant's Property. Any alterations, additions, or improvements made to the Premises by or on behalf of Tenant, including additional locks or bolts of any kind or nature upon any doors or windows in the Premises, but excluding installation, removal or realignment of furniture systems (other than removal of furniture systems owned or paid for by Landlord) not involving any modifications to the structure or connections (other than by ordinary plugs or jacks) to building systems (as hereinafter defined) ("Alterations") shall be subject to Landlord's prior written consent, which shall not be unreasonably withheld, but which may be given or withheld in Landlord's sole discretion if any such Alteration affects the structure or building systems. Tenant may construct nonstructural Alterations in the Premises without Landlord's prior approval if the aggregate cost of all such work in any 12 month period does not exceed \$50,000 (a "Notice-Only Alteration"), provided Tenant notifies Landlord in writing of such intended Notice-Only Alteration, and such notice shall be accompanied by plans, specifications, work contracts and such other information concerning the nature and cost of the Notice-Only Alteration as may be reasonably requested by Landlord, which notice and accompanying materials shall be delivered to Landlord not less than

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15 business days in advance of any proposed construction. If Landlord approves any Alterations requiring Landlord's approval, Landlord may impose such conditions on Tenant in connection with the commencement, performance and completion of such Alterations as Landlord may deem appropriate in Landlord's reasonable discretion. Any request for approval shall be in writing, delivered not less than 15 business days in advance of any proposed construction, and accompanied by plans, specifications, bid proposals, work contracts and such other information concerning the nature and cost of the alterations as may be reasonably requested by Landlord, including the identities and mailing addresses of all persons performing work or supplying materials. Landlord's right to review plans and specifications and to monitor construction shall be solely for its own benefit, and Landlord shall have no duty to ensure that such plans and specifications or construction comply with applicable Legal Requirements. Tenant shall cause, at its expense, all Alterations to comply with insurance requirements and with Legal Requirements and shall implement at its sole cost and expense any alteration or modification required by Legal Requirements as a result of any Alterations. In connection with any Alteration where the total cost of such Alteration equals or exceeds \$50,000.00 in a 12 month period (excluding the initial improvements to be installed by Tenant in preparing the Premises for its occupancy), Tenant shall pay to Landlord, as Additional Rent, on demand an amount equal to 3% of all charges incurred by Tenant or its contractors or agents to cover Landlord's overhead and expenses for plan review, coordination, scheduling and supervision. Before Tenant begins any Alteration, Landlord may post on and about the Premises notices of non-responsibility pursuant to applicable law. Tenant shall reimburse Landlord for, and indemnify and hold Landlord harmless from, any extra expense incurred by Landlord by reason of faulty work done by Tenant or its contractors, delays caused by such work, or inadequate cleanup.

Tenant shall furnish security or make other arrangements satisfactory to Landlord to assure payment for the completion of all Alteration work free and clear of liens, and shall provide certificates of insurance for worker's compensation and other coverage in amounts and from an insurance company reasonably satisfactory to Landlord protecting Landlord against liability for personal injury or property damage during construction. Upon completion of any Alterations, Tenant shall deliver to Landlord: (i) sworn statements setting forth the names of all contractors and subcontractors who did the work and final lien waivers from all such contractors and subcontractors; and (ii) as built plans for any such Alteration.

Other than (i) the items, if any, listed on Exhibit F attached hereto and, (ii) any items reasonably agreed by Landlord in writing to be included on Exhibit F in the future, and (iii) any trade fixtures, machinery, equipment and other personal property not paid for out of the TI Fund (as defined in the Work Letter) which may be removed without material damage to the Premises, which damage shall be repaired by Tenant during the Term (the items in clauses (i) through (iii) are collectively referred to herein as "Tenant's Property"), all property of any kind paid for with the TI Fund, all Alterations, real property fixtures, built-in machinery and equipment, built-in casework and cabinets and other similar additions and improvements built into the Premises so as to become an integral part of the Premises (collectively, "Installations") shall be and shall remain the property of Landlord during the Term and following the expiration or earlier termination of the Term. Installations shall not be removed by Tenant at any time during the Term and shall remain upon and be surrendered with the Premises as a part thereof following the expiration or earlier termination of this Lease; provided, however, that Landlord shall, at the time its approval of Installations is requested or at the time it receives notice of a

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Notice-Only Alteration, notify Tenant if it has elected to cause Tenant to remove such Installation upon or prior to the expiration or earlier termination of this Lease. If Landlord so elects (other than with respect to Tenant Improvements made under the Work Letter), Tenant shall remove any such Installation upon the expiration or earlier termination of this Lease and restore any damage caused by or occasioned as a result of such removal, including, when removing any of Tenant's Property which was plumbed, wired or otherwise connected to any of the building systems, capping off all such connections behind the walls of the Premises and repairing any holes. During any such restoration period, Tenant shall pay Rent to Landlord as provided herein as if said space were otherwise occupied by Tenant.

13. Landlord's Repairs. Landlord, as an Operating Expense, shall maintain all of the structural, exterior, roof, parking and other Common Areas of the Project as well as the plumbing, fire sprinkler and electrical building systems serving the Premises and other portions of the Project ("Landlord Building Systems"), in good repair, reasonable wear and tear and uninsured losses and damages caused by Tenant, its agents, servants, employees, invitees and contractors excluded. Losses and damages caused by Tenant, its agents, servants, employees, invitees and contractors shall be repaired by Landlord, to the extent not covered by insurance, at Tenant's sole cost and expense. Landlord reserves the right to stop Utilities when necessary (i) by reason of accident or emergency, or (ii) for planned repairs, alterations or improvements to common area improvements, which are, in the judgment of Landlord, desirable or necessary to be made, until said repairs, alterations or improvements shall have been completed. Landlord shall have no responsibility or liability for failure to supply Utilities during any such period of interruption; provided, however, that Landlord shall give Tenant 24 hours advance notice of any planned stoppage of Utilities for routine maintenance, repairs, alterations or improvements. Tenant shall promptly give Landlord written notice of any repair required by Landlord pursuant to this Section after which Landlord shall have a reasonable opportunity to effect such repair. Landlord shall not be liable for any failure to make any repairs or to perform any maintenance unless such failure shall persist for an unreasonable time after Tenant's written notice of the need for such repairs or maintenance. Tenant waives its rights under any state or local law to terminate this Lease or to make such repairs at Landlord's expense and agrees that the parties' respective rights with respect to such matters shall be solely as set forth herein. Repairs required as the result of fire, earthquake, flood, vandalism, war, or similar cause of damage or destruction shall be controlled by Section 18.

14. Tenant's Repairs. Subject to Section 13 hereof, Tenant, at its expense, shall repair, replace and maintain in good condition all portions of the Premises, including, without limitation, HVAC, elevators, entries, doors, ceilings, interior windows, interior walls, and the interior side of demising walls. Such repair and replacements may include capital expenditures and repairs whose benefit may extend beyond the Term. Should Tenant fail to make any such repair or replacement or fail to maintain the Premises, Landlord shall give Tenant notice of such failure. If Tenant fails to commence cure of such default within 30 days of Landlord's notice, and thereafter diligently prosecute such cure to completion, Landlord may perform such work and shall be reimbursed by Tenant within 10 days after written demand therefor; provided, however, that if

such default by Tenant creates or could create an emergency, Landlord may immediately commence cure of such default and shall thereafter be entitled to recover the costs of such cure from Tenant. Subject to Sections 17 and 18, Tenant shall bear the full uninsured cost of any repair or replacement to any part of the Project that results from

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damage caused by Tenant, its agents, contractors, or invitees and any repair that benefits only the Premises.

15. Mechanic's Liens. Tenant shall discharge, by bond or otherwise, any mechanic's lien filed against the Premises or against the Project for work claimed to have been done for, or materials claimed to have been furnished to, Tenant within 10 days after the filing thereof, at Tenant's sole cost and shall otherwise keep the Premises and the Project free from any liens arising out of work performed, materials furnished or obligations incurred by Tenant. Should Tenant fail to discharge any lien described herein, Landlord shall have the right, but not the obligation, to pay such claim or post a bond or otherwise provide security to eliminate the lien as a claim against title to the Project and the cost thereof shall be immediately due from Tenant as Additional Rent. If Tenant shall lease or finance the acquisition of office equipment, furnishings, or other personal property of a removable nature utilized by Tenant in the operation of Tenant's business, Tenant warrants that any Uniform Commercial Code Financing Statement executed by Tenant will upon its face or by exhibit thereto indicate that such Financing Statement is applicable only to removable personal property of Tenant located within the Premises. In no event shall the address of the Project be furnished on the statement without qualifying language as to applicability of the lien only to removable personal property, located in an identified suite held by Tenant.

16. Indemnification. Tenant hereby indemnifies and agrees to defend, save and hold Landlord harmless from and against any and all Claims for injury or death to persons or damage to property occurring within or about the Premises, arising directly or indirectly out of use or occupancy of the Premises or a breach or default by Tenant in the performance of any of its obligations hereunder, unless caused solely by the willful misconduct or gross negligence of Landlord. Landlord shall not be liable to Tenant for, and Tenant assumes all risk of damage to, personal property (including, without limitation, loss of records kept within the Premises). Tenant further waives any and all Claims for injury to Tenant's business or loss of income relating to any such damage or destruction of personal property (including, without limitation, any loss of records). Landlord shall not be liable for any damages arising from any act, omission or neglect of any tenant in the Project or of any other third party.

17. Insurance. Landlord shall maintain all insurance against any peril generally included within the classification "Fire and Extended Coverage," sprinkler damage (if applicable), vandalism and malicious mischief covering the full replacement cost of the Project. Landlord shall further carry commercial general liability insurance with a single loss limit of not less than \$2,000,000 for death or bodily injury, or property damage with respect to the Project. Landlord may, but is not obligated to, maintain such other insurance and additional coverages as it may deem necessary, including, but not limited to, flood, environmental hazard and earthquake, loss or failure of building equipment, errors and omissions, rental loss during the period of repair or rebuilding, workmen's compensation insurance and fidelity bonds for employees employed to perform services and insurance for any improvements installed by Tenant or which are in addition to the standard improvements customarily furnished by Landlord without regard to whether or not such are made a part of the Project. All such insurance shall be included as part of the Operating Expenses. The Project may be included in a blanket policy (in which case the cost of such insurance allocable to the Project will be determined by Landlord based upon the insurer's cost calculations).

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Tenant, at its sole cost and expense, shall maintain during the Term: all risk property insurance covering the full replacement cost of all property and improvements installed or placed in the Premises by Tenant at Tenant's expense; worker's compensation insurance with no less than the minimum limits required by law; employer's liability insurance with such limits as required by law; and commercial general liability insurance, with a minimum limit of not less than \$2,000,000 per occurrence for death or bodily injury and not less than \$1,000,000 for property damage with respect to the Premises. The commercial general liability insurance policies shall name Landlord, its officers, directors, employees, managers, agents, invitees and contractors (collectively, "Related Parties"), as additional insureds; insure on an occurrence and not a claims-made basis; be issued by insurance companies which have a rating of not less than policyholder rating of A-and financial category rating of at least Class X in "Best's Insurance Guide"; shall not be cancelable unless 30 days prior written notice shall have been given to Landlord from the insurer; contain a hostile fire endorsement and a contractual liability endorsement; and provide primary coverage to Landlord (any policy issued to Landlord providing duplicate or similar coverage shall be deemed excess over Tenant's policies). Such policies or certificates thereof shall be delivered to Landlord by Tenant upon

commencement of the Term and upon each renewal of said insurance. Tenant's policy may be a "blanket policy" which specifically provides that the amount of insurance shall not be prejudiced by other losses covered by the policy. Tenant shall, at least 10 days prior to the expiration of such policies, furnish Landlord with renewals or binders. Tenant agrees that if Tenant does not take out and maintain such insurance, Landlord may (but shall not be required to) procure said insurance on Tenant's behalf and at its cost to be paid as Additional Rent.

In each instance where insurance is to name Landlord as additional insured, Tenant shall upon written request of Landlord also designate and furnish certificates so evidencing Landlord as additional insured to: (i) any lender of Landlord holding a security interest in the Project or any portion thereof, (ii) the landlord under any lease wherein Landlord is tenant of the real property on which the Project is located, if the interest of Landlord is or shall become that of a tenant under a ground lease rather than that of a fee owner, and/or (iii) any management company retained by Landlord to manage the Project.

The property insurance obtained by Landlord and Tenant shall include a waiver of subrogation by the insurers and all rights based upon an assignment from its insured, against Landlord or Tenant, and their respective Related Parties, in connection with any loss or damage thereby insured against. Neither party nor its respective Related Parties shall be liable to the other for loss or damage caused by any risk insured against under property insurance required to be maintained hereunder, and each party waives any claims against the other party, and its respective Related Parties for such loss or damage. The failure of a party to insure its property shall not void this waiver. Landlord and its respective Related Parties shall not be liable for, and Tenant hereby waives all claims against such parties for, business interruption and losses occasioned thereby sustained by Tenant or any person claiming through Tenant resulting from any accident or occurrence in or upon the Premises or the Project from any cause whatsoever. If the foregoing waivers shall contravene any law with respect to exculpatory agreements, the liability of Landlord or Tenant shall be deemed not released but shall be secondary to the other's insurer.

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Landlord may require insurance policy limits to be raised to conform with requirements of Landlord's lender and/or to bring coverage limits to levels then being required of new tenants within the Project.

18. Restoration. If at any time during the Term the Project or the Premises are damaged by a fire or other insured casualty, Landlord shall notify Tenant within 60 days after discovery of such damage as to the amount of time Landlord reasonably estimates it will take to restore the Project or the Premises, as applicable. If the restoration time is estimated to exceed 8 months, Landlord may, in such notice, elect to terminate this Lease as of the date that is 75 days after the date of discovery of such damage or destruction. Unless Landlord elects to terminate this Lease, Landlord shall, subject to receipt of sufficient insurance proceeds (with any deductible to be treated as a current Operating Expense), promptly restore the Premises (excluding the improvements installed by Tenant or by Landlord and paid for by Tenant), subject to delays arising from the collection of insurance proceeds, from Force Majeure events or as needed to obtain any license, clearance or other authorization of any kind required to enter into and restore the Premises issued by any governmental or quasi-governmental agency having jurisdiction over the Premises, including with respect to the use, storage, release or removal of Hazardous Materials in, on or about the Premises (collectively referred to herein as "Use Clearances"); provided, however, that if repair or restoration of the Premises is not Substantially Complete as of the end of 8 months from the date of damage or destruction, Landlord may, in its sole and absolute discretion, elect not to proceed with such-repair and restoration, or Tenant may, in its sole and absolute discretion, elect to terminate this Lease by written notice delivered within 5 business days of the expiration of such 8 month period, in which event Landlord shall be relieved of its obligation to make such repairs or restoration and this Lease shall terminate as of the date that is 75 days after the later of: (i) discovery of such damage or destruction, or (ii) the date all required Use Clearances are obtained.

Tenant, at its expense, shall promptly perform, subject to delays arising from the collection of insurance proceeds, from Force Majeure events or to obtain Use Clearances, all repairs or restoration not required to be done by Landlord and shall promptly re-enter the Premises and commence doing business in accordance with this Lease. Notwithstanding the foregoing, Landlord may terminate this Lease upon 60 days prior written notice if the Premises are damaged during the last 12 months of the Term and Landlord reasonably estimates that it will take more than one month to repair such damage, or if insurance proceeds are not available for such restoration.

Rent shall be abated from the date all required Use Clearances are obtained until the Premises are repaired and restored, in the proportion which the area of the Premises, if any, which is not usable by Tenant in the manner in which the damaged portion of the Premises were used by Tenant bears to the total area of the Premises, unless Landlord provides Tenant with other space during

the period of repair that is reasonably suitable in Tenant's judgment for the temporary conduct of Tenant's business. Such abatement shall be the sole remedy of Tenant, and except as provided herein, Tenant waives any right to terminate the Lease by reason of damage or casualty loss.

The provisions of this Lease, including this Section 18, constitute an express agreement between Landlord and Tenant with respect to any and all damage to, or destruction of,

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all or any part of the Premises, or any other portion of the Project, and any statute or regulation which is now or may hereafter be in effect, shall have no application to this Lease or any damage or destruction to all or any part of the Premises or any other portion of the Project, the parties hereto expressly agreeing this Section 18 sets forth their entire understanding and agreement with respect to such matters.

19. Condemnation. If any part of the Premises or the Project is taken for any public or quasi-public use under governmental law, ordinance, or regulation, or by right of eminent domain, or by private purchase in lieu thereof (a "Taking" or "Taken"), and the Taking would in Landlord's judgment either prevent or materially interfere with Tenant's use of the Premises or materially interfere with or impair Landlord's ownership or operation of the Project, then upon written notice by Landlord this Lease shall terminate and Rent shall be apportioned as of said date. If part of the Premises shall be Taken, and this Lease is not terminated as provided above, Landlord shall promptly restore the Premises and the Project as nearly as is commercially reasonable under the circumstances to their condition prior to such partial taking and the Rent payable hereunder during the unexpired Term shall be reduced to such extent as may be fair and reasonable under the circumstances. Upon any such Taking, Landlord shall be entitled to receive the entire price or award from any such Taking without any payment to Tenant, and Tenant hereby assigns to Landlord Tenant's interest, if any, in such award. Tenant shall have the right, to the extent that same shall not diminish Landlord's award, to make a separate claim against the condemning authority (but not Landlord) for such compensation as may be separately awarded or recoverable by Tenant for moving expenses and damage to Tenant's Trade Fixtures, if a separate award for such items is made to Tenant. Tenant hereby waives any and all rights it might otherwise have pursuant to any provision of state law to terminate this Lease upon a partial Taking of the Premises or the Project.

20. Events of Default. Each of the following events shall be a default ("Default") by Tenant under this Lease:

(a) Payment Defaults. Tenant shall fail to pay any installment of Rent or any other payment hereunder when due; provided, however, that Landlord will give Tenant notice and an opportunity to cure any failure to pay Rent within 3 days of any such notice not more than once in any 12 month period and Tenant agrees that such notice shall be in lieu of and not in addition to any notice required by law.

(b) Insurance. Any insurance required to be maintained by Tenant pursuant to this Lease shall be canceled or terminated or shall expire or shall be reduced or materially changed, or Landlord shall receive a notice of nonrenewal of any such insurance and Tenant shall fail to obtain replacement insurance at least 10 days before the expiration of the current coverage.

(c) Abandonment. Tenant shall abandon the Premises.

(d) Improper Transfer. Tenant shall assign, sublease or otherwise transfer or attempt to transfer all or any portion of Tenant's interest in this Lease or the Premises except as expressly permitted herein, or Tenant's interest in this Lease shall be attached,

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executed upon, or otherwise judicially seized and such action is not released within 90 days of the action.

(e) Liens. Tenant shall fail to discharge or otherwise obtain the release of any lien placed upon the Premises in violation of this Lease within 10 days after Tenant has knowledge that any such lien has been filed against the Premises.

(f) Insolvency Events. Tenant or any guarantor or surety of Tenant's obligations hereunder shall: (A) make a general assignment for the benefit of creditors; (B) commence any case, proceeding or other action seeking to have an order for relief entered on its behalf as a debtor or to adjudicate it a bankrupt or insolvent, or seeking reorganization, arrangement, adjustment, liquidation, dissolution or composition of it or its debts or seeking appointment of a receiver, trustee, custodian or other similar official for it or for all or of any substantial part of its property (collectively a "Proceeding for Relief"); (C) become the subject of any Proceeding for Relief which is not dismissed within 90 days of its filing or entry; or (D) die or

suffer a legal disability (if Tenant, guarantor, or surety is an individual) or be dissolved or otherwise fail to maintain its legal existence (if Tenant, guarantor or surety is a corporation, partnership or other entity).

(g) Estoppel Certificate or Subordination Agreement. Tenant fails to execute any document required from Tenant under Sections 23 or 27 within 5 days after a second notice requesting such document.

(h) Other Defaults. Tenant shall fail to comply with any provision of this Lease other than those specifically referred to in this Section 20, and except as otherwise expressly provided herein, such failure shall continue for a period of 10 days after written notice thereof from Landlord to Tenant.

Any notice given under Sections 20 (g) or (h) hereof, shall: (i) specify the alleged default, (ii) demand that Tenant cure such default, (iii) be in lieu of, and not in addition to, or shall be deemed to be any notice required under any provision of applicable law, and (iv) not be deemed a forfeiture or a termination of this Lease unless Landlord elects otherwise in such notice; provided that if the nature of Tenant's default pursuant to Section 20(h) is such that it cannot be cured by the payment of money and reasonably requires more than 10 days to cure, then Tenant shall not be deemed to be in default if Tenant commences such cure within said 10 day period and thereafter diligently prosecutes the same to completion; provided, however, that such cure shall be completed no later than 120 days from the date of Landlord's notice.

21. Landlord's Remedies.

(a) Payment By Landlord; Interest. Upon a Default by Tenant hereunder, Landlord may, without waiving or releasing any obligation of Tenant hereunder, make such payment or perform such act. All sums so paid or incurred by Landlord, together with interest thereon, from the date such sums were paid or incurred, at the annual rate equal to 12% per annum or the highest rate permitted by law (the "Default Rate"), whichever is less,

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shall be payable to Landlord on demand as Additional Rent. Nothing herein shall be construed to create or impose a duty on Landlord to mitigate any damages resulting from Tenant's Default hereunder.

(b) Late Payment Rent. Late payment by Tenant to Landlord of Rent and other sums due will cause Landlord to incur costs not contemplated by this Lease, the exact amount of which will be extremely difficult and impracticable to ascertain. Such costs include, but are not limited to, processing and accounting charges and late charges which may be imposed on Landlord under any Mortgage covering the Premises. Therefore, if any installment of Rent due from Tenant is not received by Landlord within 5 days after the date such payment is due, Tenant shall pay to Landlord an additional sum of 6% of the overdue Rent as a late charge. The parties agree that this late charge represents a fair and reasonable estimate of the costs Landlord will incur by reason of late payment by Tenant. In addition to the late charge, Rent not paid when due shall bear interest at the Default Rate from the 5th day after the date due until paid.

(c) Remedies. Upon the occurrence of a Default, Landlord, at its option, without further notice or demand to Tenant, shall have in addition to all other rights and remedies provided in this Lease, at law or in equity, the option to pursue any one or more of the following remedies, each and all of which shall be cumulative and nonexclusive, without any notice or demand whatsoever.

(i) Terminate this Lease, or at Landlord's option, Tenant's right to possession only, in which event Tenant shall immediately surrender the Premises to Landlord, and if Tenant fails to do so, Landlord may, without prejudice to any other remedy which it may have for possession or arrearages in rent, enter upon and take possession of the Premises and expel or remove Tenant and any other person who may be occupying the Premises or any part thereof, without being liable for prosecution or any claim or damages therefor;

(ii) Upon any termination of this Lease, whether pursuant to the foregoing Section 21(c)(i) or otherwise, Landlord may recover from Tenant the following:

(A) The worth at the time of award of any unpaid rent which has been earned at the time of such termination; plus

(B) The worth at the time of award of the amount by which the unpaid rent which would have been earned after termination until the time of award exceeds the amount of such rental loss that Tenant proves could have been reasonably avoided; plus

(C) The worth at the time of award of the amount by which the unpaid rent for the balance of the Term after the time of award exceeds the amount of such rental loss that Tenant proves could have been reasonably avoided; plus

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(D) Any other amount necessary to compensate Landlord for all the detriment proximately caused by Tenant's failure to perform its obligations under this Lease or which in the ordinary course of things would be likely to result therefrom, specifically including but not limited to, brokerage commissions and advertising expenses incurred, expenses of remodeling the Premises or any portion thereof for a new tenant, whether for the same or a different use, and any special concessions made to obtain a new tenant; and

(E) At Landlord's election, such other amounts in addition to or in lieu of the foregoing as may be permitted from time to time by applicable law.

The term "rent" as used in this Section 21 shall be deemed to be and to mean all sums of every nature required to be paid by Tenant pursuant to the terms of this Lease, whether to Landlord or to others. As used in Sections 21(c)(ii)(A) and (B), above, the "worth at the time of award" shall be computed by allowing interest at the Default Rate. As used in Section 21(c)(ii)(C) above, the "worth at the time of award" shall be computed by discounting such amount at the discount rate of the Federal Reserve Bank of San Francisco at the time of award plus [1]%.

(iii) Landlord may continue this Lease in effect after Tenant's Default and recover rent as it becomes due. Accordingly, if Landlord does not elect to terminate this Lease following a Default by Tenant, Landlord may, from time to time, without terminating this Lease, enforce all of its rights and remedies hereunder, including the right to recover all Rent as it becomes due.

(iv) Whether or not Landlord elects to terminate this Lease following a Default by Tenant, Landlord shall have the right to terminate any and all subleases, licenses, concessions or other consensual arrangements for possession entered into by Tenant and affecting the Premises or may, in Landlord's sole discretion, succeed to Tenant's interest in such subleases, licenses, concessions or arrangements. Upon Landlord's election to succeed to Tenant's interest in any such subleases, licenses, concessions or arrangements, Tenant shall, as of the date of notice by Landlord of such election, have no further right to or interest in the rent or other consideration receivable thereunder.

(d) Effect of Exercise: Exercise by Landlord of any remedies hereunder or otherwise available shall not be deemed to be an acceptance of surrender of the Premises and/or a termination of this Lease by Landlord, it being understood that such surrender and/or termination can be effected only by the express written agreement of Landlord and Tenant. Any law, usage, or custom to the contrary notwithstanding, Landlord shall have the right at all times to enforce the provisions of this Lease in strict accordance with the terms hereof; and the failure of Landlord at any time to enforce its rights under this Lease strictly in accordance with same shall not be construed as having created a custom in any way or manner contrary to the specific terms, provisions, and covenants of this Lease or as having modified the same and shall not be deemed a waiver of Landlord's right to enforce one or more of its rights in connection with any subsequent default. A receipt by Landlord of Rent or other payment with knowledge of the breach of any covenant hereof shall not be deemed a waiver of such breach,

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and no waiver by Landlord of any provision of this Lease shall be deemed to have been made unless expressed in writing and signed by Landlord. To the greatest extent permitted by law, Tenant waives the service of notice of Landlord's intention to re-enter, re-take or otherwise obtain possession of the Premises as provided in any statute, or to institute legal proceedings to that end, and also waives all right of redemption in case Tenant shall be dispossessed by a judgment or by warrant of any court or judge. Any reletting of the Premises or any portion thereof shall be on such terms and conditions as Landlord in its sole discretion may determine. Landlord shall not be liable, nor shall Tenant's obligations hereunder be diminished because of, Landlord's failure to relet the Premises or collect rent due in respect of such reletting or otherwise to mitigate any damages arising by reason of Tenant's Default.

(a) General Prohibition. Without Landlord's prior written consent subject to and on the conditions described in this Section 22, Tenant shall not, directly or indirectly, voluntarily or by operation of law, assign this Lease or sublease the Premises or any part thereof or mortgage, pledge, or hypothecate its leasehold interest or grant any concession or license within the Premises and any attempt to do any of the foregoing shall be void and of no effect. If Tenant is a corporation, partnership or limited liability company, the shares or other ownership interests of which are not actively traded upon a stock exchange or in the over-the-counter market, a transfer or series of transfers whereby 50% or more of the issued and outstanding shares or other ownership interests of such corporation are, or voting control is, transferred (but excepting transfers upon deaths of individual owners) from a person or persons or entity or entities which were owners thereof at time of execution of this Lease to persons or entities who were, not owners of shares of the corporation, partnership or limited liability company at time of execution of this Lease, shall be deemed an assignment of this Lease requiring the consent of Landlord as provided in this Section 22.

(b) Permitted Transfers. If Tenant desires to assign, sublease, hypothecate or otherwise transfer this Lease or sublet the Premises other than pursuant to a Permitted Assignment (as defined below), then at least 15 business days, but not more than 45 business days, before the date Tenant desires the assignment or sublease to be effective (the "Assignment Date"), Tenant shall give Landlord a notice (the "Assignment Notice") containing such information about the proposed assignee or sublessee, including the proposed use of the Premises and any Hazardous Materials proposed to be used or stored in the Premises, the Assignment Date, any relationship between Tenant and the proposed assignee or sublessee, and all material terms and conditions of the proposed assignment or sublease, including a copy of any proposed sublease in its final form, and such other information as Landlord may deem reasonably necessary or appropriate to its consideration whether to grant its consent. Landlord may, by giving written notice to Tenant within 15 business days after receipt of the Assignment Notice: (i) grant or refuse such consent, in its sole discretion with respect to a proposed assignment, hypothecation or other transfer or subletting of more than (together with all other then effective subleases) 50% of the Premises, or grant or refuse such consent, in its reasonable discretion with respect to a proposed subletting of up to (together with all other then effective subleases) 50% of the Premises (provided that Landlord shall further have the right to review and approve or disapprove the proposed form of sublease prior to the effective date of any such subletting), or (ii) terminate this Lease with respect to the space described in the Assignment

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Notice, as of the Assignment Date (an "Assignment Termination"). If Landlord elects an Assignment Termination, Tenant shall have the right to withdraw such Assignment Notice by written notice to Landlord of such election within 5 business days after Landlord's notice electing to exercise the Assignment Termination. If Tenant withdraws such Assignment Notice, this Lease shall continue in full force and effect. If Tenant does not withdraw such Assignment Notice, this Lease, and the term and estate herein granted, shall terminate as of the Assignment Date with respect to the space described in such Assignment Notice. No failure of Landlord to exercise any such option to terminate this Lease shall be deemed to be Landlord's consent to the proposed assignment, sublease or other transfer. Tenant shall reimburse Landlord for all of Landlord's reasonable out-of-pocket expenses in connection with its consideration of any Assignment Notice. Notwithstanding the foregoing, (i) Landlord's consent to an assignment of this Lease or a subletting of any portion of the Premises to any entity controlling, controlled by or under common control with Tenant shall not be required, provided that Landlord shall have the right to approve the form of any such sublease or assignment, and (ii) Tenant shall have the right to assign this Lease, upon 30 days prior written notice to Landlord but without obtaining Landlord's prior written consent, to a corporation or other entity which is a successor-in-interest to Tenant, by way of merger, consolidation or corporate reorganization, or by the purchase of all or substantially all of the assets or the ownership interests of the Tenant provided that (i) such merger or consolidation, or such acquisition or assumption, as the case maybe, is for a good business purpose and not principally for the purpose of transferring the Lease, and (ii) the net worth (as determined in accordance with GAAP) of the assignee is not less than the net worth (as determined in accordance with GAAP) of Tenant as of the Effective Date, and (iii) such assignee shall agree in writing to assume all of the terms, covenants and conditions of this Lease arising after the effective date of the assignment (either (i) or (ii), a "Permitted Assignment").

(c) Additional Conditions. As a condition to any such assignment or subletting, whether or not Landlord's consent is required, Landlord may require:

(i) that any assignee or subtenant agree, in writing at the time of such assignment or subletting, that if Landlord gives such party notice that Tenant is in default under this Lease, such party shall thereafter make all payments otherwise due Tenant directly to Landlord, which payments will be received by Landlord without any liability except to credit such payment against those due under the Lease, and any such third party shall agree to attorn to Landlord or its successors and assigns should this Lease be terminated for any reason; provided, however, in no event shall Landlord or its successors or assigns be obligated to accept such attornment; and

(ii) A list of Hazardous Materials, certified by the proposed assignee or sublessee to be true and correct, which the proposed assignee or sublessee intends to use or store in the Premises together with copies of all documents relating to the handling, storage, disposal and emission of Hazardous Materials by the proposed assignee or subtenant in the Premises or on the Project, prior to the proposed assignment or subletting, including, without limitation: permits; approvals; reports and correspondence; storage and management plans; plans relating to the installation of any storage tanks to be installed in or under the Project (provided, said installation of tanks shall only be permitted after Landlord has given its written consent to do so, which consent may be withheld in Landlord's sole and absolute discretion); and all closure plans or any other documents required by any and all federal, state and local governmental

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agencies and authorities for any storage tanks installed in, on or under the Project for the closure of any such tanks. Neither Tenant nor any such proposed assignee or subtenant is required, however, to provide Landlord with any portion(s) of the such documents containing information of a proprietary nature which, in and of themselves, do not contain a reference to any Hazardous Materials or hazardous activities.

(d) No Release of Tenant, Sharing of Excess Rents. Notwithstanding any assignment or subletting, Tenant and any guarantor or surety of Tenant's obligations under this Lease shall at all times remain fully and primarily responsible and liable for the payment of Rent and for compliance with all of Tenant's other obligations under this Lease. If the Rent due and payable by a sublessee or assignee (or a combination of the rental payable under such sublease or assignment plus any bonus or other consideration therefor or incident thereto) exceeds the rental payable under this Lease, (excluding however, any Rent payable under this Section), then Tenant shall be bound and obligated to pay Landlord as Additional Rent hereunder 50% of such excess rental and other excess consideration within 10 days following receipt thereof by Tenant. If Tenant shall sublet the Premises or any part thereof, Tenant hereby immediately and irrevocably assigns to Landlord, as security for Tenant's obligations under this Lease, all rent from any such subletting and Landlord as assignee and as attorney-in-fact for Tenant, or a receiver for Tenant appointed on Landlord's application, may collect such rent and apply it toward Tenant's obligations under this Lease; except that, until the occurrence of a Default, Tenant shall have the right to collect such rent.

(e) No Waiver. The consent by Landlord to an assignment or subletting shall not relieve Tenant or any assignees of this Lease or any sublessees of the Premises from obtaining the consent of Landlord to any further assignment or subletting nor shall it release Tenant or any assignee or sublessee of Tenant from full and primary liability under the Lease. The acceptance of Rent hereunder, or the acceptance of performance of any other term, covenant, or condition thereof, from any other person or entity shall not be deemed to be a waiver of any of the provisions of this Lease or a consent to any subletting, assignment or other transfer of the Premises.

23. Estoppel Certificate. Tenant shall within 10 business days of written notice from Landlord, execute, acknowledge and deliver a statement in writing substantially in the form attached to this Lease as Exhibit G with the blanks filled in, and on any other form reasonably requested by a proposed lender or purchaser, (i) certifying that this Lease is unmodified and in full force and effect (or, if modified, stating the nature of such modification and certifying that this Lease as so modified is in full force and effect) and the dates to which the rental and other charges are paid in advance, if any, (ii) acknowledging that there are not any uncured defaults on the part of Landlord hereunder, or specifying such defaults if any are claimed, and (iii) setting forth such further information with respect to the status of this Lease or the Premises as may be requested thereon. Any such statement may be relied upon by any prospective purchaser or encumbrancer of all or any portion of the real property of which the Premises are a part. Tenant's failure to deliver such statement within such time shall, at the option of Landlord and subject to Section 20(g) hereof, constitute a Default under this Lease, and, in any event, shall be conclusive upon Tenant that the Lease is in full force and effect and without modification except as may be represented by Landlord in any

certificate prepared by Landlord and delivered to Tenant for execution.

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24. Quiet Enjoyment. So long as Tenant shall perform all of the covenants and agreements herein required to be performed by Tenant, Tenant shall, subject to the terms of this Lease, at all times during the Term, have peaceful and quiet enjoyment of the Premises against any person claiming by, through or under Landlord.

25. Prorations. All prorations required or permitted to be made hereunder shall be made on the basis of a 360 day year and 30 day months.

26. Rules and Regulations. Tenant shall, at all times during the Term and any extension thereof, comply with all reasonable rules and regulations at any time or from time to time established by Landlord covering use of the Premises and the Project. The current rules and regulations are attached hereto as Exhibit E. If there is any conflict between said rules and regulations and other provisions of this Lease, the terms and provisions of this Lease shall control. Landlord shall not have any liability or obligation for the breach of any rules or regulations by other tenants in the Project.

27. Subordination. This Lease and Tenant's interest and rights hereunder are and shall be subject and subordinate at all times to the lien of any Mortgage, now existing or hereafter created on or against the Project or the Premises, and all amendments, restatements, renewals, modifications, consolidations, refinancing, assignments and extensions thereof, without the necessity of any further instrument or act on the part of Tenant; provided, however, that so long as there is no Default hereunder, Tenant's right to possession of the Premises shall not be disturbed by the Holder of any such Mortgage. Tenant agrees, at the election of the Holder of any such Mortgage, to attorn to any such Holder. Tenant agrees upon demand to execute, acknowledge and deliver a Subordination, Non-disturbance and Attornment Agreement in the form attached hereto as Exhibit H, or such other instruments, confirming such subordination and such instruments of attornment as shall be requested by any such Holder, provided any such instruments contain appropriate non-disturbance provisions assuring Tenant's quiet enjoyment of the Premises as set forth in Section 24 hereof. Notwithstanding the foregoing, any such Holder may at any time subordinate its Mortgage to this Lease, without Tenant's consent, by notice in writing to Tenant, and thereupon this Lease shall be deemed prior to such Mortgage without regard to their respective dates of execution, delivery or recording and in that event such Holder shall have the same rights with respect to this Lease as though this Lease had been executed prior to the execution, delivery and recording of such Mortgage and had been assigned to such Holder. The term "Mortgage" whenever used in this Lease shall be deemed to include deeds of trust, security assignments and any other encumbrances, and any reference to the "Holder" of a mortgage shall be deemed to include the beneficiary under a deed of trust.

28. Surrender. Upon expiration of the Term or earlier termination of Tenant's right of possession, Tenant shall surrender the Premises to Landlord in the same condition as received, subject to any Alterations permitted by Landlord or this Lease to remain in the Premises, free of Hazardous Materials brought upon, kept or used in or about the Premises by any person other than Landlord, its agents, employees, contractors or invitees, released of all Use Clearances, and broom clean, ordinary wear and tear and casualty loss and condemnation covered by Sections 18 and 19 excepted. Tenant shall immediately return to Landlord all keys and/or access cards to parking, the Project, restrooms or all or any portion of the Premises

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furnished to, or otherwise procured by Tenant. If any such access card or key is lost, Tenant shall pay to Landlord, at Landlord's election, either the cost of replacing such lost access card or key or the cost of reprogramming the access security system in which such access card was used or changing the lock or locks opened by such lost key. Any Tenant's Property, Alterations and property not so removed by Tenant as permitted or required herein shall be deemed abandoned and may be stored, removed, and disposed of by Landlord at Tenant's expense, and Tenant waives all claims against Landlord for any damages resulting from Landlord's retention and/or disposition of such property. All obligations of Tenant hereunder not fully performed as of the termination of the Term, including the obligations of Tenant under Section 30 hereof, shall survive the expiration or earlier termination of the Term, including without limitation, indemnity obligations, payment obligations with respect to Rent and obligations concerning the condition and repair of the Premises.

29. Waiver of Jury Trial. TENANT AND LANDLORD WAIVE ANY RIGHT TO TRIAL BY JURY OR TO HAVE A JURY PARTICIPATE IN RESOLVING ANY DISPUTE, WHETHER SOUNDING IN CONTRACT, TORT, OR OTHERWISE, BETWEEN LANDLORD

AND TENANT ARISING OUT OF THIS LEASE OR ANY OTHER INSTRUMENT, DOCUMENT, OR AGREEMENT EXECUTED OR DELIVERED IN CONNECTION HERewith OR THE TRANSACTIONS RELATED HERETO.

30. Environmental Requirements.

(a) Prohibition/Compliance. Except for Hazardous Material contained in products used by Tenant in de minimis quantities for ordinary cleaning and office purposes or contained in products used for fire suppression, Tenant shall not permit or cause any party to bring any Hazardous Material upon the Premises or the Project or transport, store, use, generate, manufacture or release any Hazardous Material in or about the Premises or the Project without Landlord's prior written consent which may be withheld in Landlord's sole discretion. Tenant, at its sole cost and expense, shall operate its business in the Premises in strict compliance with all Environmental Requirements and shall remediate in a manner satisfactory to Landlord any Hazardous Materials released on or from the Project by Tenant, its agents, employees, contractors, subtenants or invitees. Tenant shall complete and certify to disclosure statements as requested by Landlord from time to time relating to Tenant's transportation, storage, use, generation, manufacture or release of Hazardous Materials on the Premises. The term "Environmental Requirements" means all applicable present and future statutes, regulations, ordinances, rules, codes, judgments, orders or other similar enactments of any governmental authority or agency regulating or relating to health, safety, or environmental conditions on, under, or about the Premises or the environment, including without limitation, the following: the Comprehensive Environmental Response, Compensation and Liability Act; the Resource Conservation and Recovery Act; and all state and local counterparts thereto, and any regulations or policies promulgated or issued thereunder. The term "Hazardous Materials" means and includes any substance, material, waste, pollutant, or contaminant listed or defined as hazardous or toxic, or regulated by reason of its impact or potential impact on humans, animals and/or the environment under any Environmental Requirements, asbestos and petroleum, including crude oil or any fraction thereof, natural gas liquids, liquefied natural gas, or synthetic gas usable for fuel (or mixtures of natural gas and such synthetic gas). As defined in Environmental Requirements, Tenant is and shall be deemed to be the "operator" of Tenant's "facility" and the

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"owner" of all Hazardous Materials brought on the Premises by Tenant, its agents, employees, contractors or invitees, and the wastes, by-products, or residues generated, resulting, or produced therefrom.

(b) Indemnity. Tenant hereby indemnifies and shall defend and hold Landlord, its officers, directors, employees, agents and contractors harmless from any and all claims, judgments, damages, penalties, fines, costs, liabilities, or losses (including, without limitation, diminution in value of the Premises or any portion of the Project, damages for the loss or restriction on use of rentable or usable space or of any amenity of the Premises or the Project, damages arising from any adverse impact on marketing of space in the Premises or the Project, and sums paid in settlement of claims, attorneys' fees, consultant fees and expert fees) which arise during or after the Lease term as a result of Tenant's breach of its obligations pursuant to Section 30(a). This indemnification of Landlord by Tenant includes, without limitation, costs incurred in connection with any investigation of site conditions or any cleanup, remedial, removal, or restoration work required by any federal, state or local governmental agency or political subdivision because of Hazardous Materials present in the air, soil or ground water above, on, or under the Premises which arise during or after the Lease term as a result of Tenant's breach of its obligations pursuant to Section 30(a). Without limiting the foregoing, if the presence of any Hazardous Materials on the Premises, the Building, the Project or any adjacent property, caused or permitted by Tenant results in any contamination of the Premises, the Project or any adjacent property, Tenant shall promptly take all actions at its sole expense and in accordance with applicable law as are necessary to return the Premises, the Project or any adjacent property, to the condition existing prior to the time of such contamination, provided that Landlord's approval of such action shall first be obtained, which approval shall not unreasonably be withheld so long as such actions would not potentially have any material adverse long-term or short-term effect on the Premises or the Project.

(c) Landlord's Tests. Landlord shall have access to, and a right to perform inspections and tests of, the Premises to determine Tenant's compliance with Environmental Requirements, its obligations under this Section 30, or the environmental condition of the Premises or the Project. Access shall be granted to Landlord upon Landlord's prior notice to Tenant and at such times so as to minimize, so far as may be reasonable under the circumstances, any disturbance to Tenant's operations. Such inspections and tests shall be conducted at Landlord's expense, unless such inspections or tests reveal that Tenant has not complied with any

Environmental Requirement, in which case Tenant shall reimburse Landlord for the reasonable cost of such inspection and tests. Landlord's receipt of or satisfaction with any environmental assessment in no way waives any rights that Landlord holds against Tenant.

(d) Tenant's Obligations. Tenant's obligations under this Article 30 shall survive the expiration or earlier termination of the Lease. During any period of time after the expiration or earlier termination of this Lease required by Tenant or Landlord to complete the removal from the Premises of any Hazardous Materials and the release and termination of any licenses or permits restricting the use of the Premises, Tenant shall continue to pay the full Rent in accordance with this Lease for any portion of the Premises not relet by Landlord in Landlord's sole discretion, which Rent shall be prorated daily.

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(e) Landlord's AOM Plan. Landlord shall prepare and deliver to Tenant, within 30 days of the date hereof, an Asbestos Operation and Maintenance Plan with respect to the non-friable asbestos present in the floor tile mastic in the Premises.

31. Tenant's Remedies/Limitation of Liability. Landlord shall not be in default hereunder unless Landlord fails to perform any of its obligations hereunder within 30 days after written notice from Tenant specifying such failure (unless Landlord has failed to pay a sum of money when due, in which case Landlord shall have 10 days in which to effect a cure by paying such sum, or unless the performance of Landlord's obligations will, due to the nature of the obligations, require a period of time in excess of 30 days, in which case Landlord shall have such period of time as is reasonably necessary to effect a cure). Upon any default by Landlord, Tenant shall give notice by registered or certified mail to any Holder of a Mortgage covering the Premises and to any landlord of any lease of property in or on which the Premises are located and Tenant shall offer such beneficiary, Holder and/or landlord a reasonable opportunity to cure the default, including time to obtain possession of the Project by power of sale or a judicial action if such should prove necessary to effect a cure; provided Landlord shall have furnished to Tenant in writing the names and addresses of all such persons who are to receive such notices. All obligations of Landlord hereunder shall be construed as covenants, not conditions; and, except as may be otherwise expressly provided in this Lease, Tenant may not terminate this Lease for breach of Landlord's obligations hereunder.

All obligations of Landlord under this Lease will be binding upon Landlord only with respect to the obligations accruing during the period of its ownership of the Premises and not thereafter. The term "Landlord" in this Lease shall mean only the owner, for the time being of the Premises, and upon the transfer by such owner of its interest in the Premises, such owner shall thereupon be released and discharged from all obligations of Landlord thereafter accruing, but such obligations shall be binding during the Term upon each new owner for the duration of such owner's ownership; including, without limitation, such new owner's obligation to provide Tenant with peaceful and quiet enjoyment of the Premises as provided in Section 24.

32. Inspection and Access. Subject to the provisions of this Section 32, Landlord and its agents, representatives, and contractors may enter the Premises at any reasonable time to inspect the Premises and to make such repairs as may be required or permitted pursuant to this Lease and for any other business purpose. Landlord and Landlord's representatives may enter the Premises during business hours on not less than 48 hours advance written notice (except in the case of emergencies in which case no such notice shall be required and such entry may be at any time) for the purpose of effecting any such repairs, inspecting the Premises, showing the Premises to prospective purchasers and, during the last year of the Term; to prospective tenants or for any other business purpose. Landlord may erect a suitable sign on the Premises stating the Premises are available to let or that the Project is available for sale. Landlord may grant easements, make public dedications, designate Common Areas and create restrictions on or about the Premises, provided that no such easement, dedication, designation or restriction materially, adversely affects Tenant's use or occupancy of the Premises for the Permitted use. At Landlord's request, Tenant shall execute such instruments as may be necessary for such easements, dedications or restrictions. Tenant shall at all times, except in the case of emergencies, have the right to escort Landlord or its agents, representatives, contractors or guests while the same are in the Premises, provided such escort does not materially and

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adversely affect Landlord's access rights hereunder. The names and employers of persons entering the Premises on behalf of Landlord in a non-emergency shall be disclosed to Tenant not less than 48 hours in advance in advance of any such inspection.

33. Security. Tenant acknowledges and agrees that security devices and services, if any, while intended to deter crime may not in given instances prevent theft or other criminal acts and that Landlord is not providing any security services with respect to the Premises. Tenant agrees that Landlord shall not be liable to Tenant for, and Tenant waives any claim against Landlord with respect to, any loss by theft or any other damage suffered or incurred by Tenant in connection with any unauthorized entry into the Premises or any other breach of security with respect to the Premises. Tenant shall be solely responsible for the personal safety of Tenant's officers, employees, agents, contractors, guests and invitees while any such person is in, on or about the Premises and/or the Project. Tenant shall at Tenant's cost obtain insurance coverage to the extent Tenant desires protection against such criminal acts.

34. Force Majeure. Neither Landlord nor Tenant shall not be held responsible for delays in the performance of its obligations hereunder when caused by strikes, lockouts, labor disputes, weather, natural disasters, inability to obtain labor or materials or reasonable substitutes therefor, governmental restrictions, governmental regulations, governmental controls, delay in issuance of permits, enemy or hostile governmental action, civil commotion, fire or other casualty, and other causes beyond the reasonable control of Landlord or Tenant ("Force Majeure"). Notwithstanding the foregoing, in no event shall Tenant's inability to pay Rent or to meet its financial obligations hereunder be deemed to be a cause beyond its control.

35. Brokers, Entire Agreement, Amendment. Landlord and Tenant each represent and warrant that it has not dealt with any broker, agent or other person (collectively, "Broker") in connection with this transaction and that no Broker brought about this transaction, other than Cooper/Brady Partnership (dba CRESA Partners). Landlord and Tenant each hereby agree to indemnify and hold the other harmless from and against any claims by any other Broker claiming a commission or other form of compensation by virtue of having dealt with Tenant or Landlord, as applicable, with regard to this leasing transaction. This Lease may not be amended except by an instrument in writing signed by both parties hereto.

36. Limitation on Landlord's Liability. NOTWITHSTANDING ANYTHING SET FORTH HEREIN OR IN ANY OTHER AGREEMENT BETWEEN LANDLORD AND TENANT TO THE CONTRARY: (A) LANDLORD SHALL NOT BE LIABLE TO TENANT OR ANY OTHER PERSON FOR (AND TENANT AND EACH SUCH OTHER PERSON ASSUME ALL RISK OF) LOSS, DAMAGE OR INJURY, WHETHER ACTUAL OR CONSEQUENTIAL TO: TENANT'S PERSONAL PROPERTY OF EVERY KIND AND DESCRIPTION, INCLUDING, WITHOUT LIMITATION TRADE FIXTURES, EQUIPMENT, INVENTORY, SCIENTIFIC RESEARCH, SCIENTIFIC EXPERIMENTS, LABORATORY ANIMALS, PRODUCT, SPECIMENS, SAMPLES, AND/OR SCIENTIFIC, BUSINESS, ACCOUNTING AND OTHER RECORDS OF EVERY KIND AND DESCRIPTION KEPT AT THE PREMISES AND ANY AND ALL INCOME DERIVED OR DERIVABLE THEREFROM; (B) THERE SHALL BE NO PERSONAL RECOURSE TO LANDLORD FOR ANY ACT OR OCCURRENCE IN, ON OR ABOUT THE PREMISES OR

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ARISING IN ANY WAY UNDER THIS LEASE OR ANY OTHER AGREEMENT BETWEEN LANDLORD AND TENANT WITH RESPECT TO THE SUBJECT MATTER HEREOF AND ANY LIABILITY OF LANDLORD HEREUNDER SHALL BE STRICTLY LIMITED SOLELY TO LANDLORD'S INTEREST IN THE PROJECT (INCLUDING NET PROCEEDS OF SALE THEREOF), AND IN NO EVENT SHALL ANY PERSONAL LIABILITY BE ASSERTED AGAINST LANDLORD IN CONNECTION WITH THIS LEASE NOR SHALL ANY RECOURSE BE HAD TO ANY OTHER PROPERTY OR ASSETS OF LANDLORD OR ANY OF LANDLORD'S OFFICERS, EMPLOYEES, AGENTS OR CONTRACTORS. UNDER NO CIRCUMSTANCES SHALL LANDLORD OR ANY OF LANDLORD'S OFFICERS, EMPLOYEES, AGENTS OR CONTRACTORS BE LIABLE FOR INJURY TO TENANT'S BUSINESS OR FOR ANY LOSS OF INCOME OR PROFIT THEREFROM.

37. Severability. If any clause or provision of this Lease is illegal, invalid or unenforceable under present or future laws, then and in that event, it is the intention of the parties hereto that the remainder of this Lease shall not be affected thereby. It is also the intention of the parties to this Lease that in lieu of each clause or provision of this Lease that is illegal, invalid or unenforceable, there be added, as a part of this Lease, a clause or provision as similar in terms to such illegal, invalid or unenforceable clause or provision as may be possible and be legal, valid and enforceable.

38. Signs; Exterior Appearance. Tenant shall not, without the prior written consent of Landlord, which may be granted or withheld in Landlord's sole discretion: (i) attach any awnings, exterior lights, decorations, balloons, flags, pennants, banners, painting or other projection to any outside wall of the Project, (ii) use any curtains, blind, shades or screens other than Landlord's standard window coverings, (iii) coat or otherwise sunscreen the interior or exterior of any windows, (iv) place any bottles, parcels, or other articles on the window sills, (v) place any equipment, furniture or other items of personal property on any exterior balcony, (vi) paint, affix or exhibit on any part of the Premises or the Project any signs, notices, window or door lettering, placards, decorations, or advertising media of any type which can be viewed from the

exterior of the Premises; provided, however, that subject to Landlord's reasonable approval and all Legal Requirements, Tenant shall have the right to erect signs reflecting Tenant's name on the Premises and on the Project signs designated by Landlord for the use of tenants.

39. Miscellaneous.

(a) Notices. All notices or other communications between the parties shall be in writing and shall be deemed duly given upon delivery or refusal to accept delivery by the addressee thereof if delivered in person, or upon actual receipt if delivered by reputable overnight guaranty courier, addressed and sent to the parties at their addresses set forth above. Landlord and Tenant may from time to time by written notice to the other designate another address for receipt of future notices.

(b) Joint and Several Liability. If and when included within the term "Tenant," as used in this instrument, there is more than one person or entity, each shall be jointly and severally liable for the obligations of Tenant.

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(c) Financial Information. Tenant shall furnish Landlord with true and complete copies of (i) Tenant's most recent audited annual financial statements within 90 days of the end of each of Tenant's fiscal years during the Term, (ii) Tenant's most recent unaudited quarterly financial statements within 60 days of the end of each of Tenant's first three fiscal quarters of each of Tenant's fiscal year during the Term, (iii) at Landlord's request from time to time, updated business plans, including cash flow projections and/or pro forma balance sheets and income statements, all of which shall be treated by Landlord as confidential information, belonging to Tenant, (iv) corporate brochures and/or profiles prepared by Tenant for prospective investors, and (v) any other financial information or summaries that Tenant typically provides to its lenders or shareholders; provided, however, that with respect to the items described in clause (iii) above, Tenant may refuse to disclose any information which it in good faith believes to be a trade secret or which it may not lawfully disclose at such time.

(d) Recordation. Neither this Lease nor a memorandum of lease shall be filed by or on behalf of Tenant in any public record. Landlord may prepare and file, and upon request by Landlord Tenant will execute, a memorandum of lease.

(e) Interpretation. The normal rule of construction to the effect that any ambiguities are to be resolved against the drafting party shall not be employed in the interpretation of this Lease or any exhibits or amendments hereto. Words of any gender used in this Lease shall be held and construed to include any other gender, and words in the singular number shall be held to include the plural, unless the context otherwise requires. The captions inserted in this Lease are for convenience only and in no way define, limit or otherwise describe the scope or intent of this Lease, or any provision hereof, or in any way affect the interpretation of this Lease.

(f) Not Binding Until Executed. The submission by Landlord to Tenant of this Lease shall have no binding force or effect, shall not constitute an option for the leasing of the Premises, nor confer any right or impose any obligations upon either party until execution of this Lease by both parties.

(g) Limitations on Interest. It is expressly the intent of Landlord and Tenant at all times to comply with applicable law governing the maximum rate or amount of any interest payable on or in connection with this Lease. If applicable law is ever judicially interpreted so as to render usurious any interest called for under this Lease, or contracted for, charged, taken, reserved, or received with respect to this Lease, then it is Landlord's and Tenant's express intent that all excess amounts theretofore collected by Landlord be credited on the applicable obligation (or, if the obligation has been or would thereby be paid in full, refunded to Tenant), and the provisions of this Lease immediately shall be deemed reformed and the amounts thereafter collectible hereunder reduced, without the necessity of the execution of any new document, so as to comply with the applicable law, but so as to permit the recovery of the fullest amount otherwise called for hereunder.

(h) Choice of Law. Construction and interpretation of this Lease shall be governed by the internal laws of the state in which the Premises are located, excluding any principles of conflicts of laws.

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(i) Time. Time is of the essence as to the performance of Landlord's and Tenant's obligations under this Lease.

(j) Incorporation by Reference. All exhibits and addenda attached hereto are hereby incorporated into this Lease and made a part hereof. If there is any conflict between such exhibits or addenda and the terms of this Lease, such exhibits or addenda shall control.

(k) Confidentiality. Except as required by applicable law or court order, Landlord and Tenant shall not distribute this Lease or disclose any of the terms hereof to any third party other than their respective insurers, banks and other financing sources, prospective purchasers or investors, prospective assignees or subtenants, officers, directors, employees and consultants ("Permitted Parties"). Landlord and Tenant shall inform their respective Permitted Parties of this confidentiality provision and shall be liable to the other party hereto for any breach of this confidentiality provision by such Permitted Parties.

IN WITNESS WHEREOF, Landlord and Tenant have executed this Lease as of the day and year first above written.

TENANT:

EQUINIX, INC.,
a Delaware corporation

By: _____
Its: Chief Financial Officer

LANDLORD:

ARE-2425/2400/2450 Garcia Bayshore, LLC, a
Delaware limited liability company

By: ALEXANDRIA REAL ESTATE EQUITIES, L.P., a
Delaware limited partnership, sole member

By: ARE-QRS CORP., a Maryland corporation,
general partner

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By: _____
Its: Lynn Anne Shapiro, General Counsel

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EXHIBIT A TO LEASE

DESCRIPTION OF PREMISES

EXHIBIT B

DESCRIPTION OF PROJECT

The land upon which the Project is situated is locate in the City of Mountain View, County of Santa Clara, State of California, described as follows:

All of Parcel 3, as shown upon that certain Map entitled "Parcel Map being a portion of Rancho De San Francisquito", which Map was filed for Record in the Office of the Recorder of the County of Santa Clara, State of California, on March 23, 1981, in Book 481 of Maps, at Pages 27 and 28.

[The foregoing legal description does not include any easements that may be appurtenant to either the fee interest or the leasehold interest in such real property]

The Project is depicted on the attached site map; the Premises are those areas that have been cross-hatched.

EXHIBIT B

DESCRIPTION OF PROJECT

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EXHIBIT C TO LEASE

WORK LETTER

THIS WORK LETTER dated March 20, 2000 (this "Work Letter") is made and entered into by and between ARE-2425/2400/2450 Garcia Bayshore, LLC, a Delaware limited liability company ("Landlord"), and Equinix, Inc., a Delaware corporation ("Tenant"), and is attached to and made a part of the Lease dated March 20, 2000 (the "Lease"), by and between Landlord and Tenant. Any initially capitalized terms used but not defined herein shall have the meanings given them in the Lease.

1. General Requirements

(a) Tenant's Authorized Representative. Tenant designates Kathleen Fotes and Nancy Escano (either such individual acting alone, "Tenant's Representative") as the only persons authorized to act for Tenant pursuant to this Work Letter. Landlord shall not be obligated to respond to or act upon any request, approval, inquiry or other communication ("Communication") from or on behalf of Tenant in connection with this Work Letter unless such Communication is in writing from Tenant's Representative. Tenant may change Tenant's Representatives at any time upon not less than 5 business days advance written notice to Landlord. No period set forth herein for any approval of any matter by Tenant's Representative shall be extended by reason of any change in Tenant's Representative.

(b) Landlord's Authorized Representative. Landlord designates Vin Ciruzzi and Radika Ratna (either such individual acting alone, "Landlord's Representative") as the only persons authorized to act for Landlord pursuant to this Work Letter. Tenant shall not be obligated to respond to or act upon any request, approval, inquiry or other Communication from or on behalf of Landlord in connection with this Work Letter unless such Communication is in writing from Landlord's Representative. Landlord may change Landlord's Representatives at any time upon not less than 5 business days advance written notice to Tenant. No period set forth herein for any approval of any matter by Landlord's Representative shall be extended by reason of any change in Landlord's Representative. Neither Landlord nor Landlord's Representative shall be authorized to direct Tenant's contractors in the performance of Tenant's Work (as hereinafter defined).

(c) Architects, Consultants and Contractors. Landlord and Tenant hereby acknowledge and agree that the architect (the "TI Architect") for the Tenant Improvements, the general contractor and any subcontractors for the Tenant Improvements shall be selected by Tenant, subject to Landlord's approval, which approval shall not be unreasonably withheld, conditioned or delayed.

(d) Development Schedule. The proposed schedule for design and development of Tenant's Improvements (as defined below), including without limitation the time

periods for delivery of construction documents and performance, shall be generally in accordance with the Development Schedule attached hereto as Schedule A, subject to such changes as Tenant shall reasonably require or as provided in this Work Letter (the "Development Schedule").

2. Tenant Improvements.

(a) Tenant Improvements Defined. As used herein, "Tenant Improvements" shall mean all improvements to the Premises desired by Tenant of a fixed and permanent nature. Other than funding the TI Allowance (as defined below) as provided herein, Landlord shall not have any obligation whatsoever with respect to the finishing of the Premises for Tenant's use and occupancy.

(b) Tenant's Space Plans. Tenant shall deliver to Landlord schematic drawings and outline specifications (the "TI Design Drawings") detailing Tenant's requirements for the Tenant Improvements within 15 business days of the date of Delivery of the Premises to Tenant. As promptly as reasonably possible, but in no event more than 5 business days thereafter, Landlord shall deliver to Tenant the written objections, questions or comments of Landlord and the TI Architect with regard to the TI Design Drawings. Tenant shall cause the TI Design Drawings to be revised to address such written comments and shall resubmit said drawings to Landlord for approval thereafter. Such process shall continue until Landlord has approved the TI Design Drawings.

(c) Working Drawings. Following the approval of the TI Design Drawings by Landlord, Tenant shall cause the TI Architect to prepare and deliver to Landlord for review and comment construction plans, specifications and drawings for the Tenant Improvements ("TI Construction Drawings"), which TI Construction Drawings shall be prepared substantially in accordance with the TI Design Drawings. Tenant shall be solely responsible for ensuring that the TI Construction Drawings reflect Tenant's requirements for the Tenant Improvements. Landlord shall deliver its written comments on the TI Construction Drawings to Tenant as promptly as reasonably possible, but in no event more than 5 business days after Landlord's receipt of the same; provided, however, that Landlord may

not disapprove any matter that is consistent with the TI Design Drawings. Tenant and the TI Architect shall consider all such comments in good faith and shall, within 10 business days after receipt, notify Landlord how Tenant proposes to respond to such comments. Any disputes in connection with such comments shall be resolved in accordance with Section 2(d) hereof. Provided that the design reflected in the TI Construction Drawings is consistent with the TI Design Drawings, Landlord shall approve the TI Construction Drawings submitted by Tenant. Once approved by Landlord, subject to the provisions of Section 2(d) below, Tenant shall not materially modify the TI Construction Drawings except as may be reasonably required in connection with the issuance of the TI Permit and except as provided in Section 4.

(d) Approval and Completion. Upon any dispute regarding the design of the Tenant Improvements, which is not settled within 5 business days after notice of such dispute is delivered by one party to the other, Tenant shall make the final decision regarding the design of the Tenant Improvements, provided Tenant acts reasonably and such final decision is either consistent with or a compromise between Landlord's and Tenant's positions with

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respect to such dispute, provided further that all costs and expenses resulting from any such decision by Tenant shall be payable out of the TI Fund, as defined in Section 5(d) below. Any changes to the TI Construction Drawings following Landlord's and Tenant's approval of same requested by Tenant shall be processed as provided in Section 4 hereof.

3. Performance of Tenant's Work

(a) Definition of Tenant's Work. As used herein, "Tenant's Work" shall mean the work of constructing the Tenant Improvements.

(b) Commencement and Permitting of Tenant's Work. Tenant shall commence construction of the Tenant Improvements upon obtaining a building permit (the "TI Permit") authorizing the construction of the Tenant Improvements consistent with the TI Construction Drawings approved by Landlord. The cost of obtaining the TI Permit shall be payable from the TI Fund. Landlord shall assist Tenant in obtaining the TI Permit.

(c) Restrictions on Demolition of Existing Facilities. The parties acknowledge that the Premises are currently designed for use as a laboratory facility. The Tenant's Work will convert the Premises into commercial office use. Prior to commencement of demolition of the current fixtures and equipment in place in the Premises (the "Existing Facilities"), Tenant shall obtain Landlord's consent, identifying any part of the Existing Facilities Tenant intends to demolish or remove. Landlord shall have a reasonable opportunity to remove, at Landlord's expense, the Existing Facilities prior to the commencement of Tenant's Work, provided that Landlord's removal of the Existing Facilities does not unreasonably interfere with or delay Tenant's Work.

(d) Selection of Materials, Etc. Where more than one type of material or structure is indicated on the TI Construction Drawings approved by Tenant and Landlord, the option will be within Tenant's reasonable discretion.

4. Changes. Any changes (other than Minor Variations) requested by Tenant to the Tenant Improvements after the delivery and approval by Landlord of the TI Design Drawings, shall be requested and instituted in accordance with the provisions of this Section 4 and shall be subject to the written approval of Landlord, such approval not to be unreasonably withheld, conditioned or delayed.

(a) Tenant's Right to Request Changes. If Tenant shall request changes ("Changes"), Tenant shall request such Changes by notifying Landlord in writing in substantially the same form as the AIA standard change order form (a "Change Request"), which Change Request shall detail the nature and extent of any such Change. Such Change Request must be signed by Tenant's Representative. Landlord shall review and approve or disapprove such Change Request as soon as reasonably possible, but in any event within 5 business days thereafter, provided that Landlord's approval shall not be unreasonably withheld, conditioned or delayed.

(b) Implementation of Changes. If Landlord approves such Change, Tenant may cause the approved Change to be instituted.

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5. Costs

(a) Budget For Tenant Improvements. Before the commencement of construction of the Tenant Improvements, Tenant shall obtain a detailed breakdown, by trade, of the costs incurred or which will be incurred, in connection with the design and construction of Tenant's Work (the "Budget"). The Budget shall be based upon the TI Construction Drawings approved by Landlord and shall include a payment to Landlord, of administrative rent ("Administrative Rent") equal to 5.0% of the TI Costs (as hereinafter defined) for monitoring and inspecting the construction of Tenant's Work, which sum shall be payable from

the TI Fund. Such Administrative Rent shall include, without limitation, all out-of-pocket costs, expenses and fees incurred by or on behalf of Landlord arising from, out of, or in connection with, such monitoring of the construction of the Tenant's Improvements, and shall be payable out of the TI Fund.

(b) TI Allowance. Landlord shall provide to Tenant tenant improvement allowances (collectively, the "TI Allowance") as follows:

(i) a "Tenant Improvement Allowance" in the maximum amount of \$20.00 per rentable square foot in the Premises which is included in the Base Rent set forth in the Lease; and

(ii) an "Additional Tenant Improvement Allowance" in the maximum amount of \$5.00 per rentable square foot in the Premises which shall, if and to the extent used, result in adjustments to the Base Rent as set forth in the Lease.

Before commencing any Tenant's Work, Tenant shall notify Landlord in writing how much Additional Tenant Improvement Allowance, if any, Tenant has elected to receive from Landlord. Such election shall be final and binding on Tenant, and may not thereafter be modified without Landlord's consent, which may be granted or withheld in Landlord's sole and absolute discretion. The TI Allowance shall be disbursed in accordance with this Work Letter.

(c) Costs Includable in TI Fund. The TI Fund shall be used solely for the payment of design and construction costs in connection with the construction of the Tenant Improvements, including, without limitation, the cost of preparing the TI Design Drawings and the TI Construction Drawings, all costs set forth in the Budget, including data and telecommunications cabling, Landlord's Administrative Rent and the cost of Changes (collectively, "TI Costs"). Notwithstanding anything to the contrary contained herein, the TI Fund shall not be used to purchase any furniture, personal property or other non-building system materials or equipment.

(d) Excess TI Costs. It is understood and agreed that Landlord is under no obligation to bear any portion of the cost of any of the Tenant Improvements except to the extent of the TI Allowance. The funds required to be paid by Tenant for Tenant's Work, together with the remaining TI Allowance, is herein referred to as the "TI Fund". Notwithstanding anything to the contrary set forth in this Section 5(d), Tenant shall be fully and solely liable for TI Costs and the cost of Minor Variations in excess of the TI Allowance.

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(e) Payment for TI Costs. Landlord shall disburse the TI Allowance once a month against a draw request providing the information described in Schedule B, attached hereto, to the extent of Landlord's approval thereof for payment, no later than 30 days following receipt of such draw request.

6. Miscellaneous

(a) Consents. Whenever consent or approval of either party is required under this Work Letter, that party shall not unreasonably withhold, condition or delay such consent or approval, except as may be expressly set forth herein to the contrary.

(b) Modification. No modification, waiver or amendment of this Work Agreement or of any of its conditions or provisions shall be binding upon Landlord or Tenant unless in writing signed by Landlord and Tenant.

(c) Counterparts. This Work Letter may be executed in any number of counterparts but all counterparts taken together shall constitute a single document.

(d) Governing Law. This Work Letter shall be governed by, construed and enforced in accordance with the internal laws of the state in which the Premises are located, without regard to choice of law principles of such State.

(e) Time of the Essence. Time is of the essence of this Work Agreement and of each and all provisions thereof.

(f) Default. Notwithstanding anything set forth herein or in the Lease to the contrary, Landlord shall not have any obligation to perform any work hereunder or to fund any portion of the TI Fund during any period Tenant is in Default under the Lease:

(g) Severability. If any term or provision of this Work Letter is declared invalid or unenforceable, the remainder of this Work Letter shall not be affected by such determination and shall continue to be valid and enforceable.

(h) Merger. All understandings and agreements, oral or written, heretofore made between the parties hereto and relating to Landlord's Work are

merged in this Work Letter, which alone (but inclusive of provisions of the Lease incorporated herein and the final approved constructions drawings and specifications prepared pursuant hereto) fully and completely expresses the agreement between Landlord and Tenant with regard to the matters set forth in this Work Letter.

(i) Entire Agreement. This Work Letter is made as a part of and pursuant to the Lease and, together with the Lease, constitutes the entire agreement of the parties with respect to the subject matter hereof. This Work Letter is subject to all of the terms and limitation set forth in the Lease, and neither party shall have any rights or remedies under this Work Letter separate and apart from their respective remedies pursuant to the Lease.

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IN WITNESS WHEREOF, Landlord and Tenant have executed this Work Letter to be effective on the date first above written.

TENANT:

EQUINIX, INC.,
a Delaware corporation

By: _____
Its: Chief Financial Officer

LANDLORD:

ARE-2425/2400/2450 Bayshore, LLC, a Delaware
limited liability company

By: ALEXANDRIA REAL ESTATE EQUITIES, L.P., a
Delaware limited partnership, sole member

By: ARE-QRS CORP., a Maryland corporation,
general partner

By: _____
Its: Lynn Anne Shapiro, General Counsel

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SCHEDULE A TO WORK LETTER

DEVELOPMENT SCHEDULE

<TABLE>
<CAPTION>

Event	Date
-----	----
	<C>
Execution of lease	3/20/00
Naming of Tenant's Representatives	3/20/00
Delivery of space plans for TI Design Drawings pursuant to Section 2(b) of the Work Letter	5/15/00
Delivery of Preliminary TI Plans for pursuant to Section 2(c) of the Work Letter	5/15/00
Delivery of TI Construction Drawings pursuant to Section 2(d) of the Work Letter	6/12/00
Commence construction of Tenant Improvements	7/5/00
Substantial Completion of Tenant Improvements	9/15/00
Issuance of Temporary Certificate of Occupancy	9/20/00

</TABLE>

SCHEDULE B TO WORK LETTER

1. Before any work is begun, Landlord shall have received a fully executed copy of the construction contract for the Tenant Improvements and a certificate of insurance complying with the terms of the Lease including with respect to the construction of the Tenant Improvements.

2. For each progress payment AIA Forms G702 and G703(a), together with Civil Code Section 3262 conditional lien waivers and lien releases for any work done and previously paid for, invoices, inspection reports and such other relevant documents as Landlord may reasonably require.

3. For the final draw, an AIA Form G704 Certificate of Substantial Completion executed by both the TI Architect and the TI contractor, together with final lien releases, final inspection reports, a certificate of occupancy for the Premises and such other matters as Landlord may reasonably require.

ACKNOWLEDGMENT OF DELIVERY DATE

This ACKNOWLEDGMENT OF DELIVERY DATE is made this day of __, 2000, between ARE-2425/2400/2450 Garcia Bayshore, LLC, a Delaware limited liability company ("Landlord"), and Equinix, Inc., a Delaware corporation ("Tenant"), and is attached to and made a part of the Lease dated January 28, 2000 (the "Lease"), by and between Landlord

and Tenant. Any initially capitalized terms used but not defined herein shall have the meanings given them in the Lease.

Landlord and Tenant hereby acknowledge and agree, for all purposes of the Lease, that the Delivery Date of the Base Term of the Lease is _____, 2000, and the termination date of the Base Term of the Lease shall be midnight on _____.

IN WITNESS WHEREOF, Landlord and Tenant have executed this ACKNOWLEDGMENT OF DELIVERY DATE to be effective on the date first above written.

TENANT:

EQUINIX, INC.,
a Delaware corporation

By: _____
Its: _____

LANDLORD:

ARE-2425/2400/2450 Garcia Bayshore, LLC, a
Delaware limited liability company

By: ALEXANDRIA REAL ESTATE EQUITIES, L.P., a
Delaware limited partnership, sole member

By: ARE-QRS CORP., a Maryland corporation,
general partner

By: _____
Its: _____

EXHIBIT E TO LEASE

RULES AND REGULATIONS

1. The sidewalk, entries, and driveways of the Project shall not be obstructed by Tenant, or its agents, or used by them for any purpose other than ingress and egress to and from the Premises.
2. Tenant shall not place any objects, including antennas, outdoor furniture, etc., in the parking areas, landscaped areas or other areas outside of its Premises, or on the roof of the Project.
3. Except for seeing-eye dogs, no animals shall be allowed in the offices, halls, or corridors in the Project.
4. Tenant shall not disturb the occupants of the Project or adjoining buildings by the use of any radio or musical instrument or by the making of loud or improper noises.
5. If Tenant desires telegraphic, telephonic or other electric connections in the Premises, Landlord or its agent will direct the electrician as to where and how the wires may be introduced; and, without such direction, no boring or cutting of wires will be permitted. Any such installation or connection shall be made at Tenant's expense.
6. Tenant shall not install or operate any steam or gas engine or boiler, or other mechanical apparatus in the Premises, except as specifically approved in the Lease. The use of oil, gas or inflammable liquids for heating, lighting or any other purpose is expressly prohibited. Explosives or other articles deemed extra hazardous shall not be brought into the Project.
7. Parking any type of recreational vehicles is specifically prohibited on or about the Project. Except for the overnight parking of operative vehicles, no vehicle of any type shall be stored in the parking areas at any time. In the event that a

vehicle is disabled, it shall be removed within 48 hours. There shall be no "For Sale" or other advertising signs on or about any parked vehicle. All vehicles shall be parked in the designated parking areas in conformity with all signs and other markings. All parking will be open parking, and no reserved parking, numbering or lettering of individual spaces will be permitted except as specified by Landlord.

8. Tenant shall maintain the Premises free from rodents, insects and other pests.
9. Landlord reserves the right to exclude or expel from the Project any person who, in the judgment of Landlord, is intoxicated or under the influence of liquor or drugs or who shall in any manner do any act in violation of the Rules and Regulations of the Project.
10. Tenant shall not cause any unnecessary labor by reason of Tenant's carelessness or indifference in the preservation of good order and cleanliness. Landlord shall not be responsible to Tenant for any loss of property on the Premises, however occurring, or for any damage done to the effects of Tenant by the janitors or any other employee or person.
11. Tenant shall give Landlord prompt notice of any material defects in the water, lawn sprinkler, sewage, gas pipes, electrical lights and fixtures, heating apparatus, or any other service equipment affecting the Premises.
12. Tenant shall not permit storage outside the Premises, including without limitation, outside storage of trucks and other vehicles, or dumping of waste or refuse or permit any harmful materials to be placed in any drainage system or sanitary system in or about the Premises.
13. All moveable trash receptacles provided by the trash disposal firm for the Premises must be kept in the trash enclosure areas, if any, provided for that purpose.
14. No auction, public or private, will be permitted on the Premises or the Project.
15. No awnings shall be placed over the windows in the Premises except with the prior written consent of Landlord.
16. The Premises shall not be used for lodging, sleeping or cooking or for any immoral or illegal purposes or for any purpose other than that specified in the Lease. No gaming devices shall be operated in the Premises.
17. Tenant shall ascertain from Landlord the maximum amount of electrical current which can safely be used in the Premises, taking into account the capacity of the electrical wiring in the Project and the Premises and the needs of other tenants, and shall not use more than such safe capacity. Landlord's consent to the installation of electric equipment shall not relieve Tenant from the obligation not to use more electricity than such safe capacity.
18. Tenant assumes full responsibility for protecting the Premises from theft, robbery and pilferage.
19. Tenant shall not install or operate on the Premises any machinery or mechanical devices of a nature not directly related to Tenant's ordinary use of the Premises and shall keep all such machinery free of vibration, noise and air waves which may be transmitted beyond the Premises.

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EXHIBIT F TO LEASE

TENANT'S PERSONAL PROPERTY

[Tenant to Provide]

EXHIBIT G TO LEASE

ESTOPPEL CERTIFICATE

THIS TENANT ESTOPPEL CERTIFICATE ("Certificate"), dated as of _____, _____, is executed by _____ ("Tenant") in favor of [Buyer], a _____, together with its nominees, designees and assigns (collectively, "Buyer"), and in favor of together with its nominees, designees and assigns (collectively, "Lender").

RECITALS

A. Buyer and ("Landlord"), have entered into that certain Purchase and Sale Agreement and Joint Escrow Instructions, dated as of, 20- (the "Purchase Agreement"), whereby Buyer has agreed to purchase, among other things, the improved real property located in the City of _____, County of _____, State of _____, more particularly described on Exhibit A attached to the Purchase Agreement (the "Property").

B. Tenant and Landlord have entered into that certain Lease Agreement, dated as of _____ (together with all amendments, modifications, supplements, guarantees and restatements thereof, the "Lease"), for a portion of the Property.

C. Pursuant to the Lease, Tenant has agreed that upon the request of Landlord, Tenant would execute and deliver an estoppel certificate certifying the status of the Lease.

D. In connection with the Purchase Agreement, Landlord has requested that Tenant execute this Certificate with an understanding that Lender will rely on the representations and agreements below in granting to Buyer a loan.

NOW, THEREFORE, Tenant certifies, warrants, and represents to Buyer and Lender as follows:

1. Lease. Attached hereto as Exhibit B is a true, correct and _____ complete copy of the Lease, including the following amendments, modifications, supplements, guarantees and restatements thereof, which together represent all of the amendments, modifications, supplements, guarantees and restatements thereof:

(If none, please state "None.")

2. Premises. Pursuant to the Lease, Tenant leases those certain premises (the "Premises") consisting of approximately _____ rentable square feet within the Property, as more particularly described in the Lease. In addition, pursuant to the terms of the Lease, Tenant has the [non-exclusive] right to use [_____ parking spaces/the parking area] located on the Property during the term of the Lease. [Cross-out the preceding sentence or portions thereof if inapplicable.]

3. Full Force of Lease. The Lease has been duly authorized, executed and delivered by Tenant, is in full force and effect, has not been terminated, and constitutes a legally valid instrument, binding and enforceable against Tenant in accordance with its terms, subject only to applicable limitations imposed by laws relating to bankruptcy and creditor's rights.

4. Complete Agreement. The Lease constitutes the complete agreement between Landlord and Tenant for the Premises and the Property, and except as modified by the Lease amendments noted above (if any), has not been modified, altered or amended.

5. Acceptance of Premises. Tenant has accepted possession and is currently occupying the Premises.

6. Lease Term. The term of the Lease commenced on _____ and ends on _____, subject to the following options to extend: _____ . (If none, please state "None.")

7. Purchase Rights. Tenant has no option, right of first refusal, right of first offer, or other right to acquire or purchase all or any portion of the Premises or all or any portion of, or interest in, the Property, except as follows: _____ . (If none, please state "None.")

8. Rights of Tenant. Except as expressly stated in this Certificate, Tenant:

(a) has no right to renew or extend the term of the Lease;

(b) has no option or other right to purchase all or any

part of the Premises or all or any part of the Property;

(c) has no right, title, or interest in the Premises, other than as Tenant under the Lease.

9. Rent.

(a) The obligation to pay rent under the Lease commenced on _____. The rent under the Lease is current, and Tenant is not in default in the performance of any of its obligations under the Lease.

(b) Tenant is currently paying base rent under the Lease in the amount of \$_____ per month. Tenant has not received and is not presently entitled to any abatement, refunds, rebates, concessions or forgiveness of rent or other charges, free rent, partial rent, or credits, offsets or reductions in rent, except as follows: _____ . (If none, please state "None.")

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(c) Tenant's estimated share of operating expenses, common area charges, insurance, real estate taxes and administrative and overhead expenses is _____% and is currently being paid at the rate of \$_____ per month, payable to: _____ .

(d) There are no existing defenses or offsets against rent due or to become due under the terms of the Lease, and there presently is no default or other wrongful act or omission by Landlord under the Lease or otherwise in connection with Tenant's occupancy of the Premises, nor is there a state of facts which with the passage of time or the giving of notice or both could ripen into a default on the part of Tenant, or to the best knowledge of Tenant, could ripen into a default on the part of Landlord under the Lease, except as follows: _____ . (If none, please state "None.")

10. Security Deposit. The amount of Tenant's security deposit held by Landlord under the Lease is \$_____ .

11. Prepaid Rent. The amount of prepaid rent, separate from the security deposit, is covering the period from to _____ to _____ .

12. Insurance. All insurance, if any, required to be maintained by Tenant under the Lease is presently in effect.

13. Pending Actions. There is not pending or, to the knowledge of Tenant, threatened against or contemplated by the Tenant, any petition in bankruptcy, whether voluntary or otherwise, any assignment for the benefit of creditors, or any petition seeking reorganization or arrangement under the federal bankruptcy laws or those of any state.

14. Tenant Improvements. As of the date of this Certificate, to the best of Tenant's knowledge, Landlord has performed all obligations required of Landlord pursuant to the Lease; no offsets, counterclaims, or defenses of Tenant under the Lease exist against Landlord; and no events have occurred that, with the passage of time or the giving of notice, would constitute a basis for offsets, counterclaims, or defenses against Landlord, except as follows: _____ . (If none, please state "None.")

15. Assignments by Landlord. Tenant has received no notice of any assignment, hypothecation or pledge of the Lease or rentals under the Lease by Landlord. Tenant hereby consents to an assignment of the Lease and rents to be executed by Landlord to Buyer or Lender in connection with the Loan and acknowledges that said assignment does not violate the provisions of the Lease. Tenant acknowledges that the interest of the Landlord under the Lease is to be assigned to Buyer or Lender solely as security for the purposes specified in said assignment and Buyer or Lender shall have no duty, liability or obligation whatsoever under the Lease or any extension or renewal thereof, either by virtue of said assignment or by any subsequent receipt or collection of rents thereunder, unless Buyer or Lender shall specifically undertake such liability in writing. Tenant agrees that upon receipt of a written notice from Buyer or Lender of a default by Landlord under the Loan, Tenant will thereafter pay rent to Buyer or Lender in accordance with the terms of the Lease.

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16. Assignments by Tenant. Tenant has not sublet or assigned the Premises or the Lease or any portion thereof to any sublessee or assignee except as follows: _____ . No one except Tenant and its employees will occupy the Premises except as described in the preceding sentence hereof. The address for notices to be sent to Tenant is as set forth in the Lease.

17. Environmental Matters. The operation and use of the Premises does not involve the generation, treatment, storage, disposal or release into the environment of any hazardous materials, regulated materials and/or solid waste, except those used in the ordinary course of operating for the Permitted Use, as defined in the Lease, or otherwise used in accordance with all applicable laws.

18. Succession of Interest. Tenant agrees that, in the event Buyer or Lender succeeds to the interest of Landlord under the Lease:

(a) Buyer or Lender shall not be liable for any act or omission of any prior landlord (including Landlord);

(b) Buyer or Lender shall not be liable for the return of any security deposit;

(c) Buyer or Lender shall not be bound by any rent or additional rent which Tenant might have prepaid under the Lease for more than the current month;

(d) Buyer or Lender shall not be bound by any amendments or modifications of the Lease made without prior consent of Buyer or Lender;

(e) Buyer or Lender shall not be subject to any offsets or defenses which Tenant might have against any prior landlord (including Landlord); or.

(f) Buyer or Lender shall not be liable under the Lease to Tenant for the performance of Landlord's obligations under the Lease beyond Buyer or Lender's interest in the Property.

19. Notice of Default. Tenant agrees to give Buyer and Lender a copy of any notice of default under the Lease served upon Landlord at the same time as such notice is given to Landlord. Tenant further agrees that if Landlord shall fail to cure such default within the applicable grace period, if any, provided in the Lease, then Buyer or Lender shall have an additional 60 days within which to cure such default, or if such default cannot be cured within such 60-day period, such 60-day period shall be extended so long as Buyer or Lender has commenced and is diligently pursuing the remedies necessary to cure such default (including, but not limited to, commencement of foreclosure proceedings, if necessary to effect such cure, in which event the Lease shall not be terminated while such remedies are being pursued.

20. Notification by Tenant. From the date of this Certificate and continuing until _____, Tenant agrees to immediately notify Buyer and Lender, in writing by registered or certified mail, return receipt requested, at the following addresses, on the

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occurrence of any event or the discovery of any fact that would make any representation contained in this Certificate inaccurate:

If To Buyer: _____

With A Copy To: _____

If To Lender: _____

Tenant makes this Certificate with the knowledge that it will be relied upon by Buyer and lender in agreeing to purchase the Property.

Tenant has executed this Certificate as of the date first written above by the person named below, who is duly authorized to do so.

TENANT: _____,
a _____

By: _____
Name: _____
Its: _____

EXHIBIT A TO ESTOPPEL CERTIFICATE

Legal Description

EXHIBIT B TO ESTOPPEL CERTIFICATE

Copy of Lease

EXHIBIT H TO LEASE

SUBORDINATION, NON-DISTURBANCE AND
-----ATTORNMENMENT AGREEMENT

THIS SUBORDINATION, NON-DISTURBANCE AND ATTORNMENMENT AGREEMENT is made and entered into as of _____, _____ ("Agreement"), by and between ALEXANDRIA REAL ESTATE EQUITIES, INC., a Maryland corporation together with its nominees, designees and assigns (collectively, "Landlord"), _____, a _____ ("Tenant"), and _____, a _____ ("Mortgagee").

WHEREAS, Mortgagee is making a loan to Landlord and others evidenced by a certain promissory note ("Note"), and secured by, among other things, a deed of trust/mortgage to be recorded prior hereto in the public records of the City of _____, County of _____, State of _____ ("Mortgage") constituting a lien upon the real property described in Exhibit A hereto (the "Real Property"); and

WHEREAS, _____ and Tenant have entered into a Lease Agreement dated as of _____, _____ ("Lease"), for certain leased premises encompassing _____ located in _____, containing approximately _____ net square feet (hereinafter collectively referred to as "Premises"); and

WHEREAS, the Lease is subordinate to the Mortgage and to the right, title, and interests of Mortgagee thereto and thereunder; and

WHEREAS, Mortgagee wishes to obtain from Tenant certain assurances that Tenant will attorn to Mortgagee in the event of a foreclosure by Mortgagee or the exercise of other rights under the Mortgage; and

WHEREAS, Tenant wishes to obtain from Mortgagee certain assurances that Tenant's possession of the Premises will not, subject to the terms and conditions of this Agreement, be disturbed by reason of a foreclosure of the lien of the Mortgage on the Real Property; and

WHEREAS, Tenant and Mortgagee are both willing to provide such assurances to each other upon and subject to the terms and conditions of this Agreement.

NOW, THEREFORE, in consideration of the above, the mutual promises hereinafter set forth, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto mutually agree as follows:

1. Affirmation. Tenant hereby agrees that the Lease now is and shall be subject and subordinate in all respects to the Mortgage and to all renewals, modifications and extensions thereof until such time that the Mortgage is released, satisfied or otherwise discharged, subject to the terms and conditions of this Agreement. Landlord and Tenant hereby

affirm that the Lease is in full force and effect and that the Lease has not been modified or amended except as follows: _____
_____. Mortgagee hereby confirms that it is the holder of the Note and the beneficiary of the Mortgage and has full power and authority to enter into this Agreement.

2. Attornment and Non-Disturbance.

(a) So long as Tenant is not in default under the Lease (beyond Tenant's receipt of notice from Landlord and any grace period granted Tenant under the Lease to cure such default) as would entitle the Landlord to terminate the Lease or would cause without any further action of the Landlord, the termination of the Lease or would entitle the Landlord to dispossess Tenant thereunder then Mortgagee agrees with Tenant that in

the event the interest of Landlord shall be acquired by Mortgagee or in the event Mortgagee comes into possession of or acquires title to the Real Property by reason of foreclosure or foreclosure sale or the enforcement of the Mortgage or the Note or other obligation secured thereby or by a conveyance in lieu thereof, or as a result of any other means then:

(i) Subject to the provisions of this Agreement, Tenant's occupancy and possession of the Premises and Tenant's rights and privileges under the Lease or any extensions, modifications or renewals thereof or substitutions therefor (in accordance with the Lease and the Mortgage) shall not be disturbed, diminished or interfered with by Mortgagee during the term of the Lease (or any extensions or renewals thereof provided for in the Lease);

(ii) Mortgagee will not join Tenant as a party defendant in any action or proceeding for the purpose of terminating Tenant's interest and estate under the Lease because of any default under the Mortgage; and

(iii) The Lease shall continue in full force and effect and shall not be terminated except in accordance with the terms of the Lease.

(b) Tenant shall be bound to Mortgagee under all of the terms, covenants and conditions of the Lease for the balance of the term thereof remaining (and any extensions or renewals thereof which may be effected in accordance with any option contained in the Lease) with the same force and effect as if Mortgagee were the landlord under the Lease, and Tenant does hereby agree to attorn to Mortgagee as its landlord, said attornment to be effective and self-operative without the execution of any other instruments on the part of either party hereto immediately upon Mortgagee's succeeding to the interest of Landlord under the Lease. Upon request of Lender, Tenant shall execute and deliver to Lender an agreement reaffirming such attornment.

(c) If the Mortgage is foreclosed and any party ("Purchaser") other than Mortgagee purchases the Premises and succeeds to the interest of Landlord under the Lease, Tenant shall likewise be bound to Purchaser and Tenant hereby covenants and agrees to attorn to Purchaser in accordance with all of the provisions of this Agreement; provided, however, that

Purchaser shall have transmitted to Tenant a written document in recordable form, whereby

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Purchaser agrees to recognize Tenant as its lessee under the Lease and agrees to be directly bound to Tenant for the performance and observance of all the terms and conditions of the Lease required to be performed or observed by Landlord thereunder, subject to and in accordance with the terms of this Agreement.

(d) Mortgagee agrees that if Mortgagee shall succeed to the interest of Landlord under the Lease as above provided, Mortgagee shall be bound to Tenant under all of the terms, covenants, and conditions of the Lease, and Tenant shall, from and after Mortgagee's succession to the interest of Landlord under the Lease, have the same remedies against Mortgagee that Tenant might have had under the Lease against Landlord if Mortgagee had not succeeded to the interest of Landlord; provided, however, that Mortgagee (and Purchaser, as the

case may be) shall not be:

(i) liable for any act or omission of any prior lessor (including Landlord) occurring prior to the date that Mortgagee or Purchaser acquired title to the Premises;

(ii) subject to any offsets, counterclaims or defenses which Tenant might have against any prior lessor (including Landlord);

(iii) bound by any previous payment of rent or additional rent for a period greater than 1 month unless such prepayment shall have been consented to in writing by Mortgagee;

(iv) bound by any amendment or modification of the Lease made prior to the date Mortgagee or Purchaser succeeds to the interest of Landlord without Mortgagee's written consent;

(v) liable to Tenant for any loss of business or any other indirect or consequential damages from whatever cause; provided, however,

no inference shall be drawn from this clause (v) that Tenant would otherwise be entitled (or not entitled) to recover for loss of business or any other indirect or consequential damages; or

(vi) liable for the return of any security deposit unless such deposit has been paid over to the Mortgagee.

The foregoing shall not be construed to modify or limit any right Tenant may have at law or in equity against Landlord or any other prior owner of the Real Property.

3. Notices. All notices required or permitted to be given pursuant to this Agreement shall be in writing and shall be sent postage prepaid, by certified mail, return receipt requested or other nationally utilized overnight delivery service. All notices shall be deemed delivered when received or refused. Rejection or other refusal to accept or inability to deliver because of changed address of which no notice has been given shall constitute receipt of the notice, demand or request sent. Any such notice if given to Tenant shall be addressed as follows:

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if given to Landlord shall be addressed as follows:

c/o Alexandria Real Estate Equities, Inc.
135 N. Los Robles Avenue
Suite 250
Pasadena, California 91101
Attention: General Counsel

if given to Mortgagee shall be addressed as follows:

4. Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns. The words "foreclosure" and "foreclosure sale" as used herein shall be deemed to also include the acquisition of Landlord's estate in the Real Property by voluntary deed, assignment or other conveyance or transfer in lieu of foreclosure.

5. Modifications to Lease. Tenant shall not modify or amend the Lease or terminate the same without Mortgagee's prior written consent. If Mortgagee fails to provide Tenant with a written approval of the proposed modification, amendment or termination within 10 business days after notice to Mortgagee of such proposal, then Mortgagee shall be deemed to have rejected such proposal.

6. Additional Agreements. Tenant agrees that:

(a) it shall give Mortgagee copies of all notices of default and requests for approval or consent by Landlord that Tenant gives to Landlord pursuant to the Lease in the same manner as they are given to Landlord and no such notice or other communication shall be deemed to be effective until a copy is given to Mortgagee;

(b) whenever any consent or approval by Landlord is required to be obtained by Tenant or is requested by Tenant such consent or approval shall not be effective until it is also confirmed by or obtained from Mortgagee, provided that Mortgagee shall respond within 30 days after Mortgagee's receipt of Tenant's request and failure of Mortgagee to respond in such time period shall be deemed to be a denial of such consent or approval;

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(c) in all provisions of the Lease where Landlord is indemnified, the reference to Landlord as an indemnitee shall be deemed to include Mortgagee and any Purchaser and such agreement of indemnification shall survive the repayment of the loan secured by the Mortgage and, to the extent provided in the Lease, the expiration or termination of the Lease;

(d) Tenant shall name Mortgagee and any Purchaser as additional insureds and loss payees, as applicable and appropriate, on all insurance policies required by the Lease;

(e) this Agreement satisfies any condition or requirement in the Lease relating to the granting of a non-disturbance agreement by Mortgagee, and if there are inconsistencies between the terms and provisions of this Agreement and the terms and provisions of the Lease dealing with non-disturbance by Mortgagee, the terms and provisions hereof shall be controlling; and

(f) Mortgagee shall have no liability under the Lease until

Mortgagee succeeds to the rights of the Landlord under the Lease, and then only during such period as Mortgagee is the landlord. At all times during which Mortgagee is liable under the Lease, Mortgagee's liability shall be limited to Mortgagee's interest in the Real Property.

7. Mortgagee Cure Rights. If Landlord shall have failed to cure any default within the time period provided for in the Lease (including any applicable notice and grace periods) and Tenant exercises any right to terminate the Lease, Mortgagee, shall have an additional 30 days within which to cure such default, or if such default cannot by the exercise of reasonable efforts by Mortgagee be cured within such period, then such additional time as may be reasonable necessary to effect such a cure (including, if necessary, sufficient time to complete foreclosure proceedings) provided that Mortgagee shall commence and thereafter diligently pursue remedies to cure such default. The Lease shall not be terminated (i) while such remedies are being diligently pursued or (ii) based upon a default which is personal to Landlord and therefore not susceptible to cure by Mortgagee or which requires possession of the Premises to cure. Mortgagee shall in no event be obligated to cure any such default by Landlord unless it forecloses. Nothing in this Section 7 shall affect any of Tenant's termination rights under the Lease due to casualty or condemnation.

8. Direction to Pay. Landlord hereby directs Tenant and Tenant agrees to make all payments of amounts owed by Tenant under the Lease directly to Mortgagee from and after receipt by Tenant of notice from Mortgagee directing Tenant to make such payments to Mortgagee. (As between Landlord and Mortgagee, the foregoing provision shall not be construed to modify any rights of Landlord under or any provisions of the Mortgage or any other instrument securing the Note).

9. Conditional Assignment. With reference to any assignment by Landlord of landlord's interest in the Lease, or the rents payable thereunder, conditional in nature or otherwise, which assignment is made to Mortgagee, Tenant agrees that the execution thereof by Landlord, and the acceptance thereof by Mortgagee shall never be treated as an assumption by Mortgagee of any of the obligations of Landlord under the Lease unless and until Mortgagee

shall have succeeded to the interest of Landlord. The foregoing sentence shall not affect any of Tenant's rights against Landlord under the Lease.

[Signatures on next page]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be properly executed by their duly authorized representatives as of the date first above written.

TENANT: /s/ Philip J. Koen

a _____

By: Philip J. Koen

Its: CFO

LANDLORD: [INSERT APPROPRIATE SIGNATURE BLOCK]

MORTGAGEE: /s/ [SIGNATURE ILLEGIBLE]

a
By: _____
Name: _____
Its: _____

EXHIBIT A TO SUBORDINATION AGREEMENT

Legal Description

March 20, 2000

901 Marshall Street
Redwood, City, CA 94063
Attention: Mr. Philip Koen

Re: 2425 Bayshore Parkway
ARE/Equinix

Gentlemen:

Reference is hereby made to that certain Lease Agreement (the "Lease") dated as of March 20, 2000, by and between ARE-2425/2400/2450 Garcia Bayshore LLC, a Delaware limited liability company ("Landlord"), and EQUINIX, INC., a Delaware corporation ("Tenant"). Capitalized terms used herein without definition shall have the meanings defined for such terms in the Lease.

As you and we have teamed, the floor tile mastic in portions of the Premises contains nonfriable asbestos containing materials ("ACM"). Unless the floor tiles are removed or otherwise disturbed, our principal obligation with respect to this ACM would be the preparation of an Asbestos Operation and Maintenance Plan, which would primarily address the procedures to be used in connection with the replacement of loose floor tiles.

However, you may, in connection with the proposed demolition of the existing interior improvements and the construction of your new space, elect to remove some or all of the floor tiles and may trigger ACM abatement costs which we would not otherwise have to bear. The allocation of these costs is, however, not clearly set forth in the Lease or the Work Letter.

As a result, we wanted to clarify the Lease and the Work Letter as follows: Landlord shall not be obligated to bear all or any portion of any ACM abatement costs incurred as a result of the removal of the existing floor tiles or any other demolition or construction work done by Tenant in connection with the reconfiguration of the Premises as contemplated in the Work Letter or otherwise, other than the Tenant Improvement Allowance provided under the Work Letter.

If Tenant does remove such floor tiles and mastic or performs any other ACM abatement in connection with the reconfiguration of the Premises as contemplated in the Work Letter or otherwise ("ACM Work"), Landlord covenants and agrees that Landlord shall execute appropriate bills of lading, disposal applications and forms, abatement notices and hazardous waste manifests prepared by or for Tenant's Abatement Contractor (hereinafter defined) identifying Landlord as the owner and generator of waste ACM generated as a result of such ACM Work ("Waste ACM") provided the following conditions are satisfied: (a) prior to

commencing any ACM Work, Tenant shall provide Landlord with reasonable satisfactory evidence that (i) Tenant has retained a reputable, qualified and appropriately licensed and certified asbestos abatement contractor ("Abatement Contractor") to (1) perform the removal and abatement of ACM in compliance with all applicable Legal Requirements, (2) perform any air monitoring required in connection therewith in compliance with all applicable Legal Requirements, (3) transport and dispose of Waste ACM to the Altamont Landfill in Contra Costa County, California (the "Landfill") in compliance with all applicable Legal Requirements, and (4) prepare satisfactory documentation evidencing such ACM abatement (collectively, (1) through (4) being hereinafter referred to as the "Abatement"), (ii) Tenant has provided Landlord with a document reasonably satisfactory to Landlord duly executed by Tenant, which states that Tenant shall indemnify, defend and hold Landlord harmless from and against any and all actions, claims, cost, damage, fees (including reasonable attorneys' fees and costs), fines, expenses, liabilities or losses arising or in any way connected with the Abatement (other than the owner and waste generator liability of Landlord associated with the Waste ACM assuming proper disposal of the Waste ACM at the Landfill); (iii) the Abatement Contractor has designed the Abatement to reasonably minimize the amount of Waste ACM generated; and (iv) the Abatement Contractor has delivered to Landlord certificates of insurance evidencing insurance complying with Landlord's requirements, naming Landlord as an additional insured and containing appropriate waivers of subrogation; (b) Landlord is given at least 72 hours prior written notice of the time and date the Abatement is planned to take place; (c) Tenant or the Abatement Contractor obtain all appropriate permits required and make all appropriate filings or notifications required in connection with the Abatement to comply with all applicable Legal Requirements; and (d) within 30 days after the Abatement is completed, the Abatement Contractor performing such Abatement delivers to Landlord a final Abatement report in form and substance reasonably satisfactory to Landlord for Landlord's records containing copies of air monitoring data, filed notices, permits, applications, bills of lading and hazardous waste manifests.

In addition and on an unrelated matter, we hereby confirm our

understanding that the phrase "removable personal property" as used in Section 15 of the Lease is intended to encompass all property included within the definition of "Tenant's Property" in Section 12 of the Lease.

If the foregoing is acceptable to you, please execute and return a copy of this letter with the fully executed Lease.

Sincerely,

ARE-2425/2400/2450 Garcia Bayshore, LLC,
a Delaware limited liability company

By: ALEXANDRIA REAL ESTATE EQUITIES, L.P.,
a Delaware limited partnership, sole member

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By: ARE-QRS CORP., a Maryland corporation,
general partner

By: _____
Its: _____

Agreed and accepted this ____th day of March, 2000.

EQUINIX, INC.,
a Delaware corporation

By: _____
Its: _____

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Equinix, Inc.
2450 Bayshore Parkway
Mountain View, CA 94043
USA

11 October 2000

Herm Gunter Rothenberger and Sven Rothenberger
Naxos Schmirgelwerk Mainkur GmbH
GutleutstraBe 175
D-60327
Frankfurt am Main

Our Reference: 24412-26S-203

Subject: First Supplement to the Lease Agreement

between

- 1) Naxos Schmirgelwerk Mainkur GmbH, GutleutstraBe 175, D-60327 Frankfurt, represented by Mr. Gunter Rothenberger and Mr. Sven Rothenberger;
- 2) A.A.A. Aktiengesellschaft Allgemeine Anlageverwaltung vorm. Seilwolff AG von 1890, GutleutstraBe 175, 60327 Frankfurt/M, represented by Mr. Gunter Rothenberger and Mr. Sven Rothenberger;

both companies acting in a German Civil Code Partnership (the Parties at 1. and 2. jointly called: "Landlord"), under the firm name Naxos-Union Grundstücksverwaltungsgesellschaft GbR, Frankfurt/M, and

- 3) Equinix, Inc., a Delaware Corporation, 2450 Bayshore Parkway, Mountain View, CA 94043, USA, represented by Christopher L. Birdsong;

dated August 7, 2000, (the Lease)

The Parties hereto agree to modify the Lease as follows:

Preliminary Remarks

The Tenant has rescheduled the fit-out and operations of its facility on the Premises. In consequence of this rescheduling the actual occupation of the Premises by the Tenant and the installation of its equipment will take place at a later time than anticipated. This means that part of the fit-out work which is geared to the specific needs of the Tenant can take place later than expected.

In view of the fact that the Landlord has already given certain instructions to construction firms and in view of the fact that the Landlord's bank relies on the financial obligations of the Tenant under the Lease, the parties, in view of the Premises, agree on what follows:

1. Transfer of the leased property will take place as previously agreed on February 7, 2001. Due to the modified construction planning and the delayed submission of the Preliminary Design Package by the Tenant, the parties hereby agree that Handover will take place on February 7, 2001 in accordance with the condition described in Exhibit C-1 of this First Supplement to the Lease. Exhibit C-1 herewith replaces Exhibit C, Landlords Scope of Building Works' of the lease agreement; whereas the drawing Exhibit C - Landlord Improvements' remains unaffected.

In the event Tenant does not apply by 31" July, 2001 for:-

- . all necessary work permits for the utilization of the Property as an internet exchange center; and
- . to the (local) authorities regarding approval and permits for (diesel) generators, fuel tanks, antenna(-s) and satellite dish(-es); including permission from the Historical Preservation Department authorities to obtain permits,

then the Tenant hereby waives his right of cancellation pursuant to section 20.1, 2nd and 4th bullet points of the Lease, in such case.

In case Tenant does not submit the Preliminary Design Packages by January 31, 2001, then Landlord is entitled to construct the leased property in accordance with Exhibit C-1, item B "Building work after February 2001". If Landlord does not complete this work by July 31, 2001 then Landlord shall pay as liquidated damages an amount equal to three times the daily Rent in accordance with Article 2.4.1 otherwise due for each commenced day after

July 31, 2001.

- 2. If the Tenant does not execute an agreement with "Mainova" on the supply of certain quantities of electricity by October 31, 2000, the Tenant may lose the power allocation which was tentatively promised by Mainova to the Tenant through the good offices of the Landlord as a consequence. Art. 20.1, 3rd bullet point of the Lease provides for a guaranty of such power delivery by the Landlord.

In case that the Tenant does not execute the agreement with Mainova, the Tenant hereby relieves the Landlord from its obligation under Art. 20.1, 3rd bullet point of the Lease to guarantee the power supply by Mainova; the Tenant hereby waives his right of cancellation pursuant to section 20.1, 3rd bullet point of the Lease, in such case.

- 3. Despite the changes reflected in Exhibit C-1, the Tenant shall
 - commence payment of the Service Charges per April 1, 2001 as agreed in Sec. 9 (b) Lease Summary

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- commence payment of the Rent per October 1, 2001 as agreed in Sec. 9 (b) Lease Summary

- 4. The Parties are in agreement that Sec. 4.a.2.1 has a typo on line four. The date should be: "7th February 2001" instead of "7th February 2000".

- 5. Tenant's address has been changed to the following new address; Equinix, Inc., 2450 Bayshore Parkway, Mountain View, CA 94043, USA.

All other provisions of the Lease shall remain unaffected.

1. TENANT

Equinix, Inc

By: /S/ CHRISTOPHER L. BIRDSONG

 Christopher L. BIRDSONG

Title : Director IBX Development and Operations

Date : 13-October-2000

2. LANDLORD

- 2.1 Naxos Schmirgelwerk Mainkur GmbH
Equinix, Inc

By: /S/ GUNTER ROTHENBERGER

 Gunter ROTHENBERGER

Title : Managing Director

Date : 25-October-2000

- 2.2 A.A.A. Aktiengesellschaft Allgemeine Anlagenverwaltung Seilwolff AG von 1890

By: /S/ GUNTER ROTHENBERGER

/S/ SVEN ROTHENBERGER

 Gunter ROTHENBERGER

 Sven ROTHENBERGER

Title: President

Date : 25-October-2000

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Equinix European lBX Build out
Frankfurt - Naxos Union

Work Letter - Existing Building and Site

Lease Exhibit C-1 to the first Supplement to the Lease for the Real Property

Landlord's Scope of Building works

The buildings are to be handed over as clean, dry shells, free from contamination and fit for immediate occupation. Utilities are to be capped off and any live sections remaining identified.

The Landlord is to carry out this work scope under Section 6 of the Lease Summary. Bechtel personnel will be permitted reasonable access at any time during the works to monitor quality and schedule.

A. Building works to be completed by 7th February 2001

1. Site Clean Up

- (1) Contain the exposed asbestos pipe lagging and arrange for its safe removal by an approved asbestos removal contractor. Dispose off site to a licensed disposal facility.
- (2) Commence groundwater remediation measures as recommended in Arcadis report of 5th July according to instructions from competent authorities.
- (3) Strip out oil-contaminated wood block floor from western half of building and remove any contaminated material found below as far as practical.
- (4) Install additional underfloor vapour extraction points and operate the underfloor vapour removal system until safe levels are achieved in accordance with current German statutes. In the event that minimum safe levels of vapour in accordance with the current German statutes are not achieved, then the Landlord shall leave vapour removal pipework system in place under floor slabs and relocate filtration equipment outside of production halls for further monitoring and use.
- (5) Remove any further asbestos, asbestos cement or other harmful elements identified by Arcadis investigation 7th-17th July from the building and dispose offsite.
- (6) Clean all paint on the steel structure by steam. Landlord guarantees to prepare all steelwork to a clean and sound condition to enable the application of the project paint system by others.
- (7) Remove all PCB filled transformers from site and dispose. Remove any PCB contaminated material from transformer pens.

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- (8) Remove all waste oils, paints, chemicals including empty containers from site prior to handover.
- (9) Obtain certification from competent authorities on old hazardous material (Altlasten) pursuant to section 14.3 Lease and in deviation to section 14.3, certification from Arcadis on all other hazards.

2. Internal Strip out

- (1) Remove all internal partition walls e.g. paint cabins
- (2) Remove heating system including pipes, radiators and blower/heaters
- (3) Strip-out gantry cranes and crane rails (excepting for the original crane to be preserved)
- (4) Strip out all existing electrical power switchgear, distribution, lighting, cabling etc.
- (5) Strip out ventilation systems, curtains, telephones, first aid boxes and all other fixtures.
- (6) Dismantle and remove paint drying equipment from the basement under the first Production Hall
- (7) Strip out painting equipment from outbuilding to western side
- (8) Remove boiler equipment, flues, pipework, water treatment equipment etc. from boiler rooms and dispose off site taking care that no asbestos is uncovered during this work.

3. Building works

- (1) Remove and rebuild any unsound areas of brickwork identified in condition survey

- (2) Repoint other areas of exposed brickwork as required
- (3) (item per Exhibit-C is technically not good, as it will create moisture in the building, stops breathing - Equinix to reconsider)
- (4) Construct bullet resistant (Beschusswiderstandsklasse M 4) blockwork (or precast concrete panel) walls behind remaining windows of protected western, eastern and northern facades. In the event that competent authorities (Denkmalschutzbehoerde) allow to brick windows, windows have to be bricked according to instructions from these competent authorities.

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- (5) Cast new reinforced concrete floor to agreed specification (min 25kN/m² loading) throughout the second Production Hall.
- (6) Infill spaces left in the new floor of first production Hall following removal of internal walls, electrical switchgear etc.

4. Existing Office block Refurbishment

- (1) Strip out existing office partitions/ceilings/floor coverings
- (2) Strip out sinks, showers, toilets, tiling etc from basement.
- (3) Refurbish ground floor as entrance area and offices.
- (4) Second floor to be fitted out as individual offices. Fit out to be to modern commercial standard with suspended ceilings and carpeted floors, but without partition walls; Landlord to install partition walls at Tenant instructions (Landlord will have the 6 months period to install such walls)
- (5) Refurbish all floors in cellar and ground floor to take uniformly distributed loads of 7.5 kN/m²; and first floor to take uniformly distributed loads of 5 kN/m²
- (6) Provide new lighting, heating, and phone connections to offices
- (7) Basement to be left as bare shell with minimum lighting/heating as storage

5. External works

- (1) Demolish the surrounding outbuildings in accordance with Landlord's Improvements Plan - Exhibit C, to 1 metre below ground level and remove all demolition materials from site. The foundation and ground work of the building remains until Tenant in accordance with Mainova have decided in which way cables for electricity have to pass the real estate. If Tenant does not require the foundation, then Landlord shall remove.
- (2) Fuel tanks to be cleaned and refurbished to a standard suitable for process water storage duty.
- (3) Construct NATO perimeter security fence 2.1 metres high from steel posts and wire mesh fabric with 45 degree extension arms with three rows of barbed wire complete with 6 metre wide security gates. Fence to be located 18 metres from existing production halls as indicated on Exhibit A plan.
- (4) Obtain necessary permits and fell the trees indicated on the Site Plan - Exhibit C and remove the stumps. Clear bushes adjacent to existing office to provide vehicular access around buildings

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- (5) Landlord will design and implement a landscaping scheme to form buffer zone around the buildings including planting of replacement trees to compensate for those felled.
- (6) Construct car parking for 25 vehicles as shown on the Site Plan Exhibit C. Car parking to be designed with adequate lighting levels for 24 hour operations.
- (7) The Landlord will arrange for the Mains gas supply to be disconnected at the property boundary.
- (8) Existing Chimney stack to be surveyed and remedial works undertaken to ensure it is safe for duration of lease. This may include re-pointing

the brickwork, filling or reinforcing the stack, capping off, repainting or replacement of the steel bands and a new lightening protection system.

B. Building works to be completed after 7th February 2001

1. Site Clean Up

- (1) Thoroughly clean the building prior to handover to remove all dust and other contaminating materials.
- (2) Complete underfloor gas remediation to safe levels in accordance with current German statutes then remove pipework and equipment.

2. Roofing

"Northlight" roof to first Production Hall

- (1) Check condition of existing lightweight concrete infill planks and remove if necessary
- (2) Strip off existing wired glazing panels and dispose
- (3) Install an aluminum profile cladding system over entire roof area including new channels to valleys with minimum 1:48 fall. The work to be carried out to DIN 18299, DIN 18338 and DIN 18339. Aluminum sections and sheets proposed for covering the roof openings must be to specification Z-14.1-181
- (4) Provide falls (minimum 1:4 8) to the existing flat valley between the two roofs to prevent ponding and fit new meshes to top of downpipes

Roof to second Production Hall

- (5) Remove skylight cupolas
- (6) Close openings in lightweight concrete slabs (method to be agreed)

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- (7) Install new waterproofing system to entire roof to give a 30 year guarantee watertight
- (8) Replace cupolas or replacements, or instead of steps 5 through 8 above, any other method of achieving a watertight roof structure for 30 (thirty) years, e.g. the process suggested on page 2 of RKW report on meeting of June 09, 2000 (copy attached hereto)

Roofs generally

- (9) Provide new, safe roof access from within the building. Remove existing roof ladders.
- (10) Repair/ replace roof gutters and drainage pipework to match style of existing
- (11) Install new Lightning Protection system to latest VDE specification
- (12) Roof insulation to be in compliance with local building regulations and provide for a normal temperature in the shed hall areas of 20 deg. C +/- 1 deg. C.

3. Building works

- (1) Close up doorways not required for new layout (Brick external to match/block internal)
- (2) Replace internal rainwater pipes and box in with leak detection

4. External works

Install a new lightening protection system on the roof.

5. New Mezzanine Floor

Landlord uses his best endeavors to obtain a building permit (Baugenehmigung) from competent authorities for a mezzanine floor (with approx 2,000 m2 space and minimum floor to ceiling height of 5 m) in

production hall.

Prior to construction of the mezzanine floor, Landlord shall submit the design to Tenant for his review and approval. In the event the Tenant grants approval and Landlord constructs the Mezzanine, then the Tenant is not obliged to rent the space. If Tenant elects to rent the space, then both parties agree that the rental rate will be set at DM 22/m² per month for the mezzanine floor.

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THIS SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION EXTRACTED FROM THE COMPANY'S CONDENSED CONSOLIDATED BALANCE SHEET AND CONDENSED CONSOLIDATED STATEMENTS OF OPERATION INCLUDED IN THE COMPANY'S 10-Q FOR THE PERIOD ENDED SEPTEMBER 30TH, 2000 AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO SUCH FINANCIAL STATEMENTS.

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