

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-K

(Mark One)

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

For the fiscal year ended December 31, 2021

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 001-34789 (Hudson Pacific Properties, Inc.)
Commission file number 333-202799-01 (Hudson Pacific Properties, L.P.)

Hudson Pacific Properties, Inc.
Hudson Pacific Properties, L.P.

(Exact name of registrant as specified in its charter)

Hudson Pacific Properties, Inc.

Maryland
(State or other jurisdiction of
incorporation or organization)

27-1430478
(I.R.S. Employer
Identification Number)

Hudson Pacific Properties, L.P.

Maryland
(State or other jurisdiction of
incorporation or organization)

80-0579682
(I.R.S. Employer
Identification Number)

11601 Wilshire Blvd., Ninth Floor, Los Angeles, California 90025

(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code (310) 445-5700

Securities registered pursuant to Section 12(b) of the Act:

Registrant	Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Hudson Pacific Properties, Inc.	Common Stock, \$0.01 par value	HPP	New York Stock Exchange
Hudson Pacific Properties, Inc.	4.750% Series C Cumulative Redeemable Preferred Stock	HPP Pr C	New York Stock Exchange

Securities registered pursuant to Section 12(g) of the Act: None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act.

Hudson Pacific Properties, Inc. Yes ☒ No ☐ Hudson Pacific Properties, L.P. Yes ☒ No ☐

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act.

Hudson Pacific Properties, Inc. Yes ☐ No ☒ Hudson Pacific Properties, L.P. Yes ☐ No ☒

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), and (2) has been subject to such filing requirements for the past 90 days.

Hudson Pacific Properties, Inc. Yes ☒ No ☐ Hudson Pacific Properties, L.P. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files).

Hudson Pacific Properties, Inc. Yes ☒ No ☐ Hudson Pacific Properties, L.P. Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of “large accelerated filer,” “accelerated filer,” “smaller reporting company,” and “emerging growth company” in Rule 12b-2 of the Exchange Act.

Hudson Pacific Properties, Inc.

Large accelerated filer ☒

Non-accelerated filer ☐

Accelerated filer ☐

Smaller reporting company ☐

Emerging growth company ☐

Hudson Pacific Properties, L.P.

Large accelerated filer ☐

Non-accelerated filer ☒

Accelerated filer ☐

Smaller reporting company ☐

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant has filed a report on and attestation to its management’s assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☒

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act.)

Hudson Pacific Properties, Inc. Yes ☐ No ☒ Hudson Pacific Properties, L.P. Yes ☐ No ☒

As of June 30, 2021, the aggregate market value of common stock held by non-affiliates of the registrant (assuming for these purposes, but without conceding, that all executive officers and directors are “affiliates” of the registrant) was \$4.10 billion based upon the last sales price on June 30, 2021 for the registrant’s Common Stock.

There is no public trading market for the common units of limited partnership interest of Hudson Pacific Properties, L.P. As a result, the aggregate market value of the common units of limited partnership interest held by non-affiliates of Hudson Pacific Properties, L.P. cannot be determined.

The number of shares of common stock of Hudson Pacific Properties, Inc. outstanding at February 11, 2022 was 151,197,201.

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the proxy statement for the registrant’s 2022 Annual Meeting of Stockholders to be held May 19, 2022 are incorporated by reference in Part III of this Annual Report on Form 10-K. The proxy statement will be filed by the registrant with the United States Securities and Exchange Commission, or the SEC, not later than 120 days after the end of the registrant’s fiscal year.

EXPLANATORY NOTE

This report combines the annual reports on Form 10-K for the period ended December 31, 2021 of Hudson Pacific Properties, Inc., a Maryland corporation, and Hudson Pacific Properties, L.P., a Maryland limited partnership. Unless otherwise indicated or unless the context requires otherwise, all references in this report to “we,” “us,” “our,” or “our Company” refer to Hudson Pacific Properties, Inc. together with its consolidated subsidiaries, including Hudson Pacific Properties, L.P. In statements regarding qualification as a REIT, such terms refer solely to Hudson Pacific Properties, Inc. Unless otherwise indicated or unless the context requires otherwise, all references to “our operating partnership” or “the operating partnership” refer to Hudson Pacific Properties, L.P. together with its consolidated subsidiaries.

Hudson Pacific Properties, Inc. is a real estate investment trust, or REIT, and the sole general partner of our operating partnership. As of December 31, 2021, Hudson Pacific Properties, Inc. owned approximately 98.4% of the ownership interest in our operating partnership (including unvested restricted units). The remaining approximately 1.6% interest was owned by certain of our executive officers and directors, certain of their affiliates and other outside investors, including unvested operating partnership performance units. As the sole general partner of our operating partnership, Hudson Pacific Properties, Inc. has the full, exclusive and complete responsibility for our operating partnership’s day-to-day management and control.

We believe combining the annual reports on Form 10-K of Hudson Pacific Properties, Inc. and the operating partnership into this single report results in the following benefits:

- enhancing investors’ understanding of our Company and our operating partnership by enabling investors to view the business as a whole in the same manner as management views and operates the business;
- eliminating duplicative disclosure and providing a more streamlined and readable presentation because a substantial portion of the disclosures apply to both our Company and our operating partnership; and
- creating time and cost efficiencies through the preparation of one combined report instead of two separate reports.

There are a few differences between our Company and our operating partnership, which are reflected in the disclosures in this report. We believe it is important to understand the differences between our Company and our operating partnership in the context of how we operate as an interrelated, consolidated company. Hudson Pacific Properties, Inc. is a REIT, the only material assets of which are the units of partnership interest in our operating partnership. As a result, Hudson Pacific Properties, Inc. does not conduct business itself, other than acting as the sole general partner of our operating partnership, issuing equity from time to time and guaranteeing certain debt of our operating partnership. Hudson Pacific Properties, Inc. itself does not issue any indebtedness but guarantees some of the debt of our operating partnership. Our operating partnership, which is structured as a partnership with no publicly traded equity, holds substantially all of the assets of our Company and conducts substantially all of our business. Except for net proceeds from equity issuances by Hudson Pacific Properties, Inc., which are generally contributed to our operating partnership in exchange for units of partnership interest in our operating partnership, our operating partnership generates the capital required by our Company’s business through its operations, its incurrence of indebtedness or through the issuance of units of partnership interest in our operating partnership.

Non-controlling interest, stockholders’ equity and partners’ capital are the main areas of difference between the consolidated financial statements of our Company and those of our operating partnership. The common units in our operating partnership are accounted for as partners’ capital in our operating partnership’s consolidated financial statements and, to the extent not held by our Company, as a non-controlling interest in our Company’s consolidated financial statements. The differences between stockholders’ equity, partners’ capital and non-controlling interest result from the differences in the equity issued by our Company and our operating partnership.

To help investors understand the significant differences between our Company and our operating partnership, this report presents the consolidated financial statements separately for our Company and our operating partnership. All other sections of this report, including “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and “Quantitative and Qualitative Disclosures About Market Risk,” are presented together for our Company and our operating partnership.

In order to establish that the Chief Executive Officer and the Chief Financial Officer of each entity have made the requisite certifications and that our Company and our operating partnership are compliant with Rule 13a-15 or Rule 15d-15 of the Securities Exchange Act of 1934, or the Exchange Act and 18 U.S.C. §1350, this report also includes separate Part II, Item 9A “Controls and Procedures” sections and separate Exhibit 31 and 32 certifications for each of Hudson Pacific Properties, Inc. and our operating partnership.

HUDSON PACIFIC PROPERTIES, INC. AND HUDSON PACIFIC PROPERTIES, L.P.
ANNUAL REPORT ON FORM 10-K
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PART I

Forward-looking Statements

Certain written and oral statements made or incorporated by reference from time to time by us or our representatives in this Annual Report on Form 10-K, other filings or reports filed with the SEC, press releases, conferences, or otherwise, are “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995 (set forth in Section 27A of the Securities Act of 1933, as amended, or the Securities Act, as amended, and Section 21E of the Exchange Act). In particular, statements relating to our liquidity and capital resources, portfolio performance and results of operations contain forward-looking statements. Furthermore, all of the statements regarding future financial performance (including anticipated funds from operations, or FFO, market conditions and demographics) are forward-looking statements. We are including this cautionary statement to make applicable and take advantage of the safe harbor provisions of the Private Securities Litigation Reform Act of 1995 for any such forward-looking statements. We caution investors that any forward-looking statements presented in this Annual Report on Form 10-K, or that management may make orally or in writing from time to time, are based on management’s beliefs and assumptions made by, and information currently available to, management. When used, the words “anticipate,” “believe,” “expect,” “intend,” “may,” “might,” “plan,” “estimate,” “project,” “should,” “will,” “result” and similar expressions that do not relate solely to historical matters are intended to identify forward-looking statements. Such statements are subject to risks, uncertainties and assumptions and may be affected by known and unknown risks, trends, uncertainties and factors that are beyond our control. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those anticipated, estimated or projected. We expressly disclaim any responsibility to update forward-looking statements, whether as a result of new information, future events or otherwise. Accordingly, investors should use caution in relying on past forward-looking statements, which were based on results and trends at the time they were made, to anticipate future results or trends.

Some of the risks and uncertainties that may cause our actual results, performance, liquidity or achievements to differ materially from those expressed or implied by forward-looking statements include, among others, the following:

- adverse economic or real estate developments in our target markets;
- general economic conditions;
- defaults on, early terminations of or non-renewal of leases by tenants;
- fluctuations in interest rates and increased operating costs;
- our failure to obtain necessary outside financing or maintain an investment grade rating;
- our failure to generate sufficient cash flows to service our outstanding indebtedness and maintain dividend payments;
- lack or insufficient amounts of insurance;
- decreased rental rates or increased vacancy rates;
- difficulties in identifying properties to acquire and completing acquisitions;
- our failure to successfully operate acquired properties and operations;
- our failure to maintain our status as a REIT;
- the loss of key personnel;
- environmental uncertainties and risks related to adverse weather conditions and natural disasters;
- financial market and foreign currency fluctuations;
- risks related to acquisitions generally, including the diversion of management’s attention from ongoing business operations and the impact on customers, tenants, lenders, operating results and business;
- the inability to successfully integrate acquired properties, realize the anticipated benefits of acquisitions or capitalize on value creation opportunities;

- changes in the tax laws and uncertainty as to how those changes may be applied;
- changes in real estate and zoning laws and increases in real property tax rates; and
- other factors affecting the real estate industry generally, including the impact of the COVID-19 pandemic.

Set forth below are some (but not all) of the factors that could adversely affect our business and financial performance. Moreover, we operate in a highly competitive and rapidly changing environment. New risk factors emerge from time to time, and it is not possible for management to predict all such risk factors, nor can it assess the impact of all such risk factors on our business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements. Given these risks and uncertainties, investors should not place undue reliance on forward-looking statements as a prediction of actual results.

Risk Factors Summary

Our business is subject to a number of risks, including risks that may prevent us from achieving our business objectives or may adversely affect our business and financial performance. These risks are discussed more fully below and include, but are not limited to, the following:

- **Risks Related to Our Properties and Our Business**
 - Our properties are located in Northern and Southern California, the Pacific Northwest, Western Canada and Greater London, United Kingdom, and we are susceptible to adverse economic conditions, local regulations and natural disasters affecting those markets.
 - We derive a significant portion of our rental revenue from tenants in the technology and media and entertainment industries, which makes us particularly susceptible to demand for rental space in those industries.
 - We may be unable to identify and complete acquisitions of properties that meet our criteria, dispose of such assets, yield the returns we expect or to successfully and profitably operate our properties.
 - Our growth depends on external sources of capital that are outside of our control and may not be available to us on commercially reasonable terms or at all, and our existing debt may restrict our ability to engage in some business activities.
 - Mortgage debt obligations expose us to the possibility of foreclosure, which could result in the loss of our investment in a property or group of properties subject to mortgage debt.
 - We face considerable competition, depend on significant tenants, may be unable to renew leases, lease vacant space or may be unable to obtain our asking rents, which could each have an adverse effect on our financial condition, results of operations, cash flow and the per share trading price of our securities.
 - Some of our properties are subject to ground leases, the termination or expiration of which could cause us to lose our interest in, and the right to receive rental income from, such properties.
 - Joint venture investments could be adversely affected by our lack of sole decision-making authority, our reliance on co-venturers' financial condition and disputes between us and our co-venturers.
 - If we fail to maintain an effective system of integrated internal controls, we may not be able to accurately report our financial results.
- **Risks Related to the Real Estate Industry**
 - Our performance and value are subject to risks associated with real estate assets and the real estate industry, as well as property development and redevelopment.
 - The illiquidity of real estate investments could significantly impede our ability to respond to adverse changes and harm our financial condition.
 - We may incur significant costs related to compliance with government laws, regulations and covenants that are applicable to our properties, including environmental regulations.
 - Our properties may contain or develop harmful mold or suffer from other air quality issues, which could lead to liability for adverse health effects and costs of remediation.
- **Risks Related to Our Organizational Structure**
 - The series A preferred units that were issued to some contributors in connection with our IPO in exchange for the contribution of their properties have certain preferences, which could limit our ability to pay dividends or

- other distributions to the holders of our securities or engage in certain business combinations, recapitalizations or other fundamental changes.
- Our common stock is ranked junior to our series C preferred stock.
- Conflicts of interest exist or could arise in the future between the interests of our stockholders and the interests of holders of units in our operating partnership.
- Our charter and bylaws, the partnership agreement of our operating partnership and Maryland law contain provisions that may delay, defer or prevent a change of control transaction, even if such a change in control may be in our stockholders' interest, and as a result may depress the market price of our securities.
- Our board of directors may change our investment and financing policies without stockholder approval and we may become more highly leveraged, which may increase our risk of default under our debt obligations.
- Our rights and the rights of our stockholders to take action against our directors and officers are limited.
- We are a holding company with no direct operations and, as such, we rely on funds received from our operating partnership to pay liabilities, and the interests of our stockholders are structurally subordinated to all liabilities and obligations of our operating partnership and its subsidiaries.

- **Risks Related to Our Status as a REIT**

- Failure to qualify as a REIT would have significant adverse consequences to us and the value of our stock.
- If our operating partnership were to fail to qualify as a partnership for federal income tax purposes, we would cease to qualify as a REIT and suffer other adverse consequences.
- The tax imposed on REITs engaging in "prohibited transactions" may limit our ability to engage in transactions that would be treated as sales for federal income tax purposes.
- Our ownership of taxable REIT subsidiaries is subject to certain restrictions, and we will be required to pay a 100% penalty tax on certain income or deductions if our transactions with our taxable REIT subsidiaries are not conducted on arm's length terms.
- To maintain our REIT status, we may be forced to borrow funds during unfavorable market conditions.
- Complying with REIT requirements may affect our profitability and may force us to liquidate or forgo otherwise attractive investments.
- Dividends payable by REITs do not qualify for the reduced tax rates available for some dividends.
- The power of our board of directors to revoke our REIT election without stockholder approval may cause adverse consequences to our stockholders and unitholders.
- Legislative or other actions affecting REITs could have a negative effect on our investors and us.

- **Risks Related to General and Global Factors**

- Our business and results of operations and financial condition have been and may be further materially or adversely impacted by the outbreak of a pandemic, including COVID-19.
- Adverse economic and geopolitical conditions and dislocations in the credit markets, as well as social, political, and economic instability, unrest, and other circumstances beyond our control could have a material adverse effect on our financial condition, results of operations, cash flow and per share trading price of our securities.
- Potential losses, including from adverse weather conditions, natural disasters and title claims, may not be covered by insurance.
- Transition to an alternative reference rate due to the cessation of the London Inter-bank Offered Rate ("LIBOR") may adversely affect our required debt payments and the value of our related debt and derivative financial instruments.
- We may become subject to litigation, which could have an adverse effect on our financial condition, results of operations, cash flow and the per share trading price of our securities.
- We face risks associated with security breaches through cyber attacks, cyber intrusions or otherwise, as well as other significant disruptions of our information technology ("IT") networks and related systems.
- Future terrorist activity or engagement in war by the United States may have an adverse effect on our financial condition and operating results.

ITEM 1. Business

Company Overview

We are a vertically integrated real estate company focused on acquiring, repositioning, developing and operating high-quality office and state-of-the-art studio properties in high-growth, high-barrier-to-entry submarkets throughout Northern and Southern California, the Pacific Northwest, Western Canada and Greater London, United Kingdom. We invest across the risk-

return spectrum, favoring opportunities where we can employ leasing, capital investment and management expertise to create additional value. As of December 31, 2021, our portfolio included office properties, comprising an aggregate of approximately 15.8 million square feet, and studio properties, comprising approximately 1.5 million square feet of sound-stage, office and supporting production facilities. We also own undeveloped density rights for approximately 3.0 million square feet of future office, studio and residential space.

We were formed as a Maryland corporation in 2009 to succeed the business of Hudson Capital, LLC, a Los Angeles-based real estate investment firm founded by Victor J. Coleman, our Chief Executive Officer. On June 29, 2010, we completed our initial public offering (“IPO”). We own our interests in all of our properties and conduct substantially all of our business through our operating partnership, of which we serve as the sole general partner.

This Annual Report on Form 10-K includes financial measures that are not in accordance with generally accepted accounting principles in the United States (“GAAP”), which are accompanied by what the Company considers the most directly comparable financial measures calculated and presented in accordance with GAAP. The Company presents the “Company’s share” of certain of these measures, which are non-GAAP financial measures that are calculated as the consolidated amount calculated in accordance with GAAP, plus the Company’s share of the amount from the Company’s unconsolidated joint ventures (calculated based upon the Company’s percentage ownership interest), minus the Company’s partners’ share of the amount from the Company’s consolidated joint ventures (calculated based upon the partners’ percentage ownership interests). Management believes that presenting the “Company’s share” of these measures provides useful information to investors regarding the Company’s financial condition and/or results of operations because the Company has several significant joint ventures, and in some cases the Company exercises significant influence over, but does not control, the joint venture, in which case GAAP requires that the Company account for the joint venture entity using the equity method of accounting and the Company does not consolidate it for financial reporting purposes. In other cases, GAAP requires that the Company consolidate the joint venture even though the Company’s partner(s) owns a significant percentage interest. As a result, management believes that presenting the Company’s share of various financial measures in this manner can help investors better understand the Company’s financial condition and/or results of operations after taking into account its true economic interest in these joint ventures.

Business and Growth Strategies

We invest in Class-A office and studio properties located in high barrier-to-entry, innovation-centric submarkets with significant growth potential. Our positioning within these submarkets allows us to attract and retain quality growth companies as tenants, many in the technology and media and entertainment sectors. The purchase of properties with a value-add component, typically through off-market transactions, also facilitates our growth. These types of assets afford us the opportunity to capture embedded rent growth and occupancy upside, and to strategically invest capital to reposition and redevelop assets to generate additional cash flow. We take a more measured approach to ground-up development, with most under-construction, planned or potential projects located on ancillary sites that are part of existing operating assets. Management expertise across disciplines supports execution at all levels of our operations. In particular, aggressive leasing and proactive asset management, combined with a focus on conservatively managing our balance sheet, are central to our strategy. Additionally, our acquisition of Zio Entertainment Network, LLC (“Zio”) and Star Waggon, LLC (“Star Waggon”), industry-leading transportation and logistics companies, will expand the service offerings for our studio platform and extend our footprint to other studios and on-location filming.

Major Tenants

As of December 31, 2021, the 15 largest tenants in our office portfolio represented approximately 42.8% of the Company’s share of total annualized base rent generated by our office properties. As of December 31, 2021, our three largest tenants were Google, Inc., Netflix, Inc. and Amazon, which together accounted for 20.2% of the Company’s share of the annualized base rent generated by our office properties.

For further detail regarding major tenants, see Item 2 “Properties—Tenant Diversification.”

Our Competitive Position

We believe the following competitive strengths distinguish us from other real estate owners and operators and will enable us to capitalize on opportunities in the market to successfully expand and operate our portfolio.

- **Experienced Management Team with a Proven Track Record of Acquiring and Operating Assets and Managing a Public Office REIT.** Our senior management team has an average of over 30 years of experience in the commercial real

estate industry, with a focus on acquiring, repositioning, developing and operating office properties in Northern and Southern California, the Pacific Northwest and Western Canada.

- **Committed and Incentivized Management Team.** Our senior management team is dedicated to our successful operation and growth, with no competing real estate business interests outside of our Company. Additionally, as of December 31, 2021, our senior management team owned approximately 1.8 million shares of our common stock and 2.1 million units in our operating partnership on a fully diluted basis, thereby aligning management's interests with those of our stockholders.
- **Northern and Southern California, the Pacific Northwest and Western Canada Focus with Local and Regional Expertise.** We are primarily focused on acquiring and managing office properties in Northern and Southern California, the Pacific Northwest and Western Canada, where our senior management has significant expertise and relationships. Our markets are supply-constrained as a result of the scarcity of available land, high construction costs and restrictive entitlement processes. We believe our experience, in-depth market knowledge and meaningful industry relationships with brokers, tenants, landlords, lenders and other market participants enhance our ability to identify and capitalize on attractive acquisition opportunities, particularly those that arise in Northern and Southern California, the Pacific Northwest and Western Canada.
- **Long-Standing Relationships that Provide Access to an Extensive Pipeline of Investment and Leasing Opportunities.** We have an extensive network of long-standing relationships with real estate developers, individual and institutional real estate owners, national and regional lenders, brokers, tenants and other participants in the Northern and Southern California, the Pacific Northwest and Western Canada real estate markets. These relationships have historically provided us with access to attractive acquisition opportunities, including opportunities with limited or no prior marketing by sellers. We believe they will continue to provide us access to an ongoing pipeline of attractive acquisition opportunities and additional growth capital, both of which may not be available to our competitors. Additionally, we focus on establishing strong relationships with our tenants in order to understand their long-term business needs, which we believe enhances our ability to retain quality tenants, facilitates our leasing efforts and maximizes cash flows from our properties.
- **Growth-Oriented, Flexible and Conservative Capital Structure.** We have remained well-capitalized since our IPO, including through 17 offerings (including two public offerings of 8.375% series B Cumulative Preferred Stock, one public offering of 4.750% Series C Cumulative Redeemable Preferred Stock ("series C preferred stock"), ten public offerings of our common stock, one private placement of our common stock and three public offerings of senior notes) and continuous offerings under our at-the-market ("ATM") program for aggregate total proceeds of approximately \$5.2 billion (before underwriters' discounts and transaction costs) as of December 31, 2021. Available cash on hand and our unsecured credit facility provide us with a significant amount of capital to pursue acquisitions and execute our growth strategy while maintaining a flexible and conservative capital structure. We believe our access to capital and flexible and conservative capital structure provide us with an advantage over many of our private and public competitors as we look to take advantage of growth opportunities. As of December 31, 2021, we had total borrowing capacity of approximately \$1.0 billion under our unsecured revolving credit facility, \$125.0 million of which has been drawn, and we have the ability to draw up to \$414.6 million under our construction loan secured by our One Westside and 10850 Pico properties, \$241.4 million of which has been drawn. We believe our access to capital and flexible and conservative capital structure provide us with an advantage over many of our private and public competitors as we look to take advantage of growth opportunities. Based on the closing price of our common stock of \$24.71 on December 31, 2021, we had a debt-to-market capitalization ratio (counting series A preferred units in our operating partnership, or "series A preferred units", as debt) of approximately 47.0%.

We have access to and are actively pursuing a pipeline of potential acquisitions consistent with our investment strategy. We believe our significant expertise in operating in the Northern and Southern California, the Pacific Northwest, and Western Canada office sectors and extensive, long-term relationships with real estate owners, developers and lenders, coupled with our conservative capital structure and access to capital, will allow us to capitalize on current market opportunities.

Competition

We compete with a number of developers, owners and operators of office and commercial real estate, many of which own properties similar to ours in the same markets in which our properties are located and some of which have greater financial resources than we do. In operating and managing our portfolio, we compete for tenants based on a number of factors, including location, rental rates, security, flexibility and expertise to design space to meet prospective tenants' needs and the manner in which our properties are operated, maintained and marketed. As leases at our properties expire, we may encounter significant competition to renew or re-let space in light of competing properties within the markets in which we operate. As a result, we may be required to provide rent concessions or abatements, incur charges for tenant improvements and other inducements, including early termination rights or below-market renewal options, or we may not be able to timely lease vacant space. In that case, our financial condition, results of operations and cash flows may be adversely affected.

We also face competition when pursuing acquisition and disposition opportunities. Our competitors may be able to pay higher property acquisition prices, may have private access to acquisition opportunities not available to us and may otherwise be in a better position to acquire a property. Competition may also increase the price required to consummate an acquisition opportunity and generally reduce the demand for commercial office space in our markets. Likewise, competition with sellers of similar properties to locate suitable purchasers may result in us receiving lower proceeds from a sale or in us not being able to dispose of a property at a time of our choosing due to the lack of an acceptable return.

For further discussion of the potential impact of competitive conditions on our business, see Item 1A "Risk Factors."

Segment and Geographic Financial Information

We report our results of operations through three reportable segments: (i) office properties (ii) studio properties and (iii) the management entity's operations. For information about our segments, refer to Part IV, Item 15(a) "Financial Statement Schedules—Note 18 to the Consolidated Financial Statements—Segment Reporting."

All of our business is conducted in Northern and Southern California, the Pacific Northwest, Western Canada and Greater London, United Kingdom. For further detail regarding our geographic financial information, refer to Item 2 "Properties."

Principal Executive Offices

Our principal executive offices are located at 11601 Wilshire Blvd., Ninth Floor, Los Angeles, California 90025 and our telephone number is (310) 445-5700. We believe that our current facilities are adequate for our present operations.

Regulation

General

Our properties are subject to various covenants, laws, ordinances and regulations, including regulations relating to common areas and fire and safety requirements. We believe that each of the properties in our portfolio have the necessary permits and approvals to operate its business.

Americans with Disabilities Act

Our properties located in the United States must comply with Title III of the Americans with Disabilities Act ("ADA") to the extent that such properties are "public accommodations" as defined by the ADA. The ADA may require removal of structural barriers to access by persons with disabilities in certain public areas of our properties where such removal is readily achievable. We have developed and undertaken continuous capital improvement programs at various properties, some of which have included ADA-related modifications. As capital improvement programs progress, certain ADA upgrades will continue to be integrated into the planned improvements, specifically at the studio properties where we are able to utilize in-house construction crews to minimize costs for required ADA-related improvements. However, some of our properties may currently be in noncompliance with the ADA. Such noncompliance could result in the incurrence of additional costs to attain compliance, the imposition of fines or an award of damages to private litigants. The obligation to make readily achievable accommodations is an ongoing one, and we will continue to assess our properties and to make alterations as appropriate in this respect.

Environmental Matters

Under various federal, state and local laws and regulations relating to the environment, as a current or former owner or operator of real property, we may be liable for costs and damages resulting from the presence or discharge of hazardous or toxic substances, waste or petroleum products at, on, in, under, or migrating from such property, including costs to investigate and clean up such contamination and liability for natural resources. Such laws often impose liability without regard to whether the owner or operator knew of, or was responsible for, the presence of such contamination, and the liability may be joint and several. These liabilities could be substantial and the cost of any required remediation, removal, fines, or other costs could exceed the value of the property and/or our aggregate assets. In addition, the presence of contamination or the failure to remediate contamination at our properties may expose us to third-party liability for costs of remediation and/or personal or property damage or materially adversely affect our ability to sell, lease or develop our properties or to borrow using the properties as collateral. In addition, environmental laws may create liens on contaminated sites in favor of the government for damages and costs it incurs to address such contamination. Moreover, if contamination is discovered on our properties, environmental laws may impose restrictions on the manner in which the property may be used or businesses may be operated, and these restrictions may require substantial expenditures.

Some of our properties contain, have contained, or are adjacent to or near other properties that have contained or currently contain storage tanks for the storage of petroleum products or other hazardous or toxic substances. Similarly, some of our properties were used in the past for commercial or industrial purposes, or are currently used for commercial purposes, that involve or involved the use of petroleum products or other hazardous or toxic substances, or are adjacent to or near properties that have been or are used for similar commercial or industrial purposes. As a result, some of our properties have been or may be impacted by contamination arising from the release of such hazardous substances or petroleum products. Where we have deemed appropriate, we have taken steps to address identified contamination or mitigate risks associated with such contamination; however, we are unable to ensure that further actions will not be necessary. As a result of the foregoing, we could potentially incur material liabilities.

Independent environmental consultants have conducted Phase I Environmental Site Assessments at all of our properties located in the United States using the American Society for Testing and Materials (“ASTM”) Practice E 1527-05. A Phase I Environmental Site Assessment is a report prepared for real estate holdings that identifies potential or existing environmental contamination liabilities. Site assessments are intended to discover and evaluate information regarding the environmental condition of the surveyed property and surrounding properties. These assessments do not generally include soil samplings, subsurface investigations or asbestos or lead surveys. None of the recent site assessments identified any known past or present contamination that we believe would have a material adverse effect on our business, assets or operations. However, the assessments are limited in scope and may have failed to identify all environmental conditions or concerns. A prior owner or operator of a property or historic operations at our properties may have created a material environmental condition that is not known to us or the independent consultants preparing the site assessments. Material environmental conditions may have arisen after the review was completed or may arise in the future, and future laws, ordinances or regulations may impose material additional environmental liability.

Environmental laws also govern the presence, maintenance and removal of asbestos-containing building materials (“ACBM”) or lead-based paint (“LBP”) and may impose fines and penalties for failure to comply with these requirements or expose us to third party liability (e.g., liability for personal injury associated with exposure to asbestos). Such laws require that owners or operators of buildings containing ACBM and LBP (and employers in such buildings) properly manage and maintain the asbestos and lead, adequately notify or train those who may come into contact with asbestos or lead, and undertake special precautions, including removal or other abatement, if asbestos or lead would be disturbed during renovation or demolition of a building. Some of our properties contain ACBM and/or LBP and we could be liable for such damages, fines or penalties.

In addition, the properties in our portfolio also are subject to various federal, state and local environmental and health and safety requirements, such as state and local fire requirements. Moreover, some of our tenants routinely handle and use hazardous or regulated substances and waste as part of their operations at our properties, which are subject to regulation. Such environmental and health and safety laws and regulations could subject us or our tenants to liability resulting from these activities. Environmental liabilities could affect a tenant’s ability to make rental payments to us. In addition, changes in laws could increase the potential liability for noncompliance. We sometimes require our tenants to comply with environmental and health and safety laws and regulations and to indemnify us for any related liabilities. But in the event of the bankruptcy or inability of any of our tenants to satisfy such obligations, we may be required to satisfy such obligations. In addition, we may be held directly liable for any such damages or claims regardless of whether we knew of, or were responsible for, the presence or disposal of hazardous or toxic substances or waste and irrespective of tenant lease provisions. The costs associated with such liability could be substantial and could have a material adverse effect on us.

When excessive moisture accumulates in buildings or on building materials, mold growth may occur, particularly if the moisture problem remains undiscovered or is not addressed over a period of time. Some molds may produce airborne toxins or irritants. Indoor air quality issues can also stem from inadequate ventilation, chemical contamination from indoor or outdoor sources, and other biological contaminants such as pollen, viruses and bacteria. Indoor exposure to airborne toxins or irritants above certain levels can be alleged to cause a variety of adverse health effects and symptoms, including allergic or other reactions. As a result, the presence of significant mold or other airborne contaminants at any of our properties could require us to undertake a costly remediation program to contain or remove the mold or other airborne contaminants from the affected property or increase indoor ventilation. In addition, the presence of significant mold or other airborne contaminants could expose us to liability from our tenants, employees of our tenants or others if property damage or personal injury occurs. We are not presently aware of any material adverse indoor air quality issues at our properties.

Environmental, Social and Governance (“ESG”)

ESG Commitment

Our ESG platform, *Better Blueprint™*, is informed by decades of experience and what we believe to be best practices across every aspect of real estate. *Better Blueprint™* brings to life our vision of vibrant, thriving urban spaces and places built for the long term. Its principles and objectives provide a common thread that authentically guides our work and relations with tenants, employees, investors and partners. Through this program, we aim to foster the growth of sustainable, healthy and equitable cities—vibrant cities, today and in the future.

Sustainable: Minimizing our Footprint

We are committed to leadership in sustainability—whether designing a new property, reimagining a dated building, or managing our existing portfolio. Addressing climate change is the number one focus of our sustainability program, and in 2020, we were one of the first major North American landlords to achieve carbon neutrality across all real estate operations. Our Science-Based Target commits us to go further by reducing absolute Scope 1 and 2 greenhouse gas emissions by 50% by 2030, from a 2018 baseline, excluding financial instruments like renewable energy credits and carbon offsets. We will rely on our active sustainable technology innovation pipeline, long-term energy procurement strategy, and multiple embodied carbon reduction initiatives to continue our decarbonization journey. More about our bold Sustainability goals, including our goal to achieve net zero waste operations by 2025, can be found in Hudson Pacific’s Corporate Responsibility Report.

Our 2021 achievements include:

- 100% carbon neutral operations across our entire real estate operating portfolio;
- 100% renewable electricity across our entire real estate operating portfolio;
- 100% of our in-service office portfolio has recycling services and 70% has composting services;
- 82% of our in-service office portfolio is LEED certified and 71% is ENERGY STAR certified;
- *Better Blueprint™* Action Plans at all operating office and studio properties; and
- Sustainable Design Vision for all (re)developments and major repositionings.

Healthy: Healthy Buildings, Healthy Lives

We aim to set our properties apart by providing safe environments that promote wellness and resilience for our employees, tenants and neighbors. Our health and safety program, always a top priority for the company, became paramount during the COVID-19 pandemic. Our Fitwel Viral Response Module (“VRM”) certified response included hundreds of capital improvements, thousands of new MERV-13+ air filters, and implementation of a mobile tenant app at all multi-tenant office properties. We are also deeply committed to advancing wellness and wellbeing, as we know that the quality of our indoor environment can have a huge impact on both our physical and mental health. We consistently deliver state-of-the-art buildings with abundant natural light, convenient access to outdoor space, fitness amenities, healthy food and other wellness-oriented features. We offer in-person and virtual wellness programming at all multi-tenant office properties, and we have a goal to achieve Fitwel certification for at least 50% of our in-service office portfolio by 2025.

Our 2021 achievements include:

- 100% of operating office and studio properties use COVID-safe operational procedures certified under Fitwel’s VRM, including but not limited to: use of hospital-grade disinfectants, increased cleaning frequency, maximized outside air and optimized filtration with MERV-13+ filters where possible;
- 100% of multi-tenant office properties have a mobile app that regularly promotes health and wellness through virtual fitness classes, mindfulness training, cooking sessions and more;

- Over 90% of our in-service office portfolio is served by bike storage, over 80% has showers and/or lockers and over 50% has on-site fitness amenities; and
- 33% of our in-service office portfolio is Fitwel certified.

Equitable: Vibrant, Thriving Cities for All

We seek to create and cultivate communities that champion diversity, equity and inclusion (“DEI”) and afford opportunity for everyone to succeed. This commitment starts with our own employees—we value our diverse employee base, and we have multiple systems and policies in place to celebrate different perspectives, promote an inclusive corporate culture, and advance equity across recruiting, hiring and human capital development processes. We also aim to advance equity externally in our industry and in our local communities. We support key groups aiming to diversify the real estate talent pipeline and advocate for change at the highest levels. Our supplier diversity program includes a company-wide process to track the diversity status of new vendors and a commitment to increase the use of diverse and/or local contractors on-site at all (re)developments to 15% by 2025. We donate at least 1% of net earnings to charitable causes annually and have pledged to invest \$20 million by 2025 into innovative homelessness and housing solutions for our core markets.

Our 2021 achievements include:

- 100% of employees at all of our operating office and studio properties have received training on subjects such as health and safety, leadership development, corporate operations and/or new employee onboarding;
- Robust internal DEI program that includes five Employee Resource Groups (“ERGs”), access to DEI education resources, and a total of 142 hours of intensive, cohort-based DEI training for employees across the organization;
- \$3 million investment in Strategic Development Solutions’ Supportive Housing Fund, as part of our five-year commitment to invest \$20 million in innovative homelessness and housing solutions in our core markets;
- Over \$1.1 million in charitable giving in 2021, with a focus on organizations addressing homelessness, DEI and health and wellness in our core markets;
- Over \$650,000 in grants made available to under-represented artists through the Vibrant Cities Arts Grant, which is associated with our One Westside development project in partnership with Macerich; and
- Long-standing policy of providing every employee with 32 hours of paid volunteer time-off annually, access to a robust Matching Gift program and regular employee volunteering events facilitated by our Hudson Helps Champions Network.

Human Capital

Hiring

In alignment with our Company values, we believe people are our greatest asset and we embrace a recruitment process that strives to attract top-tier, diverse talent. Through a series of behavioral-based interviews, Company recruiters assess candidates for skills, competencies and cultural fit. The hiring team comprises a recruiter, hiring manager and other peers or stakeholders to ensure a collaborative process.

Diversity, Equity and Inclusion

We value employees at all levels of the organization and provide ample opportunities for growth, while striving to foster and celebrate diversity in all its forms, whether gender, age, ethnicity or cultural background. We take pride in the fact that our employee base at all of our operating office and studio properties reflects an even gender split as well as a broad cross-section of racial and ethnic backgrounds. We have a comprehensive DEI program for employees at all levels, which includes initiatives such as:

- An ongoing series of intensive, cohort-based DEI training for employees.
- Five ERGs designed to connect employees who have similar backgrounds and shared experiences, with the goal of working with the Company on diversity and inclusion, bringing people together to share best practices and ensuring that we are supporting each other across our communities.
- A thoughtfully curated DEI Library filled with education resources, which employees can access online at any time to increase awareness and knowledge of important concepts and to develop skills to help make meaningful change.

Training and Development

Upon joining the Company, our employees attend an orientation program that is a fun, interactive way for new hires to get to know the Company, its strategy, values and leadership. Senior executives speak candidly about the Company and their roles.

In addition to traditional employee development programs like annual performance reviews and role-specific training programs, we offer individualized curriculums through an online platform at no cost to the employees, interactive leadership development programs for junior and mid-career/senior team members and off-site team retreats that foster team-building and skills training. The Company regularly honors top performers, and generous Company policies encourage work/life balance through paid time off, subsidized gym memberships, fitness programs and events and healthy dining options.

Compensation and Benefits

We are a pay-for-performance organization, which means that compensation decisions are made based on individual, team/department, and overall company performance. This includes consideration of contributions and accomplishments as well as how these were achieved (values, skills and competencies). The objective is to emphasize corporate goals and individual contributions to the achievement of those goals for the year.

We award merit salary increases as recognition for the past year's performance, sustained contributions and/or the attainment of new skills. Discretionary bonuses are designed to reward employees for fulfilling their responsibilities, delivering superior results and making significant contributions. Discretionary performance bonus amounts are based on job level and should be dependent on the nature and significance of the employee's contribution and accomplishment.

We offer competitive compensation and benefits, including, but not limited to, retirement savings plans and medical, dental and vision coverage. We offer multiple flexible spending accounts, an employee referral bonus program and a comprehensive charitable giving program with matching donations and 32 hours of paid time off each year for volunteering. We have generous policies to encourage work/life balance, including paid holiday, vacation and sick time as well as an employee assistance program that offers confidential assistance 24 hours a day, 365 days a year to assist with personal and work-related problems.

Collective Bargaining Arrangements

At December 31, 2021, we had 560 employees, of which 34 were subject to collective bargaining agreements. Six employees are on-site at the Sunset Bronson Studios property and 28 are on-site at Zio. We believe that relations with our employees are good.

Available Information

On the Investors section of our Company's Website (investors.hudsonpacificproperties.com) we post the following filings as soon as reasonably practicable after they are electronically filed with or furnished to the Securities and Exchange Commission ("SEC"): our Annual Report on Form 10-K, our Quarterly Reports on Form 10-Q, our Current Reports on Form 8-K and any amendments to those reports filed or furnished pursuant to Section 13(a) or 15(d) of the Exchange Act. All such filings are available to be viewed on our Investors page on our Website free of charge. Also available on our Investors page, free of charge, are our corporate governance guidelines, the charters of the nominating and corporate governance, audit and compensation committees of our board of directors and our Code of Business Conduct and Ethics (which applies to all directors and employees, including our Principal Executive Officer and Principal Financial Officer). We intend to use our Website as a means of disclosing material non-public information and for complying with our disclosure obligations under Regulation FD. Such disclosures will be included on our Website in the "SEC Filings" page. Accordingly, investors should monitor such portions of our Website, in addition to following our press releases, SEC filings and public conference calls and webcasts. Information contained on or hyperlinked from our Website is not incorporated by reference into, and should not be considered part of, this Annual Report on Form 10-K or our other filings with the SEC. A copy of this Annual Report on Form 10-K is available without charge upon written request to: Investor Relations, Hudson Pacific Properties, Inc., 11601 Wilshire Blvd., Ninth Floor, Los Angeles, California 90025.

ITEM 1A. Risk Factors

Overview

The following section sets forth material factors that may adversely affect our business and financial performance. The following factors, as well as the factors discussed in “Item 7. Management’s Discussion and Analysis of Financial Condition and Results of Operations — Factors That May Influence Our Operating Results” and other information contained in this Annual Report on Form 10-K, should be considered in evaluating us and our business.

Risks Related to Our Properties and Our Business

Our properties are located in Northern and Southern California, the Pacific Northwest, Western Canada and Greater London, United Kingdom, and we are susceptible to adverse economic conditions, local regulations and natural disasters affecting those markets.

Our properties are located in Northern and Southern California, the Pacific Northwest, Western Canada and Greater London, United Kingdom, which exposes us to greater economic risks than if we owned a more geographically dispersed portfolio. Further, our properties are concentrated in certain areas, including Los Angeles, San Francisco, Silicon Valley, Seattle, Vancouver and Greater London, exposing us to risks associated with those specific areas. We are susceptible to adverse developments in the economic and regulatory environments of Northern and Southern California, the Pacific Northwest, Western Canada and the United Kingdom (such as business layoffs or downsizing, industry slowdowns, relocations of businesses, increases in real estate and other taxes, costs of complying with governmental regulations or increased regulation), as well as to natural disasters that occur in our markets (such as earthquakes, windstorms, landslides, droughts, fires and other events). In addition, the State of California has had historical periods of budgetary constraints and is regarded as more litigious and more highly regulated and taxed than many other states, all of which may reduce demand for office space in California. Any adverse developments in the economy or real estate market in Northern and Southern California, the Pacific Northwest, Western Canada or Greater London, United Kingdom, or any decrease in demand for office space resulting from the California regulatory or business environment, could adversely impact our financial condition, results of operations, cash flow and the per share trading price of our securities.

We are required to pay property taxes on our properties. These taxes could increase as property tax rates increase or as properties are reassessed by the taxing authorities. For example, under the existing California law commonly referred to as Proposition 13, property tax reassessments generally occur as a result of a “change of ownership” of a property. Because the property tax authorities may take extensive time to determine if there has been a “change of ownership” or the actual reassessed value of the property, the potential reassessment may not be determined until a period after the transaction has occurred. From time to time, including recently, lawmakers and voters have initiated efforts to repeal or amend Proposition 13, which, if successful, would increase the assessed value or tax rates for our properties in California. Additionally, there is similar legislation being proposed in other state and local jurisdictions in which our properties are located. An increase in the assessed value of our properties, property tax rates, or potential other new taxes could adversely affect our financial condition, cash flows and our ability to pay dividends to our stockholders.

We derive a significant portion of our rental revenue from tenants in the technology and media and entertainment industries, which makes us particularly susceptible to demand for rental space in those industries.

A significant portion of our rental revenue is derived from tenants in the technology and media and entertainment industries. Consequently, we are susceptible to adverse developments affecting the demand by tenants in these industries for office, production and support space in Northern and Southern California, the Pacific Northwest, Western Canada and Greater London, United Kingdom and, more particularly, in Hollywood and the South of Market area of the San Francisco submarket. As we continue our development and potential acquisition activities in markets populated by knowledge-and creative-based tenants in the technology and media and entertainment industries, our tenant mix could become more concentrated, further exposing us to risks in those industries. Any adverse development in the technology and media and entertainment industries could adversely affect our financial condition, results of operations, cash flow and the per share trading price of our securities.

We may be unable to identify and complete acquisitions of properties that meet our criteria, which may impede our growth.

Our business strategy includes the acquisition of underperforming office properties. These activities require us to identify suitable acquisition candidates or investment opportunities that meet our criteria and are compatible with our growth strategies. We continue to evaluate the market of available properties and may attempt to acquire properties when strategic opportunities exist.

However, we may be unable to acquire any of the properties that we may identify as potential acquisition opportunities in the future. Our ability to acquire properties on favorable terms, or at all, may be exposed to the following significant risks:

- potential inability to acquire a desired property because of competition from other real estate investors with significant capital, including other publicly traded REITs, private equity investors and institutional investment funds, which may be able to accept more risk than we can prudently manage, including risks with respect to the geographic proximity of investments and the payment of higher acquisition prices;
- we may incur significant costs and divert management attention in connection with evaluating and negotiating potential acquisitions, including ones that we are subsequently unable to complete;
- even if we enter into agreements for the acquisition of properties, these agreements are typically subject to customary conditions to closing, including the satisfactory completion of our due diligence investigations; and
- we may be unable to finance the acquisition on favorable terms or at all.

If we are unable to finance property acquisitions or acquire properties on favorable terms, or at all, our financial condition, results of operations, cash flow and the per share trading price of our securities could be adversely affected. In addition, failure to identify or complete acquisitions of suitable properties could slow our growth.

Our future acquisitions may not yield the returns we expect.

Our future acquisitions and our ability to successfully operate the properties we acquire in such acquisitions may be exposed to the following significant risks:

- even if we are able to acquire a desired property, competition from other potential acquirers may significantly increase the purchase price;
- we may acquire properties that are not accretive to our results upon acquisition, and we may not successfully manage and lease those properties to meet our expectations;
- our cash flow may be insufficient to meet our required principal and interest payments;
- we may spend more than budgeted amounts to make necessary improvements or renovations to acquired properties;
- we may be unable to quickly and efficiently integrate new acquisitions, particularly acquisitions of portfolios of properties, into our existing operations;
- market conditions may result in higher than expected vacancy rates and lower than expected rental rates; and
- we may acquire properties subject to liabilities and without any recourse, or with only limited recourse, with respect to unknown liabilities such as liabilities for clean-up of undisclosed environmental contamination, claims by tenants, vendors or other persons dealing with the former owners of the properties, liabilities incurred in the ordinary course of business and claims for indemnification by general partners, directors, officers and others indemnified by the former owners of the properties.

In addition, we may acquire certain businesses that are complementary to our property portfolio. Integrating acquired businesses can be a complex, costly and time-consuming process and our business may be negatively impacted following any acquisition if we are unable to effectively manage our expanded operations. The integration process may require significant time and focus from our management team and may divert attention from the day-to-day operations of our existing business. If we cannot operate acquired properties or businesses to meet our financial expectations, our financial condition, results of operations, cash flow and the per share trading price of our securities could be adversely affected.

We may acquire properties or portfolios of properties through tax deferred contribution transactions, which could result in stockholder dilution and limit our ability to sell such assets.

In the future we may acquire properties or portfolios of properties through tax deferred contribution transactions in exchange for partnership interests in our operating partnership, which may result in stockholder dilution. This acquisition structure may have the effect of, among other things, reducing the amount of tax depreciation we could deduct over the tax life of the acquired properties, and may require that we agree to protect the contributors' ability to defer recognition of taxable gain through

restrictions on our ability to dispose of the acquired properties and/or the allocation of partnership debt to the contributors to maintain their tax bases. These restrictions could limit our ability to sell an asset at a time, or on terms, that would be favorable absent such restrictions.

Our growth depends on external sources of capital that are outside of our control and may not be available to us on commercially reasonable terms or at all.

In order to maintain our qualification as a REIT, we are required to meet various requirements under the Internal Revenue Code of 1986, as amended, or the Code, including that we distribute annually at least 90% of our REIT taxable income, excluding any net capital gain. In addition, we will be subject to federal corporate income tax to the extent that we distribute less than 100% of our REIT taxable income, including any net capital gains. Because of these distribution requirements, we may not be able to fund future capital needs, including any necessary acquisition financing, from operating cash flow. Consequently, we intend to rely on third-party sources to fund our capital needs. We may not be able to obtain the financing on favorable terms or at all. Any additional debt we incur will increase our leverage and likelihood of default. Our access to third-party sources of capital depends, in part, on:

- general market conditions;
- the market's perception of our growth potential;
- our current debt levels;
- our current and expected future earnings;
- our cash flow and cash distributions; and
- the market price per share of our common stock.

The credit markets can experience significant disruptions. If we cannot obtain capital from third-party sources, we may not be able to acquire or develop properties when strategic opportunities exist, meet the capital and operating needs of our existing properties, satisfy our debt service obligations or make the cash distributions to our stockholders necessary to maintain our qualification as a REIT.

Failure to hedge effectively against interest rate changes may adversely affect our financial condition, results of operations, cash flow, cash available for distribution, including cash available for payment of dividends on and the per share trading price of our securities.

As of December 31, 2021, we have \$1.6 billion variable rate debt, of which \$475.0 million is subject to interest rate swaps. In addition, we may incur additional variable rate debt in the future. Interest rates are highly sensitive to many factors that are beyond our control, including general economic conditions and policies of various governmental and regulatory agencies and, in particular, the Federal Reserve Board. If the Federal Reserve Board increases the federal funds rate, overall interest rates will likely rise. Interest rate increases would increase the interest costs on our unhedged variable rate debt, which could adversely affect our cash flow and our ability to pay principal and interest on our debt and our ability to make distributions to our stockholders. Further, rising interest rates could limit our ability to refinance existing debt when it matures. We seek to manage our exposure to interest rate volatility by using interest rate hedging arrangements that involve risk, such as the risk that counterparties may fail to honor their obligations under these arrangements, and that these arrangements may not be effective in reducing our exposure to interest rate changes. Failure to hedge effectively against interest rate changes may materially adversely affect our financial condition, results of operations, cash flow, cash available for distribution, including cash available for payment of dividends on and the per share trading price of our securities. In addition, while such agreements are intended to lessen the impact of rising interest rates on us, they also expose us to the risk that the other parties to the agreements will not perform, we could incur significant costs associated with the settlement of the agreements, the agreements will be unenforceable and the underlying transactions will fail to qualify as highly-effective cash flow hedges under Accounting Standards Codification ("ASC") 815, *Derivative and Hedging*.

Mortgage debt obligations expose us to the possibility of foreclosure, which could result in the loss of our investment in a property or group of properties subject to mortgage debt.

Incurring mortgage and other secured debt obligations increases our risk of property losses because defaults on indebtedness secured by properties may result in foreclosure actions initiated by lenders and ultimately our loss of the property securing any loans for which we are in default. Any foreclosure on a mortgaged property or group of properties could adversely affect the overall value of our portfolio of properties. For tax purposes, a foreclosure of any of our properties that is subject to a

nonrecourse mortgage loan would be treated as a sale of the property for a purchase price equal to the outstanding balance of the debt secured by the mortgage. If the outstanding balance of the debt secured by the mortgage exceeds our tax basis in the property, we would recognize taxable income on foreclosure, but would not receive any cash proceeds.

Our unsecured revolving credit facility, registered senior notes, term loan facility and note purchase agreements restrict our ability to engage in some business activities.

Our unsecured revolving credit facility, registered senior notes, term loan facility and note purchase agreements contain customary negative covenants and other financial and operating covenants that, among other things:

- restrict our ability to incur additional indebtedness;
- restrict our ability to make certain investments;
- restrict our ability to merge with another company;
- restrict our ability to make distributions to stockholders; and
- require us to maintain financial coverage ratios.

These limitations restrict our ability to engage in some business activities, which could adversely affect our financial condition, results of operations, cash flow, cash available for distributions to our stockholders, and per share trading price of our securities. In addition, failure to meet any of these covenants, including the financial coverage ratios, could cause an event of default under and/or accelerate some or all of our indebtedness, which would have a material adverse effect on us. Furthermore, our unsecured revolving credit facility and term loan facility contain specific cross-default provisions with respect to specified other indebtedness, giving the lenders the right to declare a default if we are in default under other loans in some circumstances.

We have a limited operating history with respect to some of our properties and may not be able to operate them successfully.

Our 5th & Bell property in Seattle has only been under our management since it was acquired in December 2021. This property may have characteristics or deficiencies unknown to us which could affect its valuation or revenue potential. In addition, there can be no assurance that the operating performance of this property will not decline under our management. We cannot assure you that we will be able to operate this property successfully.

We face significant competition, which may decrease or prevent increases in the occupancy and rental rates of our properties.

We compete with numerous developers, owners and operators of office properties, many of which own properties similar to ours in the same submarkets in which our properties are located. If our competitors offer space at rental rates below current market rates, or below the rental rates we currently charge our tenants, we may lose existing or potential tenants and we may be pressured to reduce our rental rates below those we currently charge or to offer more substantial rent abatements, tenant improvements, early termination rights or below-market renewal options in order to retain tenants when our tenants' leases expire. As a result, our financial condition, results of operations, cash flow and the per share trading price of our securities could be adversely affected.

We depend on significant tenants.

As of December 31, 2021, the 15 largest tenants in our office portfolio represented approximately 42.8% of the Company's share of the total annualized base rent generated by our office properties. The inability of a significant tenant to pay rent or the bankruptcy or insolvency of a significant tenant may adversely affect the income produced by our properties. If a tenant becomes bankrupt or insolvent, federal law may prohibit us from evicting such tenant based solely upon such bankruptcy or insolvency. In addition, a bankrupt or insolvent tenant may be authorized to reject and terminate its lease with us. Any claim against such tenant for unpaid, future rent would be subject to a statutory cap that might be substantially less than the remaining rent owed under the lease. As of December 31, 2021, our three largest tenants were Google, Inc., Netflix, Inc. and Amazon, which together accounted for 20.2% of the Company's share of the annualized base rent generated by our office properties. If Google, Inc., Netflix, Inc. and Amazon were to experience a downturn or a weakening of financial condition resulting in a failure to make timely rental payments or causing a lease default, we may experience delays in enforcing our rights as landlord and may incur substantial costs in protecting our investment.

We may be unable to renew leases, lease vacant space or re-let space as leases expire.

As of December 31, 2021, approximately 11.8% of the Company's share of the square footage of the office properties (including our development and redevelopment properties) in our portfolio was available, taking into account uncommenced leases signed as of December 31, 2021. An additional approximately 14.9% of the Company's share of the square footage of the office properties in our portfolio is scheduled to expire in 2022 (includes leases scheduled to expire on December 31, 2021). We cannot assure you that leases will be renewed or that our properties will be re-let at net effective rental rates equal to or above the current average net effective rental rates or that substantial rent abatements, tenant improvements, early termination rights or below-market renewal options will not be offered to attract new tenants or retain existing tenants. If the rental rates for our properties decrease, our existing tenants do not renew their leases or we do not re-let a significant portion of our available space and space for which leases will expire, our financial condition, results of operations, cash flow and per share trading price of our securities could be adversely affected.

We may be required to make rent or other concessions and/or significant capital expenditures to improve our properties in order to retain and attract tenants, causing our financial condition, results of operations, cash flow and per share trading price of our securities to be adversely affected.

To the extent adverse economic conditions continue in the real estate market and demand for office space remains low, we expect that, upon expiration of leases at our properties, we will be required to make rent or other concessions to tenants, accommodate requests for renovations, build-to-suit remodeling and other improvements or provide additional services to our tenants. As a result, we may have to make significant capital or other expenditures in order to retain tenants whose leases expire and to attract new tenants in sufficient numbers. Additionally, we may need to raise capital to make such expenditures. If we are unable to do so or capital is otherwise unavailable, we may be unable to make the required expenditures. This could result in non-renewals by tenants upon expiration of their leases, which could adversely affect our financial condition, results of operations, cash flow and the per share trading price of our securities.

The actual rents we receive for the properties in our portfolio may be less than our asking rents, and we may experience lease roll-down from time to time.

As a result of various factors, including competitive pricing pressure in our submarkets, adverse conditions in Northern or Southern California, the Pacific Northwest, Western Canada or Greater London, United Kingdom real estate markets, a general economic downturn and the desirability of our properties compared to other properties in our submarkets, we may be unable to realize the asking rents across the properties in our portfolio. In addition, the degree of discrepancy between our asking rents and the actual rents we are able to obtain may vary both from property to property and among different leased spaces within a single property. If we are unable to obtain rental rates that are on average comparable to our asking rents across our portfolio, then our ability to generate cash flow growth will be negatively impacted. In addition, depending on asking rental rates at any given time as compared to expiring leases in our portfolio, from time to time rental rates for expiring leases may be higher than starting rental rates for new leases.

Some of our properties are subject to ground leases, the termination or expiration of which could cause us to lose our interest in, and the right to receive rental income from, such properties.

Twelve of our consolidated properties are subject to ground leases (including properties with a portion of the land subject to a ground lease). See Part IV, Item 15(a) "Exhibits, Financial Statement Schedules—Note 11 to the Consolidated Financial Statements—Future Minimum Base Rents and Lease Payments Future Minimum Rents" for more information regarding our ground lease agreements. If any of these ground leases are terminated following a default or expire without being extended, we may lose our interest in the related property and may no longer have the right to receive any of the rental income from such property, which would adversely affect our financial condition, results of operations, cash flow and the per share trading price of our securities.

The ground sublease for the Del Amo property is subject and subordinate to a ground lease, the termination of which could result in a termination of the ground sublease.

The property on which the Del Amo building is located is subleased by Del Amo Fashion Center Operating Company, L.L.C., or Del Amo, through a long-term ground sublease. The ground sublease is subject and subordinate to the terms of a ground lease between the fee owner of the Del Amo property and the sub-landlord under the ground sublease. The fee owner has not granted to the subtenant under the ground sublease any rights of non-disturbance. Accordingly, a termination of the ground lease for any reason, including a rejection thereof by the ground tenant under the ground lease in a bankruptcy proceeding, could result

in a termination of the ground sublease. In the event of a termination of the ground sublease, we may lose our interest in the Del Amo building and may no longer have the right to receive any of the rental income from the Del Amo building. In addition, our lack of any non-disturbance rights from the fee owner may impair our ability to obtain financing for the Del Amo building.

Our success depends on key personnel whose continued service is not guaranteed.

Our continued success and our ability to manage anticipated future growth depend, in large part, upon the efforts of key personnel who have extensive market knowledge and relationships and exercise substantial influence over our operational, financing, acquisition and disposition activity. Many of our senior executives have extensive experience and strong reputations in the real estate industry, which aid us in identifying opportunities, having opportunities brought to us, and negotiating with tenants and build-to-suit prospects. The loss of services of one or more members of our senior management team, or our inability to attract and retain highly qualified personnel, could adversely affect our business, diminish our investment opportunities and weaken our relationships with lenders, business partners, existing and prospective tenants and industry personnel, which could adversely affect our financial condition, results of operations, cash flow and the per share trading price of our securities.

Joint venture investments could be adversely affected by our lack of sole decision-making authority, our reliance on co-venturers' financial condition and disputes between us and our co-venturers.

As of December 31, 2021, we have 18 joint ventures. See Part IV, Item 15(a) "Exhibits, Financial Statement Schedules—Note 2 to the Consolidated Financial Statements—Summary of Significant Accounting Policies" for details on our joint ventures. We may co-invest in the future with other third parties through partnerships, joint ventures or other entities, acquiring non-controlling interests in or sharing responsibility for managing the affairs of a property, partnership, joint venture or other entity. These investments may, under certain circumstances, involve risks not present were a third party not involved, including the possibility that partners or co-venturers might become bankrupt or fail to fund their share of required capital contributions. Partners or co-venturers may have economic or other business interests or goals that are inconsistent with our business interests or goals, and may be in a position to take actions contrary to our policies or objectives, and they may have competing interests in our markets that could create conflict of interest issues. Such investments may also have the potential risk of impasses on decisions, such as a sale, because neither we nor the partner or co-venturer would have full control over the partnership or joint venture. In addition, prior consent of our joint venture partners may be required for a sale or transfer to a third party of our interests in the joint venture, which would restrict our ability to dispose of our interest in the joint venture. If we become a limited partner or non-managing member in any partnership or limited liability company and such entity takes or expects to take actions that could jeopardize our status as a REIT or require us to pay tax, we may be forced to dispose of our interest in such entity. Disputes between us and partners or co-venturers may result in litigation or arbitration that would increase our expenses and prevent our officers and/or directors from focusing their time and effort on our business. Consequently, actions by or disputes with partners or co-venturers might result in subjecting properties owned by the partnership or joint venture to additional risk. In addition, we may in certain circumstances be liable for the actions of our third-party partners or co-venturers. Our joint ventures may be subject to debt and, in the current volatile credit market, the refinancing of such debt may require equity capital calls.

If we fail to maintain an effective system of integrated internal controls, we may not be able to accurately report our financial results.

Effective internal and disclosure controls are necessary for us to provide reliable financial reports and effectively prevent fraud and to operate successfully as a public company. If we cannot provide reliable financial reports or prevent fraud, our reputation and operating results would be harmed. As part of our ongoing monitoring of internal controls we may discover material weaknesses or significant deficiencies in our internal controls. As a result of weaknesses that may be identified in our internal controls, we may also identify certain deficiencies in some of our disclosure controls and procedures that we believe require remediation. If we discover weaknesses, we will make efforts to improve our internal and disclosure controls. However, there is no assurance that we will be successful. Any failure to maintain effective controls or timely effect any necessary improvement of our internal and disclosure controls could harm operating results or cause us to fail to meet our reporting obligations, which could affect our ability to remain listed with the NYSE. Ineffective internal and disclosure controls could also cause investors to lose confidence in our reported financial information, which would likely have a negative effect on the per share trading price of our securities.

Risks Related to the Real Estate Industry

Our performance and value are subject to risks associated with real estate assets and the real estate industry.

Our ability to pay expected dividends to our stockholders depends on our ability to generate revenues in excess of expenses, pay scheduled principal payments on debt and pay capital expenditure requirements. Events and conditions generally

applicable to owners and operators of real property that are beyond our control may decrease cash available for distribution and the value of our properties. These events include many of the risks set forth above under “—Risks Related to Our Properties and Our Business,” as well as the following:

- local oversupply or reduction in demand for office or studio-related space;
- adverse changes in financial conditions of buyers, sellers and tenants of properties;
- vacancies or our inability to rent space on favorable terms, including possible market pressures to offer tenants rent abatements, tenant improvements, early termination rights or below-market renewal options, and the need to periodically repair, renovate and re-let space;
- increased operating costs, including insurance premiums, utilities, real estate taxes and state and local taxes;
- civil unrest, acts of war, terrorist attacks and natural disasters, including earthquakes and floods, which may result in uninsured or underinsured losses;
- decreases in the underlying value of our real estate; and
- changing submarket demographics.

In addition, periods of economic downturn or recession, rising interest rates or declining demand for real estate, or the public perception that any of these events may occur, could result in a general decline in rents or an increased incidence of defaults under existing leases, which would adversely affect our financial condition, results of operations, cash flow and per share trading price of our securities.

Illiquidity of real estate investments could significantly impede our ability to respond to adverse changes in the performance of our properties and harm our financial condition.

The real estate investments made, and to be made, by us are relatively difficult to sell quickly. As a result, our ability to promptly sell one or more properties in our portfolio in response to changing economic, financial and investment conditions is limited. Return of capital and realization of gains, if any, from an investment generally will occur upon disposition or refinancing of the underlying property. We may be unable to realize our investment objectives by sale, other disposition or refinancing at attractive prices within any given period of time or may otherwise be unable to complete any exit strategy. In particular, our ability to dispose of one or more properties within a specific time period is subject to certain limitations imposed by our tax protection agreements, as well as weakness in or even the lack of an established market for a property, changes in the financial condition or prospects of prospective purchasers, changes in national or international economic conditions, such as the current economic downturn, and changes in laws, regulations or fiscal policies of jurisdictions in which the property is located.

In addition, the Code imposes restrictions on a REIT’s ability to dispose of properties that are not applicable to other types of real estate companies. In particular, the tax laws applicable to REITs effectively require that we hold our properties for investment, rather than primarily for sale in the ordinary course of business (by imposing a 100% prohibited transaction tax on REITs on profits derived from sales of properties held primarily for sale in the ordinary course or business), which may cause us to forgo or defer sales of properties that otherwise would be in our best interest.

Therefore, we may not be able to vary our portfolio in response to economic or other conditions promptly or on favorable terms, which may adversely affect our financial condition, results of operations, cash flow and per share trading price of our securities.

We could incur significant costs related to government regulation and litigation over environmental matters.

Under various federal, state and local laws and regulations relating to the environment, as a current or former owner or operator of real property, we may be liable for costs and damages resulting from the presence or discharge of hazardous or toxic substances, waste or petroleum products at, on, in, under or migrating from such property, including costs to investigate, clean up such contamination and liability for harm to natural resources. Such laws often impose liability without regard to whether the owner or operator knew of, or was responsible for, the presence of such contamination, and the liability may be joint and several. These liabilities could be substantial and the cost of any required remediation, removal, fines or other costs could exceed the value of the property and/or our aggregate assets. In addition, the presence of contamination or the failure to remediate contamination at our properties may expose us to third-party liability for costs of remediation and/or personal or property damage or materially

adversely affect our ability to sell, lease or develop our properties or to borrow using the properties as collateral. In addition, environmental laws may create liens on contaminated sites in favor of the government for damages and costs it incurs to address such contamination. Moreover, if contamination is discovered on our properties, environmental laws may impose restrictions on the manner in which property may be used or businesses may be operated, and these restrictions may require substantial expenditures. Some of our properties have been or may be impacted by contamination arising from current or prior uses of the property, or adjacent properties, for commercial or industrial purposes. Such contamination may arise from spills of petroleum or hazardous substances or releases from tanks used to store such materials. As a result, we could potentially incur material liability for these issues, which could adversely impact our financial condition, results of operations, cash flow and the per share trading price of our securities.

Environmental laws also govern the presence, maintenance and removal of ACBM and LBP and may impose fines and penalties for failure to comply with these requirements or expose us to third-party liability (e.g., liability for personal injury associated with exposure to asbestos or lead). Such laws require that owners or operators of buildings containing ACBM and LBP (and employers in such buildings) properly manage and maintain the asbestos and lead, adequately notify or train those who may come into contact with asbestos or lead, and undertake special precautions, including removal or other abatement, if asbestos or lead would be disturbed during renovation or demolition of a building. Some of our properties contain ACBM and/or LBP and we could be liable for such damages, fines or penalties.

In addition, the properties in our portfolio also are subject to various federal, state and local environmental and health and safety requirements, such as state and local fire requirements. Moreover, some of our tenants routinely handle and use hazardous or regulated substances and wastes as part of their operations at our properties, which are subject to regulation. Such environmental and health and safety laws and regulations could subject us or our tenants to liability resulting from these activities. Environmental liabilities could affect a tenant's ability to make rental payments to us. In addition, changes in laws could increase the potential liability for noncompliance. This may result in significant unanticipated expenditures or may otherwise materially and adversely affect our operations, or those of our tenants, which could in turn have an adverse effect on us.

We cannot assure you that costs or liabilities incurred as a result of environmental issues will not affect our ability to make distributions to our stockholders or that such costs or other remedial measures will not have an adverse effect on our financial condition, results of operations, cash flow and the per share trading price of our securities. If we do incur material environmental liabilities in the future, we may face significant remediation costs, and we may find it difficult to sell any affected properties.

Our properties may contain or develop harmful mold or suffer from other air quality issues, which could lead to liability for adverse health effects and costs of remediation.

When excessive moisture accumulates in buildings or on building materials, mold growth may occur, particularly if the moisture problem remains undiscovered or is not addressed over a period of time. Some molds may produce airborne toxins or irritants. Indoor air quality issues can also stem from inadequate ventilation, chemical contamination from indoor or outdoor sources, and other biological contaminants such as pollen, viruses and bacteria. Indoor exposure to airborne toxins or irritants above certain levels can be alleged to cause a variety of adverse health effects and symptoms, including allergic or other reactions. As a result, the presence of significant mold or other airborne contaminants at any of our properties could require us to undertake a costly remediation program to contain or remove the mold or other airborne contaminants from the affected property or increase indoor ventilation. In addition, the presence of significant mold or other airborne contaminants could expose us to liability from our tenants, employees of our tenants or others if property damage or personal injury is alleged to have occurred.

We may incur significant costs complying with various federal, state and local laws, regulations and covenants that are applicable to our properties.

The properties in our portfolio are subject to various covenants and federal, state and local laws and regulatory requirements, including permitting and licensing requirements. Local regulations, including municipal or local ordinances, zoning restrictions and restrictive covenants imposed by community developers may restrict our use of our properties and may require us to obtain approval from local officials or restrict our use of our properties and may require us to obtain approval from local officials of community standards organizations at any time with respect to our properties, including prior to acquiring a property or when undertaking renovations of any of our existing properties. Among other things, these restrictions may relate to fire and safety, seismic or hazardous material abatement requirements. There can be no assurance that existing laws and regulatory policies will not adversely affect us or the timing or cost of any future acquisitions or renovations, or that additional regulations will not be adopted that increase such delays or result in additional costs. Our growth strategy may be affected by our ability to obtain permits, licenses and zoning relief. Our failure to obtain such permits, licenses and zoning relief or to comply with applicable laws could have an adverse effect on our financial condition, results of operations, cash flow and per share trading price of our securities.

In addition, federal and state laws and regulations, including laws such as the ADA, impose further restrictions on our properties and operations. Under the ADA, all public accommodations must meet federal requirements related to access and use by disabled persons. Some of our properties may currently be in non-compliance with the ADA. If one or more of the properties in our portfolio is not in compliance with the ADA or any other regulatory requirements, we may be required to incur additional costs to bring the property into compliance and we might incur governmental fines or the award of damages to private litigants. In addition, we do not know whether existing requirements will change or whether future requirements will require us to make significant unanticipated expenditures that will adversely impact our financial condition, results of operations, cash flow and per share trading price of our securities.

We are exposed to risks associated with property development and redevelopment.

We may engage in development and redevelopment activities with respect to certain of our properties. To the extent that we do so, we will be subject to certain risks, including the availability and pricing of financing on favorable terms or at all; construction and/or lease-up delays; cost overruns, including construction costs that exceed our original estimates; contractor and subcontractor disputes, strikes, labor disputes or supply disruptions; failure to achieve expected occupancy and/or rent levels within the projected time frame, if at all; and delays with respect to obtaining or the inability to obtain necessary zoning, occupancy, land use and other governmental permits, and changes in zoning and land use laws. These risks could result in substantial unanticipated delays or expenses and, under certain circumstances, could prevent completion of development activities once undertaken, any of which could have an adverse effect on our financial condition, results of operations, cash flow and per share trading price of our securities.

Risks Related to Our Organizational Structure

The series A preferred units that were issued to some contributors in connection with our IPO in exchange for the contribution of their properties have certain preferences, which could limit our ability to pay dividends or other distributions to the holders of our securities or engage in certain business combinations, recapitalizations or other fundamental changes.

In exchange for the contribution of properties to our portfolio in connection with our IPO, some contributors received series A preferred units in our operating partnership. As of December 31, 2021, these units have an aggregate liquidation preference of approximately \$9.8 million and have a preference as to distributions and upon liquidation that could limit our ability to pay dividends on series C preferred stock and common stock. The series A preferred units are senior to any other class of securities our operating partnership may issue in the future without the consent of the holders of the series A preferred units. As a result, we will be unable to issue partnership units in our operating partnership senior to the series A preferred units without the consent of the holders of series A preferred units. Any preferred stock in our Company that we issue will be subordinate to the series A preferred units. In addition, we may only engage in a fundamental change, including a recapitalization, a merger and a sale of all or substantially all of our assets, as a result of which our common stock ceases to be publicly traded or common units cease to be exchangeable (at our option) for publicly traded shares of our stock, without the consent of holders of series A preferred units if following such transaction we will maintain certain leverage ratios and equity requirements, and pay certain minimum tax distributions to holders of our outstanding series A preferred units. Alternatively, we may redeem all or any portion of the then outstanding series A preferred units for cash (at a price per unit equal to the redemption price). If we choose to redeem the outstanding series A preferred units in connection with a fundamental change, this could reduce the amount of cash available for distribution to holders of series C preferred stock and common stock. In addition, these provisions could increase the cost of any such fundamental change transaction, which may discourage a merger, combination or change of control that might involve a premium price for our common stock or that our stockholders otherwise believe to be in their best interests.

Our common stock is ranked junior to our series C preferred stock.

Our common stock is ranked junior to our series C preferred stock. Our outstanding series C preferred stock also has or will have a preference upon our dissolution, liquidation or winding up in respect of assets available for distribution to our stockholders. Holders of our common stock are not entitled to preemptive rights or other protections against dilution. In the future, we may attempt to increase our capital resources by making additional offerings of equity securities, including classes or series of additional preferred stock. Because our decision to issue securities in any future offering will depend on market conditions and other factors beyond our control, we cannot predict or estimate the amount, timing or nature of our future offering. Thus, our stockholders bear the risk of our future offerings reducing the per share trading price of our common stock and diluting their interest in us.

Conflicts of interest exist or could arise in the future between the interests of our stockholders and the interests of holders of units in our operating partnership, which may impede business decisions that could benefit our stockholders.

Conflicts of interest exist or could arise in the future as a result of the relationships between us and our affiliates, on the one hand, and our operating partnership or any partner thereof, on the other. Our directors and officers have duties to our Company under applicable Maryland law in connection with their management of our Company. At the same time, we, as the general partner of our operating partnership, have fiduciary duties and obligations to our operating partnership and its limited partners under Maryland law and the partnership agreement of our operating partnership in connection with the management of our operating partnership. Our fiduciary duties and obligations as general partner to our operating partnership and its partners may come into conflict with the duties of our directors and officers to our Company.

Additionally, the partnership agreement provides that we and our directors and officers will not be liable or accountable to our operating partnership for losses sustained, liabilities incurred or benefits not derived if we, or such director or officer acted in good faith. The partnership agreement also provides that we will not be liable to the operating partnership or any partner for monetary damages for losses sustained, liabilities incurred or benefits not derived by the operating partnership or any limited partner, except for liability for our intentional harm or gross negligence. Moreover, the partnership agreement provides that our operating partnership is required to indemnify us and our directors, officers and employees, officers and employees of the operating partnership and our designees from and against any and all claims that relate to the operations of our operating partnership, except (i) if the act or omission of the person was material to the matter giving rise to the action and either was committed in bad faith or was the result of active and deliberate dishonesty, (ii) for any transaction for which the indemnified party received an improper personal benefit, in money, property or services or otherwise, in violation or breach of any provision of the partnership agreement or (iii) in the case of a criminal proceeding, if the indemnified person had reasonable cause to believe that the act or omission was unlawful. No reported decision of a Maryland appellate court has interpreted provisions similar to the provisions of the partnership agreement of our operating partnership that modify and reduce our fiduciary duties or obligations as the general partner or reduce or eliminate our liability for money damages to the operating partnership and its partners, and we have not obtained an opinion of counsel as to the enforceability of the provisions set forth in the partnership agreement that purport to modify or reduce the fiduciary duties that would be in effect were it not for the partnership agreement.

Our charter and bylaws, the partnership agreement of our operating partnership and Maryland law contain provisions that may delay, defer or prevent a change of control transaction, even if such a change in control may be in your interest, and as a result may depress the market price of our securities.

Our charter contains certain ownership limits. Our charter contains various provisions that are intended to preserve our qualification as a REIT and, subject to certain exceptions, authorize our directors to take such actions as are necessary or appropriate to preserve our qualification as a REIT. For example, our charter prohibits the actual, beneficial or constructive ownership by any person of more than 9.8% in value or number of shares, whichever is more restrictive, of the outstanding shares of each of our common stock and series C preferred stock, and more than 9.8% in value of the aggregate outstanding shares of all classes and series of our stock. Our board of directors, in its sole and absolute discretion, may exempt a person, prospectively or retroactively, from these ownership limits if certain conditions are satisfied. The restrictions on ownership and transfer of our stock may:

- discourage a tender offer or other transactions or a change in management or of control that might involve a premium price for our common stock or series C preferred stock or that our stockholders otherwise believe to be in their best interests; or
- result in the transfer of shares acquired in excess of the restrictions to a trust for the benefit of a charitable beneficiary and, as a result, the forfeiture by the acquirer of the benefits of owning the additional shares.

We could increase the number of authorized shares of stock, classify and reclassify unissued stock and issue stock without stockholder approval. Subject to the rights of holders of series C preferred stock to approve the classification or issuance of any class or series of stock ranking senior to the series C preferred stock, our board of directors has the power under our charter to amend our charter to increase the aggregate number of shares of stock or the number of shares of stock of any class or series that we are authorized to issue, to authorize us to issue authorized but unissued shares of our common stock or preferred stock and to classify or reclassify any unissued shares of our common stock or preferred stock into one or more classes or series of stock and set the terms of such newly classified or reclassified shares. Although our board of directors has no such intention at the present time, it could establish a class or series of preferred stock that could, depending on the terms of such series, delay, defer or prevent a transaction or a change of control that might involve a premium price for our securities or that our stockholders otherwise believe to be in their best interest.

Certain provisions of Maryland law could inhibit changes in control, which may discourage third parties from conducting a tender offer or seeking other change of control transactions that our stockholders otherwise believe to be in their best interest. Certain provisions of the Maryland General Corporation Law (“the MGCL”) may have the effect of inhibiting a third party from making a proposal to acquire us or of impeding a change of control under circumstances that otherwise could be in the best interest of our stockholders, including:

- “business combination” provisions that, subject to limitations, prohibit certain business combinations between us and an “interested stockholder” (defined generally as any person who beneficially owns 10% or more of the voting power of our shares or an affiliate thereof or an affiliate or associate of ours who was the beneficial owner, directly or indirectly, of 10% or more of the voting power of our then outstanding voting stock at any time within the two-year period immediately prior to the date in question) for five years after the most recent date on which the stockholder becomes an interested stockholder, and thereafter impose fair price and/or supermajority and stockholder voting requirements on these combinations; and
- “control share” provisions that provide that “control shares” of our Company (defined as shares that, when aggregated with other shares controlled by the stockholder, entitle the stockholder to exercise one of three increasing ranges of voting power in electing directors) acquired in a “control share acquisition” (defined as the direct or indirect acquisition of ownership or control of issued and outstanding “control shares”) have no voting rights except to the extent approved by our stockholders by the affirmative vote of at least two-thirds of all the votes entitled to be cast on the matter, excluding all interested shares.

As permitted by the MGCL, we have elected, by resolution of our board of directors, to exempt from the business combination provisions of the MGCL, any business combination that is first approved by our disinterested directors and, pursuant to a provision in our bylaws, to exempt any acquisition of our stock from the control share provisions of the MGCL. However, our board of directors may by resolution elect to repeal the exemption from the business combination provisions of the MGCL and may by amendment to our bylaws opt into the control share provisions of the MGCL at any time in the future.

Certain provisions of the MGCL permit our board of directors, without stockholder approval and regardless of what is currently provided in our charter or bylaws, to implement certain corporate governance provisions, some of which (for example, a classified board) are not currently applicable to us. These provisions may have the effect of limiting or precluding a third party from making an unsolicited acquisition proposal for us or of delaying, deferring or preventing a change in control of us under circumstances that otherwise could be in the best interest of our stockholders. Our charter contains a provision whereby we have elected to be subject to the provisions of Title 3, Subtitle 8 of the MGCL relating to the filling of vacancies on our board of directors.

Certain provisions in the partnership agreement of our operating partnership may delay or prevent unsolicited acquisitions of us. Provisions in the partnership agreement of our operating partnership may delay or make more difficult unsolicited acquisitions of us or changes of our control. These provisions could discourage third parties from making proposals involving an unsolicited acquisition of us or change of our control, although some stockholders might consider such proposals, if made, desirable. These provisions include, among others:

- redemption rights of qualifying parties;
- transfer restrictions on units;
- our ability, as general partner, in some cases, to amend the partnership agreement and to cause the operating partnership to issue units with terms that could delay, defer or prevent a merger or other change of control of us or our operating partnership without the consent of the limited partners;
- the right of the limited partners to consent to transfers of the general partnership interest and mergers or other transactions involving us under specified circumstances; and
- restrictions on debt levels and equity requirements pursuant to the terms of our series A preferred units, as well as required distributions to holders of series A preferred units of our operating partnership, following certain changes of control of us.

Our charter, bylaws, the partnership agreement of our operating partnership and Maryland law also contain other provisions that may delay, defer or prevent a transaction or a change of control that our stockholders otherwise believe to be in their best interest.

Our board of directors may change our investment and financing policies without stockholder approval and we may become more highly leveraged, which may increase our risk of default under our debt obligations.

Our investment and financing policies are exclusively determined by our board of directors. Accordingly, our stockholders do not control these policies. Further, our organizational documents do not limit the amount or percentage of indebtedness, funded or otherwise, that we may incur. Our board of directors may alter or eliminate our current policy on borrowing at any time without stockholder approval. If this policy changed, we could become more highly leveraged, which could result in an increase in our debt service. Higher leverage also increases the risk of default on our obligations. In addition, a change in our investment policies, including the manner in which we allocate our resources across our portfolio or the types of assets in which we seek to invest, may increase our exposure to interest rate risk, real estate market fluctuations and liquidity risk. Changes to our policies with regards to the foregoing could adversely affect our financial condition, results of operations, cash flow and per share trading price of our securities.

Our rights and the rights of our stockholders to take action against our directors and officers are limited.

Our charter eliminates the liability of our directors and officers to us and our stockholders for monetary damages, except for liability resulting from:

- actual receipt of an improper benefit or profit in money, property or services; or
- a final judgment based upon a finding of active and deliberate dishonesty by the director or officer that was material to the cause of action adjudicated.

In addition, our charter authorizes us to obligate our Company, and our bylaws require us, to indemnify our directors and officers for actions taken by them in those and certain other capacities to the maximum extent permitted by Maryland law. As a result, we and our stockholders may have more limited rights against our directors and officers than might otherwise exist. Accordingly, in the event that actions taken in good faith by any of our directors or officers impede the performance of our Company, your ability to recover damages from such director or officer will be limited.

We are a holding company with no direct operations and, as such, we rely on funds received from our operating partnership to pay liabilities, and the interests of our stockholders are structurally subordinated to all liabilities and obligations of our operating partnership and its subsidiaries.

We are a holding company and conduct substantially all of our operations through our operating partnership. We do not have, apart from an interest in our operating partnership, any independent operations. As a result, we rely on distributions from our operating partnership to pay any dividends we might declare on our common stock and on shares of our series C preferred stock. We also rely on distributions from our operating partnership to meet our obligations, including any tax liability on taxable income allocated to us from our operating partnership. In addition, because we are a holding company, claims of our equity holders will be structurally subordinated to all existing and future liabilities and obligations (whether or not for borrowed money) of our operating partnership and its subsidiaries and subordinate to the rights of holders of series A preferred units. Therefore, in the event of our bankruptcy, liquidation or reorganization, our assets and those of our operating partnership and its subsidiaries will be available to satisfy the claims of our stockholders only after all of our and our operating partnership's and its subsidiaries' liabilities and obligations have been paid in full.

Risks Related to Our Status as a REIT

Failure to qualify as a REIT would have significant adverse consequences to us and the value of our stock.

We have elected to be taxed as a REIT for federal income tax purposes commencing with our taxable year ended December 31, 2010. We believe that we have operated in a manner that has allowed us to qualify as a REIT for federal income tax purposes commencing with such taxable year, and we intend to continue operating in such manner. We have not requested and do not plan to request a ruling from the Internal Revenue Service, or IRS, that we qualify as a REIT, and the statements in this Annual Report are not binding on the IRS or any court. Therefore, we cannot assure you that we have qualified as a REIT, or that we will remain qualified as such in the future. If we lose our REIT status, we will face serious tax consequences that would substantially reduce the funds available for distribution to our stockholders for each of the years involved because:

- we would not be allowed a deduction for distributions to stockholders in computing our taxable income and would be subject to federal corporate income tax on our taxable income;

- we also could be subject to increased state and local taxes; and
- unless we are entitled to relief under applicable statutory provisions, we could not elect to be taxed as a REIT for four taxable years following the year during which we were disqualified.

Any such corporate tax liability could be substantial and would reduce our cash available for, among other things, our operations and distributions to stockholders. In addition, if we were to fail to qualify as a REIT, we would not be required to make distributions to our stockholders. As a result of all these factors, our failure to qualify as a REIT also could impair our ability to expand our business and raise capital, and could materially and adversely affect the value of our securities.

Qualification as a REIT involves the application of highly technical and complex Code provisions for which there are only limited judicial and administrative interpretations. The complexity of these provisions and of the applicable Treasury regulations that have been promulgated under the Code, or the Treasury Regulations, is greater in the case of a REIT that, like us, holds its assets through a partnership. The determination of various factual matters and circumstances not entirely within our control may affect our ability to qualify as a REIT. In order to qualify as a REIT, we must satisfy a number of requirements, including requirements regarding the ownership of our stock and requirements regarding the composition of our assets and our gross income. Also, we must make distributions to stockholders aggregating annually at least 90% of our REIT taxable income, excluding net capital gains.

We own and may acquire direct or indirect interests in one or more entities that have elected or will elect to be taxed as REITs under the Code (each, a “Subsidiary REIT”). A Subsidiary REIT is subject to the various REIT qualification requirements and other limitations described herein that are applicable to us. If a Subsidiary REIT were to fail to qualify as a REIT, then (i) that Subsidiary REIT would become subject to federal income tax, (ii) shares in such Subsidiary REIT would cease to be qualifying assets for purposes of the asset tests applicable to REITs, and (iii) it is possible that we would fail certain of the asset tests applicable to REITs, in which event we would fail to qualify as a REIT unless we could avail ourselves of certain relief provisions.

In addition, legislation, new regulations, administrative interpretations or court decisions may materially adversely affect our investors, our ability to qualify as a REIT for federal income tax purposes or the desirability of an investment in a REIT relative to other investments.

Even if we qualify as a REIT for federal income tax purposes, we may be subject to some federal, state and local income, property and excise taxes on our income or property and, in certain cases, a 100% penalty tax, in the event we sell property as a dealer. In addition, our taxable REIT subsidiaries will be subject to tax as regular corporations in the jurisdictions they operate.

If our operating partnership were to fail to qualify as a partnership for federal income tax purposes, we would cease to qualify as a REIT and suffer other adverse consequences.

We believe that our operating partnership is properly treated as a partnership for federal income tax purposes. As a partnership, our operating partnership is not subject to federal income tax on its income. Instead, each of its partners, including us, is allocated, and may be required to pay tax with respect to, its share of our operating partnership’s income. We cannot assure you, however, that the IRS will not challenge the status of our operating partnership or any other subsidiary partnership in which we own an interest as a partnership for federal income tax purposes, or that a court would not sustain such a challenge. If the IRS were successful in treating our operating partnership or any such other subsidiary partnership as an entity taxable as a corporation for federal income tax purposes, we would fail to meet the gross income tests and certain of the asset tests applicable to REITs and, accordingly, we would likely cease to qualify as a REIT. Also, the failure of our operating partnership or any subsidiary partnerships to qualify as a partnership would cause it to become subject to federal and state corporate income tax, which could reduce significantly the amount of cash available for debt service and for distribution to its partners, including us.

The tax imposed on REITs engaging in “prohibited transactions” may limit our ability to engage in transactions that would be treated as sales for federal income tax purposes.

A REIT’s net income from prohibited transactions is subject to a 100% penalty tax. In general, prohibited transactions are sales or other dispositions of property, other than foreclosure property, held primarily for sale to customers in the ordinary course of business. Although we do not intend to hold any properties that would be characterized as held for sale to customers in the ordinary course of our business, such characterization is a factual determination and we cannot assure you that the IRS would agree with our characterization of our properties or that we will always be able to make use of the available safe harbors, which, if met, would prevent any such sales from being treated as prohibited transactions.

Our ownership of taxable REIT subsidiaries is subject to certain restrictions, and we will be required to pay a 100% penalty tax on certain income or deductions if our transactions with our taxable REIT subsidiaries are not conducted on arm's length terms.

We currently own interests in certain taxable REIT subsidiaries and may acquire securities in additional taxable REIT subsidiaries in the future. A taxable REIT subsidiary is a corporation (or entity treated as a corporation for federal income tax purposes) other than a REIT in which a REIT directly or indirectly holds stock, and that has made a joint election with such REIT to be treated as a taxable REIT subsidiary. If a taxable REIT subsidiary owns more than 35% of the total voting power or value of the outstanding securities of another corporation, such other corporation will also be treated as a taxable REIT subsidiary. Other than some activities relating to lodging and health care facilities, a taxable REIT subsidiary may generally engage in any business, including the provision of customary or non-customary services to tenants of its parent REIT. A taxable REIT subsidiary is subject to federal income tax as a regular C corporation. In addition, a 100% excise tax will be imposed on certain transactions between a taxable REIT subsidiary and its parent REIT that are not conducted on an arm's length basis. A REIT's ownership of securities of a taxable REIT subsidiary is not subject to the 5% or 10% asset tests applicable to REITs. No more than 25% of our total assets may be represented by securities, including securities of taxable REIT subsidiaries, other than those securities includable in the 75% asset test. Further, no more than 20% of the value of our total assets may be represented by securities of taxable REIT subsidiaries. We anticipate that the aggregate value of the stock and other securities of any taxable REIT subsidiaries that we own will be less than 20% of the value of our total assets, and we will monitor the value of these investments to ensure compliance with applicable asset test limitations. In addition, we intend to structure our transactions with any taxable REIT subsidiaries that we own to ensure that they are entered into on arm's length terms to avoid incurring the 100% excise tax described above. There can be no assurance, however, that we will be able to comply with these limitations or avoid application of the 100% excise tax discussed above.

To maintain our REIT status, we may be forced to borrow funds during unfavorable market conditions.

To qualify as a REIT, we generally must distribute to our stockholders at least 90% of our REIT taxable income each year, excluding net capital gains, and we will be subject to regular corporate income taxes to the extent that we distribute less than 100% of our REIT taxable income each year. In addition, we will be subject to a 4% nondeductible excise tax on the amount, if any, by which distributions paid by us in any calendar year are less than the sum of 85% of our ordinary income, 95% of our capital gain net income and 100% of our undistributed income from prior years. In order to maintain our REIT status and avoid the payment of income and excise taxes, we may need to borrow funds to meet the REIT distribution requirements even if the then prevailing market conditions are not favorable for these borrowings. These borrowing needs could result from, among other things, differences in timing between the actual receipt of cash and inclusion of income for federal income tax purposes, or the effect of non-deductible capital expenditures, the creation of reserves or required debt or amortization payments. These sources, however, may not be available on favorable terms or at all. Our access to third-party sources of capital depends on a number of factors, including the market's perception of our growth potential, our current debt levels, the market price of our common stock, and our current and potential future earnings. We cannot assure you that we will have access to such capital on favorable terms at the desired times, or at all, which may cause us to curtail our investment activities and/or to dispose of assets at inopportune times, and could adversely affect our financial condition, results of operations, cash flow, cash available for distributions to our stockholders, and per share trading price of our securities.

Complying with REIT requirements may affect our profitability and may force us to liquidate or forgo otherwise attractive investments.

To qualify as a REIT, we must continually satisfy tests concerning, among other things, the nature and diversification of our assets, the sources of our income and the amounts we distribute to our stockholders. We may be required to liquidate or forgo otherwise attractive investments in order to satisfy the asset and income tests or to qualify under certain statutory relief provisions. We also may be required to make distributions to stockholders at disadvantageous times or when we do not have funds readily available for distribution. As a result, having to comply with the distribution requirement could cause us to: (i) sell assets in adverse market conditions; (ii) borrow on unfavorable terms; or (iii) distribute amounts that would otherwise be invested in future acquisitions, capital expenditures or repayment of debt. Accordingly, satisfying the REIT requirements could have an adverse effect on our business results, profitability and ability to execute our business plan. Moreover, if we are compelled to liquidate our investments to meet any of these asset, income or distribution tests, or to repay obligations to our lenders, we may be unable to comply with one or more of the requirements applicable to REITs or may be subject to a 100% tax on any resulting gain if such sales constitute prohibited transactions.

Dividends payable by REITs do not qualify for the reduced tax rates available for some dividends.

The maximum tax rate applicable to "qualified dividend income" payable to U.S. stockholders that are individuals, trusts and estates is 20%. Dividends payable by REITs, however, generally are not eligible for these reduced rates. U.S. stockholders that

are individuals, trusts and estates generally may deduct up to 20% of the ordinary dividends (e.g., dividends not designated as capital gain dividends or qualified dividend income) received from a REIT for taxable years beginning before January 1, 2026. Although this deduction reduces the effective tax rate applicable to certain dividends paid by REITs (generally to 29.6% assuming the shareholder is subject to the 37% maximum rate), such tax rate is still higher than the tax rate applicable to corporate dividends that constitute qualified dividend income. Accordingly, investors who are individuals, trusts and estates may perceive investments in REITs to be relatively less attractive than investments in the stocks of non-REIT corporations that pay dividends, which could materially and adversely affect the value of the shares of REITs, including the per share trading price of our securities.

The power of our board of directors to revoke our REIT election without stockholder approval may cause adverse consequences to our stockholders and unitholders.

Our charter provides that our board of directors may revoke or otherwise terminate our REIT election, without the approval of our stockholders, if it determines that it is no longer in our best interest to continue to qualify as a REIT. If we cease to qualify as a REIT, we would become subject to U.S. federal income tax on our taxable income and would no longer be required to distribute most of our taxable income to our stockholders and accordingly, distributions Hudson Pacific Properties, L.P. makes to its unitholders could be similarly reduced.

Legislative or other actions affecting REITs could have a negative effect on our investors and us.

The rules dealing with federal income taxation are constantly under review by persons involved in the legislative process and by the IRS and the United States Department of the Treasury. Changes to the tax laws, with or without retroactive application, could adversely affect our investors or us. We cannot predict how changes in the tax laws might affect our investors or us. New legislation, Treasury Regulations, administrative interpretations or court decisions could significantly and negatively affect our ability to qualify as a REIT, the federal income tax consequences of such qualification, or the federal income tax consequences of an investment in us. Also, the law relating to the tax treatment of other entities, or an investment in other entities, could change, making an investment in such other entities more attractive relative to an investment in a REIT.

Risks Related to General and Global Factors

Adverse economic and geopolitical conditions and dislocations in the credit markets could have a material adverse effect on our financial condition, results of operations, cash flow and per share trading price of our securities.

Volatility in the United States and international capital markets and concern over a return to recessionary conditions in global economies, and the California economy in particular, may adversely affect our financial condition, results of operations, cash flow and the per share trading price of our securities as a result of the following potential consequences, among others:

- significant job losses in the financial and professional services industries may occur, which may decrease demand for our office space, causing market rental rates and property values to be negatively impacted;
- our ability to obtain financing on terms and conditions that we find acceptable, or at all, may be limited, which could reduce our ability to pursue acquisition and development opportunities and refinance existing debt, reduce our returns from our acquisition and development activities and increase our future interest expense;
- reduced values of our properties may limit our ability to dispose of assets at attractive prices or to obtain debt financing secured by our properties and may reduce the availability of unsecured loans; and
- one or more lenders under our unsecured revolving credit facility could refuse to fund their financing commitment to us or could fail and we may not be able to replace the financing commitment of any such lenders on favorable terms, or at all.

Our business and results of operations and financial condition have been and may be further materially or adversely impacted by the outbreak of a pandemic including COVID-19.

The global spread of COVID-19 has created, and is likely to continue to create, significant volatility, uncertainty and economic disruption. In response to the pandemic, state and local governments, including those in Northern and Southern California, the Pacific Northwest, British Columbia and the United Kingdom have reacted by instituting quarantines, restrictions on travel, “shelter in place” rules, restrictions on types of business that may continue to operate and/or restrictions on the types of construction projects that may continue. As a result, the COVID-19 pandemic is negatively impacting almost every industry, including industries our tenants operate in. The COVID-19 pandemic, or a future pandemic, could have material and adverse

effects on our ability to successfully operate our business and on our financial condition, results of operations and cash flows due to, among other factors: our tenants' ability to pay rent on their leases; our inability to re-let space in our properties on favorable terms; ability to access capital markets on favorable terms and potential delays with development and re-development activities resulting in failure to achieve expected occupancy and/or rent levels within the projected time frames.

The rapid development and fluidity of this situation precludes any prediction as to the full adverse impact of the COVID-19 pandemic. Nevertheless, the COVID-19 pandemic presents material uncertainty and risk on our ability to successfully operate our business and on our financial condition, results of operations and cash flows.

Social, political, and economic instability, unrest, and other circumstances beyond our control could adversely affect our business operations.

Our business may be adversely affected by social, political, and economic instability, unrest, or disruption in a geographic region in which we operate, regardless of cause, including protests, demonstrations, strikes, riots, civil disturbance, disobedience, insurrection, or social and political unrest. Such events may result in restrictions, curfews, or other actions and give rise to significant changes in regional and global economic conditions and cycles, which may adversely affect our financial condition and operations.

There have been recent demonstrations and protests in cities throughout the U.S. as well as globally in connection with civil rights, liberties, and social and governmental reform. While protests have been peaceful in many locations, looting, vandalism, and fires have taken place in cities, including Seattle, Los Angeles, and Vancouver, Canada, which led to the imposition of mandatory curfews and, in some locations, deployment of the U.S. National Guard. Government actions in an effort to protect people and property, including curfews and restrictions on business operations, may disrupt operations, harm perceptions of personal well-being, and increase the need for additional expenditures on security resources. In addition, action resulting from such social or political unrest may pose significant risks to our personnel, facilities, and operations. The effect and duration of the demonstrations, protests, or other factors is uncertain, and we cannot assure there will not be further political or social unrest in the future or that there will not be other events that could lead to the disruption of social, political, and economic conditions. If such events or disruptions persist for a prolonged period of time, our overall business and results of operations may be adversely affected.

Potential losses, including from adverse weather conditions, natural disasters and title claims, may not be covered by insurance.

We carry commercial property (including earthquake), liability and terrorism coverage on all the properties in our portfolio (most are covered under a blanket insurance policy while a few are under individual policies), in addition to other coverages, such as trademark and pollution coverage, that may be appropriate for certain of our properties. We have selected policy specifications and insured limits that we believe to be appropriate and adequate given the relative risk of loss, the cost of the coverage and industry practice. However, we do not carry insurance for losses such as those arising from riots or war because such coverage is not available or is not available at commercially reasonable rates. Some of our policies, like those covering losses due to terrorism or earthquakes, are insured subject to limitations involving large deductibles or co-payments and policy limits that may not be sufficient to cover losses, which could affect certain of our properties that are located in areas particularly susceptible to natural disasters. All of the properties we currently own are located in Northern and Southern California, the Pacific Northwest, Western Canada and Greater London, United Kingdom. Many of these areas are especially susceptible to earthquakes. In addition, we may discontinue earthquake, terrorism or other insurance on some or all of our properties in the future if the cost of premiums for any such policies exceeds, in our judgment, the value of the coverage discounted for the risk of loss. As a result, we may be required to incur significant costs in the event of adverse weather conditions and natural disasters. If we or one or more of our tenants experiences a loss that is uninsured or that exceeds policy limits, we could lose the capital invested in the damaged properties as well as the anticipated future cash flows from those properties. In addition, if the damaged properties are subject to recourse indebtedness, we would continue to be liable for the indebtedness, even if these properties were irreparably damaged. Furthermore, we may not be able to obtain adequate insurance coverage at reasonable costs in the future as the costs associated with property and casualty renewals may be higher than anticipated. In the event that we experience a substantial or comprehensive loss of one of our properties, we may not be able to rebuild such property to its existing specifications. Further reconstruction or improvement of such a property would likely require significant upgrades to meet zoning and building code requirements.

Transition to an alternative reference rate due to the cessation of the London Inter-bank Offered Rate ("LIBOR") may adversely affect our required debt payments and the value of our related debt and derivative financial instruments.

The United Kingdom's Financial Conduct Authority, which regulates LIBOR, stopped publishing one week and two-month USD LIBOR rates after 2021 with remaining USD LIBOR rates ceasing to be published on June 30, 2023. The Federal Reserve Board and the Federal Reserve Bank of New York identified the Secured Overnight Financing Rate ("SOFR") as its

preferred alternative rate for USD LIBOR for debt and derivative financial instruments. This extended cessation date for USD LIBOR-indexed rates would allow most legacy USD LIBOR contracts to mature before disruptions occur in the USD LIBOR market, without the need to transition those contracts to SOFR.

As of December 31, 2021, we have \$1.6 billion variable rate debt, of which \$475.0 million is subject to interest rate swaps. Our variable rate debt agreements contain provisions that reference a comparable or successor rate to the extent USD LIBOR rates are no longer available and no mandatory prepayment or redemption provisions would be triggered in that instance. We anticipate managing the transition from USD LIBOR to SOFR using the language set out in our agreements and through potentially modifying our debt and derivative instruments, however future market conditions may not allow immediate implementation of desired modifications and we may incur significant associated costs in doing so. In addition, while the LIBOR replacement provisions in the Amended and Restated Credit Agreement (as defined below) permit the use of rates based on SOFR, at this time, it is not possible to predict whether SOFR will attain market traction as a LIBOR replacement. We will continue to monitor and evaluate the potential impact on our debt payments and value of our related debt and derivative financial instruments.

We may become subject to litigation, which could have an adverse effect on our financial condition, results of operations, cash flow and the per share trading price of our securities.

In the future we may become subject to litigation, including claims relating to our operations, offerings, and otherwise in the ordinary course of business. Some of these claims may result in significant defense costs and potentially significant judgments against us, some of which are not, or cannot be, insured against. We generally intend to vigorously defend ourselves; however, we cannot be certain of the ultimate outcomes of any claims that may arise in the future. Resolution of these types of matters against us may result in our having to pay significant fines, judgments or settlements, which, if uninsured, or if the fines, judgments and settlements exceed insured levels, could adversely impact our earnings and cash flows, thereby having an adverse effect on our financial condition, results of operations, cash flow and per share trading price of our securities. Certain litigation or the resolution of certain litigation may affect the availability or cost of some of our insurance coverage, which could adversely impact our results of operations and cash flows, expose us to increased risks that would be uninsured, and/or adversely impact our ability to attract officers and directors.

We face risks associated with security breaches through cyber attacks, cyber intrusions or otherwise, as well as other significant disruptions of our information technology (“IT”) networks and related systems.

We face risks associated with security breaches, whether through cyber attacks or cyber intrusions, malware, computer viruses, attachments to e-mails, persons inside our organization or persons with access to systems inside our organization, and other significant disruptions of our IT networks and related systems. The risk of a security breach or disruption, particularly through cyber attacks or cyber intrusions, including by computer hackers, foreign governments and cyber terrorists, has generally increased as the number, intensity and sophistication of attempted attacks and intrusions from around the world have recently increased. Our IT networks and related systems are essential to the operation of our business and our ability to perform day-to-day operations (including managing our building systems) and, in some cases, may be critical to the operations of certain of our tenants. Although we make efforts to maintain the security and integrity of our IT networks and related systems, and we have implemented various measures to manage the risk of a security breach or disruption, there can be no assurance that our security efforts and measures will be effective or that attempted security breaches or disruptions would not be successful or damaging. Even the most well-protected information, networks, systems and facilities remain potentially vulnerable because the techniques used in such attempted security breaches evolve and generally are not recognized until launched against a target, and in some cases are designed not to be detected and, in fact, may not be detected. Accordingly, we may be unable to anticipate these techniques or to implement adequate security barriers or other preventative measures, and thus it is impossible for us to entirely mitigate this risk.

A security breach or other significant disruption involving our IT networks and related systems could:

- disrupt the proper functioning of our networks and systems and therefore our operations and/or those of certain of our tenants;
- result in misstated financial reports, violations of loan covenants, and/or missed reporting deadlines;
- result in our inability to properly monitor our compliance with the rules and regulations regarding our qualification as a REIT;

- result in the unauthorized access to, and destruction, loss, theft, misappropriation or release of proprietary, confidential, sensitive or otherwise valuable information of ours or others, which others could use to compete against us or for disruptive, destructive or otherwise harmful purposes and outcomes;
- result in our inability to maintain the building systems relied upon by our tenants for the efficient use of their leased space;
- require significant management attention and resources to remedy any resulting damages;
- subject us to claims for breach of contract, damages, credits, penalties or termination of leases or other agreements; or
- damage our reputation among our tenants and investors generally.

Any or all of the foregoing could have an adverse effect on our financial condition, results of operations, cash flow and the per share trading price of our securities.

Our business and operations would suffer in the event of IT networks and related systems failures.

Despite system redundancy and the planned implementation of a disaster recovery plan and security measures for our IT networks and related systems, our systems are vulnerable to damage from any number of sources, including computer viruses, energy blackouts, natural disasters, terrorism, war, and telecommunication failure. We rely on our IT networks and related systems, including the Internet, to process, transmit and store electronic information and to manage or support a variety of our business processes, including financial transactions and keeping of records, which may include personal identifying information of tenants and lease data. We rely on commercially available systems, software, tools and monitoring to provide security for processing, transmitting and storing confidential tenant information, such as individually identifiable information relating to financial accounts. Any failure to maintain proper function, security and availability of our IT networks and related systems could interrupt our operations, damage our reputation and subject us to liability claims or regulatory penalties. Further, we are dependent on our personnel and, although we are working to implement a formal disaster recovery plan to assist our employees and to facilitate their maintaining continuity of operations after events such as energy blackouts, natural disasters, terrorism, war, and telecommunication failures, we can provide no assurance that any of the foregoing events would not have an adverse effect on our results of operations.

Future terrorist activity or engagement in war by the United States may have an adverse effect on our financial condition and operating results.

Terrorist attacks in the United States and other acts of terrorism or war may result in declining economic activity, which could harm the demand for and the value of our properties. A decrease in demand could make it difficult for us to renew or re-lease our properties at these sites at lease rates equal to or above historical rates. Terrorist activities also could directly impact the value of our properties through damage, destruction, or loss, and the availability of insurance for these acts may be less, and cost more, which could adversely affect our financial condition. To the extent that our tenants are impacted by future attacks, their businesses similarly could be adversely affected, including their ability to continue to honor their existing leases.

Terrorist attacks and engagement in war by the United States also may adversely affect the markets in which our securities trade and may cause further erosion of business and consumer confidence and spending and may result in increased volatility in national and international financial markets and economies. Any one of these events may cause decline in the demand for our office and studio leased space, delay the time in which our new or renovated properties reach stabilized occupancy, increase our operating expenses, such as those attributable to increased physical security for our properties, and limit our access to capital or increase our cost of raising capital.

ITEM 1B. Unresolved Staff Comments

None.

ITEM 2. Properties

As of December 31, 2021, our portfolio consisted of 66 properties (42 wholly-owned properties, 16 properties owned by joint ventures and eight land properties) located in 11 California, three Seattle, one Western Canada submarket and one Greater London submarket, totaling approximately 20.2 million square feet.

Office Portfolio

Our office portfolio consists of 54 office properties comprising an aggregate of approximately 15.8 million square feet. All of our office properties are located in Northern and Southern California, the Pacific Northwest and Western Canada. As of December 31, 2021, the weighted average remaining lease term for our stabilized office portfolio was 5.0 years.

In-Service Portfolio

Our in-service office properties include stabilized office properties and lease-up office properties. Stabilized office properties consist of same-store properties and non-same-store properties. Same-store properties include all of the properties owned and included in our stabilized portfolio as of January 1, 2020 and still owned and included in the stabilized portfolio as of December 31, 2021. Lease-up properties are defined as those properties that have not yet reached 92.0% occupancy since the date they were acquired or placed under redevelopment or development.

The following table summarizes information relating to the consolidated and unconsolidated in-service office properties owned as of December 31, 2021:

Location	Submarket	Square Feet ⁽¹⁾	Percent Occupied ⁽²⁾	Percent Leased ⁽³⁾	Annualized Base Rent ⁽⁴⁾	Annualized Base Rent Per Square Foot ⁽⁵⁾
Same-store:						
Vancouver, British Columbia						
Bentall Centre ⁽⁶⁾	Downtown Vancouver	1,500,290	96.3 %	96.7 %	\$ 43,176,282	\$ 29.88
Subtotal		1,500,290	96.3	96.7	43,176,282	29.88
Greater Seattle, Washington						
Met Park North	Denny Triangle	189,511	100.0	100.0	5,653,477	29.83
Hill7 ⁽⁷⁾	Denny Triangle	285,419	99.0	99.0	11,370,031	40.23
450 Alaskan	Pioneer Square	171,026	95.4	99.5	6,877,946	42.17
411 First	Pioneer Square	163,668	60.9	60.9	3,765,520	37.79
505 First	Pioneer Square	288,597	84.0	84.0	7,083,908	29.22
83 King	Pioneer Square	184,055	64.6	69.2	5,318,321	44.72
Subtotal		1,282,276	85.5	86.7	40,069,203	36.55
San Francisco Bay Area, California						
1455 Market ⁽⁷⁾	San Francisco	1,032,175	97.2	97.2	53,518,418	53.36
275 Brannan	San Francisco	57,120	100.0	100.0	4,690,232	82.11
625 Second	San Francisco	138,354	51.1	51.1	4,853,832	68.67
875 Howard	San Francisco	285,706	97.9	97.9	15,322,196	54.79
901 Market	San Francisco	206,697	88.3	88.3	12,610,010	69.13
Rincon Center ⁽⁸⁾	San Francisco	533,273	97.6	97.6	32,408,099	62.30
Ferry Building ⁽⁷⁾	San Francisco	266,446	96.3	98.2	21,819,709	85.01
Towers at Shore Center	Redwood Shores	335,308	92.9	95.1	22,656,765	72.74
555 Twin Dolphin	Redwood Shores	200,615	90.2	90.2	11,523,092	63.69
Palo Alto Square ⁽⁹⁾	Palo Alto	317,899	86.7	91.4	26,047,263	94.55
3176 Porter	Palo Alto	42,899	100.0	100.0	3,346,122	78.00
3400 Hillview	Palo Alto	207,857	100.0	100.0	15,339,847	73.80
Clocktower Square	Palo Alto	100,655	100.0	100.0	8,912,586	88.55
Foothill Research Center	Palo Alto	195,121	93.6	93.6	13,668,200	74.82
Page Mill Center ⁽¹⁰⁾	Palo Alto	94,539	82.4	82.4	6,236,184	80.01
Page Mill Hill	Palo Alto	178,179	89.4	94.8	12,523,004	78.58
Gateway	North San Jose	610,863	81.0	82.0	21,640,894	43.75
1740 Technology	North San Jose	206,710	99.6	99.6	8,842,295	42.95
Concourse	North San Jose	945,407	88.8	89.5	34,465,224	41.04
Metro Plaza ⁽¹¹⁾	North San Jose	409,723	87.1	87.7	15,656,775	43.85

Location	Submarket	Square Feet ⁽¹⁾	Percent Occupied ⁽²⁾	Percent Leased ⁽³⁾	Annualized Base Rent ⁽⁴⁾	Annualized Base Rent Per Square Foot ⁽⁵⁾
Skyport Plaza	North San Jose	418,667	96.1	96.1	15,858,698	39.42
Techmart	Santa Clara	284,852	71.8	77.9	10,097,590	49.34
Subtotal		7,069,065	90.7	91.7	372,037,035	58.01
Los Angeles, California						
6040 Sunset ⁽¹²⁾	Hollywood	114,958	100.0	100.0	6,607,096	57.47
ICON ⁽¹²⁾	Hollywood	326,792	100.0	100.0	20,052,743	61.36
CUE ⁽¹²⁾	Hollywood	94,386	100.0	100.0	5,867,379	62.16
EPIC ⁽¹²⁾	Hollywood	301,127	100.0	100.0	21,211,386	70.44
Fourth & Traction	Downtown Los Angeles	131,701	93.5	100.0	5,545,170	45.05
Maxwell	Downtown Los Angeles	102,963	100.0	100.0	4,783,165	46.46
604 Arizona	West Los Angeles	44,260	100.0	100.0	3,238,742	73.18
3401 Exposition	West Los Angeles	63,376	100.0	100.0	3,133,368	49.44
10900 Washington	West Los Angeles	9,919	100.0	100.0	499,918	50.40
10950 Washington	West Los Angeles	159,198	100.0	100.0	7,947,425	49.92
11601 Wilshire	West Los Angeles	498,112	91.3	95.4	21,582,739	47.43
Element LA	West Los Angeles	284,037	100.0	100.0	17,864,002	62.89
Subtotal		2,130,829	97.6	98.9	118,333,133	56.91
Total same-store		11,982,460	92.1	93.1	573,615,653	51.99
NON-SAME-STORE						
Greater Seattle, Washington						
1918 Eighth ⁽⁷⁾	Denny Triangle	668,209	99.6	99.6	20,866,717	31.35
5 th & Bell	Denny Triangle	197,136	99.0	99.0	7,004,205	35.87
Subtotal		865,345	99.5	99.5	27,870,922	32.37
San Francisco Bay Area, California						
Shorebreeze	Redwood Shores	230,931	83.8	91.0	12,574,453	64.95
Subtotal		230,931	83.8	91.0	12,574,453	64.95
Los Angeles, California						
10850 Pico ⁽¹³⁾	West Los Angeles	44,913	100.0	100.0	1,940,536	43.21
One Westside ⁽¹⁴⁾	West Los Angeles	584,000	100.0	100.0	36,211,200	62.01
Subtotal		628,913	100.0	100.0	38,151,736	60.66
Total non-same-store		1,725,189	97.6	98.5	78,597,111	46.69
Total stabilized		13,707,649	92.8	93.8	652,212,764	51.29
LEASE-UP						
San Francisco Bay Area, California						
Metro Center	Foster City	726,080	79.4	81.3	35,093,355	60.90
333 Twin Dolphin	Redwood Shores	183,119	91.8	91.8	10,505,563	62.51
Subtotal		909,199	81.9	83.4	45,598,918	61.26
Los Angeles, California						
Harlow ⁽¹²⁾	Hollywood	129,931	54.1	54.1	3,821,784	54.38
Subtotal		129,931	54.1	54.1	3,821,784	54.38
Total lease-up		1,039,130	78.4	79.8	49,420,702	60.67
TOTAL IN-SERVICE		14,746,779	91.8 %	92.8 %	\$ 701,633,466	\$ 51.85

1. Determined by management based upon estimated leasable square feet, which may be less or more than the Building Owners and Managers Association (“BOMA”) rentable area. Square footage may change over time due to re-measurement or re-leasing.

2. Calculated as (i) square footage under commenced leases as of December 31, 2021, divided by (ii) total square feet, expressed as a percentage.
3. Calculated as (i) square footage under commenced and uncommenced leases as of December 31, 2021, divided by (ii) total square feet, expressed as a percentage.
4. Presented on an annualized basis and is calculated by multiplying (i) base rental payments (defined as cash base rents (before abatements or deferrals)) under commenced leases as of December 31, 2021, by (ii) 12. Annualized base rent does not reflect tenant reimbursements.
5. Calculated as (i) annualized base rent divided by (ii) square footage under commenced leases as of December 31, 2021. Annualized base rent does not reflect tenant reimbursements.
6. We own 20% of the ownership interest in the unconsolidated joint venture that owns Bentall Centre. Annualized base rent and rental rates have been converted from CAD to USD using the foreign currency exchange rate as of December 31, 2021.
7. We own 55% of the ownership interest in the consolidated joint ventures that own Hill7, 1455 Market, Ferry Building and 1918 Eighth.
8. 20,047 square feet at Rincon Center was taken off-line for repositioning as of third quarter 2019. An additional 1,935 square feet was taken off-line for repositioning as of third quarter 2020, and an additional 14,923 square feet was taken off-line for repositioning as of fourth quarter 2020. The total repositioning space was re-measured during fourth quarter 2020 to 36,905 square feet.
9. 12,740 square feet at Palo Alto Square was taken off-line for repositioning as of second quarter 2021.
10. 63,201 square feet at Page Mill Center was taken off-line for repositioning as of first quarter 2020. This space was re-measured during second quarter 2020 to 64,038 square feet. An additional 15,018 square feet was taken off-line for repositioning as of third quarter 2020.
11. 17,624 square feet at Metro Plaza was taken off-line for repositioning as of fourth quarter 2019. An additional 30,851 square feet was taken off-line for repositioning as of first quarter 2020. The total repositioning space was re-measured during third quarter 2020 to 61,066 square feet.
12. We own 51% of the ownership interest in the consolidated joint venture that owns 6040 Sunset, ICON, CUE, EPIC and Harlow.
13. We own 75% of the ownership interest in the consolidated joint venture that owns 10850 Pico. 40,337 square feet at 10850 Pico was taken off-line for repositioning as of first quarter 2020. An additional 10,737 square feet was taken off-line for repositioning as of first quarter 2021. The total repositioning space was re-measured during first quarter 2021 to 51,409 square feet.
14. We own 75% of the ownership interest in the consolidated joint venture that owns One Westside.

Tenant Diversification

The following table summarizes information regarding the 15 largest tenants in our office portfolio based on Company's share of annualized base rent as of December 31, 2021:

Tenant ⁽¹⁾	Property	Lease Expiration	Total Occupied Square Feet	Company's Share			
				Total Occupied Square Feet	Percent of Rentable Square Feet	Annualized Base Rent ⁽²⁾	Percent of Annualized Base Rent
1 Google, Inc.	Various	Various	1,224,726 ⁽³⁾	1,060,117	8.2 %	\$ 76,090,160	12.6 %
2 Netflix, Inc.	Various	9/30/2031	722,305 ⁽⁴⁾	368,376	2.9	24,037,069	4.0
3 Amazon	Various	Various	938,200 ⁽⁵⁾	665,247	5.2	21,991,951	3.6
4 Nutanix, Inc.	Various	5/31/2024	439,406 ⁽⁶⁾	439,406	3.4	18,490,620	3.1
5 Riot Games, Inc.	Element LA	3/31/2030	284,037 ⁽⁷⁾	284,037	2.2	17,864,002	3.0
6 Qualcomm	Skyport Plaza	7/31/2022	376,817	376,817	2.9	14,940,041	2.5
7 Salesforce.com	Rincon Center	Various	265,394 ⁽⁸⁾	265,394	2.1	14,437,487	2.4
8 Block, Inc. (Formerly Square, Inc.)	1455 Market ⁽⁹⁾	9/27/2023	469,056	257,981	2.0	13,338,551	2.2
9 Dell EMC Corporation	Various	Various	311,795 ⁽¹⁰⁾	311,795	2.4	13,220,333	2.2
10 Uber Technologies, Inc.	1455 Market ⁽⁹⁾	2/28/2025	325,445	178,995	1.4	9,644,556	1.6
11 NFL Enterprises	Various	12/31/2022	167,606 ⁽¹¹⁾	167,606	1.3	8,447,342	1.4
12 WeWork Companies, Inc.	Various	Various	318,208 ⁽¹²⁾	146,743	1.1	7,020,286	1.2
13 GitHub, Inc.	Various	6/30/2025	92,450 ⁽¹³⁾	92,450	0.7	6,679,300	1.1
14 Weil, Gotshal & Manges LLP	Towers at Shore Center	8/31/2026	76,278	76,278	0.6	5,747,762	1.0
15 Regus	Various	Various	123,420 ⁽¹⁴⁾	123,420	1.0	5,589,789	0.9
TOTAL			6,135,143	4,814,662	37.4 %	\$ 257,539,249	42.8 %

- Presented in order of Company's share of annualized base rent.
- Annualized base rent is calculated by multiplying (i) base rental payments (defined as cash base rents (before abatements or deferments)) under commenced leases as of December 31, 2021, by (ii) 12. Annualized base rent does not reflect tenant reimbursements. Annualized base rents related to Bentall Centre have been converted from CAD to USD using the foreign currency exchange rate as of December 31, 2021.
- Google, Inc. expirations by square footage and property: (i) 182,672 square feet at Foothill Research Center expiring on February 28, 2025, (ii) 208,843 square feet at Rincon Center expiring on February 29, 2028, (iii) 207,857 square feet at 3400 Hillview expiring on November 30, 2028, (iv) 41,354 square feet at Ferry Building expiring on October 31, 2029, and (v) 584,000 square feet at One Westside expiring on November 30, 2036. We own 55% of the ownership interest in the consolidated joint venture that owns Ferry Building and 75% of the ownership interest in the consolidated joint venture that owns One Westside. Google, Inc. may elect to exercise its early termination right at Rincon Center for 166,460 square feet effective April 15, 2025 by delivering written notice on or before January 15, 2024. Google, Inc. may elect to exercise its early termination right at 3400 Hillview for 207,857 square feet effective no earlier than February 1, 2025 and no later than February 1, 2027 by delivering written notice at least 12 months prior to the early termination date.
- Netflix, Inc. expirations by square footage and property: (i) 326,792 square feet at ICON, (ii) 301,127 square feet at EPIC, and (iii) 94,386 square feet at CUE. We own 51% of the ownership interest in the consolidated joint venture that owns ICON, EPIC and CUE.
- Amazon expirations by square footage and property: (i) 139,824 square feet at Met Park North expiring on November 30, 2023, (ii) 606,562 square feet at 1918 Eighth expiring on September 30, 2030, and (iii) 191,814 square feet at 5th & Bell expiring on May 31, 2031. At 1918 Eighth, Amazon is expected to take possession an additional 52,588 square feet during second quarter 2022. We own 55% of the ownership interest in the consolidated joint venture that owns 1918 Eighth.
- Nutanix, Inc. expirations by square footage and property: (i) 199,445 square feet at 1740 Technology, (ii) 131,351 square feet at Concourse, and (iii) 108,610 square feet at Metro Plaza. At 1740 Technology, Nutanix, Inc. is expected to take possession of an additional 6,413 square feet during second quarter 2022. All leases for Nutanix, Inc. will expire on May 31, 2024.
- Riot Games, Inc. may elect to exercise its early termination right for the entire premises effective February 28, 2025 by delivering written notice on or before February 29, 2024.
- Salesforce.com expirations by square footage: (i) 83,016 square feet expiring on July 31, 2025, (ii) 83,372 square feet expiring on April 30, 2027, (iii) 93,028 square feet expiring on October 31, 2028, and (iv) 5,978 square feet of month-to-month storage space. Salesforce.com subleased 259,416 square feet at Rincon Center to Twilio Inc. during third quarter 2018. Effective January 30, 2019, we entered into an agreement to reimburse Salesforce.com approximately \$6.3 million for costs incurred in connection with the sublease. We are entitled to recoup this cost from amounts paid pursuant to the sublease commencing February 1, 2019, of which we have been fully reimbursed as of March 31, 2020. Thereafter, Salesforce.com has paid us 50% of any amounts received pursuant to the sublease, such that we began receiving an average of \$340,000 per month of sublease cash rents starting June 2020, with annual growth thereafter.
- We own 55% of the ownership interest in the consolidated joint venture that owns 1455 Market.
- Dell EMC Corporation expirations by square footage and property: (i) 138,820 square feet at 505 First expiring on February 28, 2022, (ii) 42,954 square feet at 505 First expiring on December 31, 2023, (iii) 83,549 square feet at 875 Howard expiring on June 30, 2026 and (iv) 46,472 square feet at 505 First expiring on January 31, 2027. Dell EMC Corporation may elect to exercise its early termination right 505 First for 46,472 square feet effective January 31, 2025 by delivering written notice on or before January 31, 2024.
- NFL Enterprises by square footage and property: (i) 157,687 square feet at 10950 Washington and (ii) 9,919 square feet at 10900 Washington. NFL Enterprises elected to exercise its early termination right for the entire premises effective December 31, 2022.

12. WeWork Companies Inc. expirations by square footage and property: (i) 54,336 square feet at Hill7 expiring January 31, 2030, (ii) 51,205 square feet at Maxwell expiring June 30, 2031, (iii) 66,056 square feet at 1455 Market expiring October 31, 2031, and (iv) 146,611 square feet at Bentall Centre expiring October 31, 2033. We own 55% of the ownership interest in the consolidated joint ventures that own Hill7 and 1455 Market, and 20% of the ownership interest in the unconsolidated joint venture that owns Bentall Centre.
13. GitHub Inc. expirations by square footage and property: (i) 57,120 square feet at 275 Brannan and (ii) 35,330 square feet at 625 Second.
14. Regus expirations by square footage and property: (i) 44,957 square feet at Gateway expiring on March 31, 2022, (ii) 20,059 square feet at 11601 Wilshire expiring on February 29, 2024, (iii) 27,369 square feet at Techmart expiring on April 30, 2025, (iv) 9,739 square feet at Palo Alto Square expiring on April 30, 2026, and (v) 21,296 square feet at 450 Alaskan expiring on October 31, 2030.

Industry Diversification

Our office portfolio is currently leased to a variety of companies. The following table summarizes information relating to the industry diversification in our office portfolio as of December 31, 2021:

Industry ⁽¹⁾	Square Feet ⁽²⁾⁽³⁾	Annualized Base Rent as Percent of Total	Company's Share	
			Square Feet ⁽²⁾⁽⁴⁾	Annualized Base Rent as Percent of Total
Technology	5,297,551	40.1 %	4,578,972	41.7 %
Media and Entertainment	1,845,880	15.3	1,329,839	13.2
Legal	745,242	7.1	683,928	8.3
Business Services	1,133,982 ⁽⁵⁾	8.0	871,262 ⁽⁶⁾	7.8
Financial Services	1,135,282	7.8	814,553	7.4
Retail	1,459,700 ⁽⁷⁾	6.9	1,140,179 ⁽⁸⁾	6.5
Other	837,398	5.9	657,833	6.3
Healthcare	221,340	1.9	211,064	2.2
Real Estate	490,332	2.8	257,740	2.1
Insurance	243,788	1.5	188,272	1.6
Educational	112,680	1.0	107,725	1.2
Government	204,526	1.1	161,145	1.1
Advertising	60,075	0.6	55,656	0.6
Total	13,787,776	100.0 %	11,058,168	100.0 %

1. Determined by management using Thompson Reuters Business Classification and presented in order of Company's share of annualized base rent.

2. Excludes signed leases not commenced.

3. Excludes 205,088 square feet occupied by the Company.

4. Excludes 183,112 square feet occupied by the Company.

5. Includes 493,608 square feet occupied by co-working tenants (represents 3.4% of total annualized base rent).

6. Includes 298,752 square feet occupied by co-working tenants (represents 2.6% of the Company's Share of total annualized base rent).

7. Includes 436,663 square feet of storefront retail (represents 1.8% of total annualized base rent).

8. Includes 390,095 square feet of storefront retail (represents 1.9% of the Company's Share of total annualized base rent).

Lease Distribution

The following table sets forth information relating to the distribution of leases in our office portfolio, based on net rentable square feet under lease as of December 31, 2021:

Square Feet Under Lease	Number of Leases	Total Leased Square Feet	Annualized Base Rent ⁽¹⁾	Company's Share		
				Number of Leases	Total Leased Square Feet	Annualized Base Rent ⁽¹⁾
10,000 or Less	649	2,302,026	\$ 114,570,210	680	2,053,666	\$ 106,620,398
10,001-25,000	112	1,772,961	89,606,669	94	1,478,514	85,086,956
25,001-50,000	60	2,241,713	136,459,671	60	2,178,257	132,583,354
50,001-100,000	32	2,249,341	117,068,119	22	1,550,326	85,242,888
Greater than 100,000	22	5,221,735	265,689,117	19	3,797,406	193,167,946
Building Management Use	46	205,088	—	46	183,112	—
Signed Leases Not Commenced	31	154,491	7,485,594	31	147,954	7,485,594
Total	952	14,147,355	\$ 730,879,380	952	11,389,235	\$ 610,187,136

1. Annualized base rent is calculated by multiplying (i) base rental payments (defined as cash base rents (before abatements or deferments)), including uncommenced leases, as of December 31, 2021 (ii) by 12. Annualized base rent does not reflect tenant reimbursements.

Lease Expirations

The following table summarizes the lease expirations for leases in place as of December 31, 2021, including vacancies. Unless otherwise stated in the footnotes, the information set forth in the table assumes that tenants did not exercise any renewal options.

Company's Share										
Year of Lease Expiration	Number of Leases Expiring ⁽¹⁾	Square Footage of Expiring Leases ⁽²⁾⁽³⁾	Square Footage of Expiring Leases ⁽²⁾⁽⁴⁾	Percent of Office Portfolio Square Feet	Annualized Base Rent ⁽²⁾	Percentage of Office Portfolio Annualized Base Rent	Annualized Base Rent Per Leased Square Foot ⁽⁵⁾	Annualized Base Rent at Expiration	Annualized Base Rent Per Lease Square Foot at Expiration ⁽⁶⁾	
Vacant		1,621,676	1,522,047	11.8 %						
2021	25	77,746	50,317	0.4	\$ 2,177,508	0.4 %	\$ 43.28	\$ 2,177,508	\$ 43.28	
2022	210	2,043,945	1,865,491	14.5	87,822,373	14.4	47.08	88,064,203	47.21	
2023	146	1,658,658	1,310,190	10.2	68,618,105	11.3	52.37	71,440,226	54.53	
2024	162	2,074,835	1,788,440	13.9	94,473,546	15.5	52.82	101,878,923	56.97	
2025	98	1,676,064	1,359,300	10.5	80,534,744	13.2	59.25	88,790,870	65.32	
2026	57	694,819	592,222	4.6	35,637,873	5.8	60.18	40,520,574	68.42	
2027	51	693,798	576,794	4.5	32,719,102	5.4	56.73	37,776,411	65.49	
2028	32	968,734	867,521	6.7	59,169,700	9.7	68.21	70,475,958	81.24	
2029	18	332,247	234,360	1.8	17,835,118	2.9	76.10	21,344,334	91.07	
2030	14	1,300,155	934,005	7.2	42,905,449	7.0	45.94	57,591,739	61.66	
Thereafter	33	2,246,771	1,466,735	11.4	80,488,296	13.2	54.88	113,802,588	77.59	
Building management use ⁽⁷⁾	46	205,088	183,112	1.4	—	—	—	—	—	
Signed leases not commenced ⁽⁸⁾	31	154,491	147,954	1.1	7,485,594	1.2	50.59	8,298,300	56.09	
Portfolio Total/Weighted Average	923	15,749,027	12,898,488	100.0 %	\$ 609,867,408	100.0 %	\$ 53.61	\$ 702,161,634	\$ 61.72	

1. Does not include 29 month-to-month leases.
2. Rent data for our office properties is presented on an annualized basis without regard to cancellation options.
3. Total expiring square footage does not include 20,004 square feet of month-to-month leases.

4. Total expiring square footage does not include 12,797 square feet of month-to-month leases.
5. Annualized base rent for office properties is calculated by multiplying (i) base rental payments (defined as cash base rents (before abatements or deferments)) as of December 31, 2021, by (ii) 12. Annualized base rent does not reflect tenant reimbursements.
6. Annualized base rent per square foot for all lease expiration years is calculated as (i) base rental payments (defined as cash base rents (before abatements or deferments)) under commenced leases, divided by (ii) square footage under commenced leases as of December 31, 2021.
7. Reflects management offices occupied by the Company with various expiration dates.
8. Annualized base rent per leased square foot and annualized base rent per square foot at expiration for signed leases not commenced reflects uncommenced leases for spaces not occupied as of December 31, 2021 and is calculated as (i) base rental payments (defined as cash base rents at expiration (before abatements or deferments)) under uncommenced leases for vacant space as of December 31, 2021, divided by (ii) square footage under uncommenced leases as of December 31, 2021.

Historical Tenant Improvements and Leasing Commissions

The following table represents 100% share of consolidated and unconsolidated joint ventures, summarizing historical information regarding tenant improvement and leasing commission costs for tenants at our office properties:

	Year Ended December 31,		
	2021	2020	2019
Renewals⁽¹⁾			
Number of leases	120	90	122
Square feet	1,070,864	459,921	749,483
Tenant improvement costs per square foot ⁽²⁾⁽³⁾	\$ 7.31	\$ 4.40	\$ 10.78
Leasing commission costs per square foot ⁽²⁾	6.92	5.04	8.62
Total tenant improvement and leasing commission costs	\$ 14.23	\$ 9.44	\$ 19.40
New leases⁽⁴⁾			
Number of leases	122	72	137
Square feet	730,235	340,415	1,785,606
Tenant improvement costs per square foot ⁽²⁾⁽³⁾	\$ 62.00	\$ 66.09	\$ 79.93
Leasing commission costs per square foot ⁽²⁾	14.69	12.30	23.11
Total tenant improvement and leasing commission costs	\$ 76.69	\$ 78.39	\$ 103.04
TOTAL			
Number of leases	242	162	259
Square feet	1,801,099	800,336	2,535,089
Tenant improvement costs per square foot ⁽²⁾⁽³⁾	\$ 28.63	\$ 29.13	\$ 60.18
Leasing commission costs per square foot ⁽²⁾	9.95	7.95	18.97
TOTAL TENANT IMPROVEMENT AND LEASING COMMISSION COSTS	\$ 38.58	\$ 37.08	\$ 79.15

1. Excludes retained tenants that have relocated or expanded into new space within our portfolio.

2. Assumes all tenant improvement and leasing commissions are paid in the calendar year in which the lease is executed, which may be different than the year in which they were actually paid.

3. Tenant improvement costs are based on negotiated tenant improvement allowances set forth in leases, or, for any lease in which a tenant improvement allowance was not specified, the aggregate cost originally budgeted at the time the lease commenced.

4. Includes retained tenants that have relocated or expanded into new space within our portfolio.

Studio Portfolio

Our studio portfolio, excluding studios under repositioning, redevelopment and development consists of three properties, comprising an aggregate of 1.2 million square feet located in the heart of Hollywood in Southern California. We define our studio properties as those properties in our portfolio that are primarily used for the physical production of media content, such as television programs, feature films, commercials, music videos and photographs. These properties feature a fully-integrated environment within which our studio-focused tenants can access production, post-production, traditional office component and support facilities that enables them to conduct their business in a collaborative and efficient setting. In addition, we require tenants at our studio properties to use our facilities for items such as lighting, equipment rental, parking, power, HVAC and telecommunications (telephone and internet). Accordingly, our other property-related revenues typically track overall occupancy of our studio properties.

The following table summarizes information relating to each of the studio properties owned as of December 31, 2021:

Property	Square Feet	Percent Leased ⁽¹⁾	Annual Base Rent ⁽²⁾	Annual Base Rent Per Leased Square Foot ⁽³⁾
Same-store studio:				
Sunset Gower Studios	531,756	84.8 %	\$ 18,980,337	\$ 42.11
Sunset Bronson Studios	308,026	91.7	10,954,953	38.80
Sunset Las Palmas Studios ⁽⁴⁾	366,027	82.0	14,380,103	48.07
Total same-store studio⁽⁵⁾	1,205,809	85.7	44,315,393	42.89
TOTAL STUDIO⁽⁶⁾	1,205,809	85.7 %	44,315,393	\$ 42.89

1. Percent leased is the average percent leased for the 12 months ended December 31, 2021.

2. Annual base rent reflects actual base rent for the 12 months ended December 31, 2021, excluding tenant reimbursements.

3. Annual base rent per leased square foot is calculated as (i) annual base rent divided by (ii) square footage under lease as of December 31, 2021.

4. 18,594 square feet located at Sunset Las Palmas Studios that was taken off-line for repositioning.

5. Same-store studio defined as all studios owned and included in our portfolio as of January 1, 2020 and still owned and included in our portfolio as of December 31, 2021. We own 51% of the ownership interest in the consolidated joint venture that owns Sunset Bronson Studios, Sunset Gower Studios and Sunset Las Palmas Studios.

6. Does not include 241,000 square feet related to Sunset Glenoaks Studios which is under construction as of fourth quarter 2021. We own 50% of the ownership interest in the unconsolidated joint venture that owns Sunset Glenoaks Studios.

Repositioning, Redevelopment, Development and Held-for-Sale Portfolio

Properties are selected for repositioning when a portion of the asset is reclassified for purposes of improving its quality and value through investment of significant capital, resulting in substantial down time in occupancy. Properties are selected for redevelopment or development when we believe the result will render a higher economic return. A redevelopment can consist of a range of improvements to a property, and may constitute a complete structural renovation of a building or remodeling select areas to make the property more attractive to tenants. Repositioning, redevelopment, development and held-for-sale properties are excluded from our in-service portfolio to maintain consistency in evaluating our performance from period to period. The repositioning, redevelopment and development processes are generally capital-intensive and occur over the course of several months or years. Commonly associated with newly-acquired properties, redevelopment efforts may also occur at properties we currently own.

The following table summarizes information relating to each of the repositioning, redevelopment, development and held-for-sale properties owned as of December 31, 2021:

Location	Submarket	Square Feet⁽¹⁾
Repositioning:		
95 Jackson	Pioneer Square	35,905
Rincon Center	San Francisco	36,905
Page Mill Center	Palo Alto	79,056
Palo Alto Square	Palo Alto	12,740
Metro Plaza	Palo Alto	61,066
10850 Pico ⁽²⁾	West Los Angeles	51,409
Sunset Las Palmas Studios ⁽³⁾	Hollywood	18,594
Total repositioning		295,675
Development:		
Sunset Glenoaks Studios ⁽⁴⁾	Los Angeles	241,000
Total development		241,000
Held-for-Sale:		
Northview Center	Lynnwood	179,985
Skyway Landing	Redwood Shores	246,997
6922 Hollywood	Hollywood	205,189
Del Amo	Torrance	113,000
Total held-for-sale		745,171
TOTAL REPOSITIONING, REDEVELOPMENT, DEVELOPMENT AND HELD-FOR-SALE		1,281,846

1. Determined by management based upon estimated leasable square feet, which may be less or more than the BOMA rentable area. Square footage may change over time due to re-measurement or re-leasing.
2. We own 75% of the ownership interest in the consolidated joint venture that owns 10850 Pico.
3. We own 51% of the ownership interest in the consolidated joint venture that owns Sunset Las Palmas Studios.
4. We own 50% of the ownership interest in the unconsolidated joint venture that owns Sunset Glenoaks Studios.

Land Portfolio

The following table summarizes information relating to each of the consolidated and unconsolidated land properties owned as of December 31, 2021:

Location	Submarket	Square Feet ⁽¹⁾	Percent of Total
Greater London, UK			
Sunset Waltham Cross Studios—Development ⁽²⁾	Broxbourne	TBD	N/A
Subtotal		TBD	N/A
Vancouver, British Columbia			
Burrard Exchange ⁽³⁾	Downtown Vancouver	450,000	15.2 %
Subtotal		450,000	15.2 %
Seattle, Washington			
Washington 1000 ⁽⁴⁾	Denny Triangle	538,164	18.2 %
Subtotal		538,164	18.2 %
San Francisco Bay Area, California			
Cloud10	North San Jose	350,000	11.9 %
Subtotal		350,000	11.9 %
Los Angeles, California			
Sunset Bronson Studios Lot D—Development ⁽⁵⁾⁽⁶⁾	Hollywood	19,816	0.7 %
Sunset Gower Studios—Development ⁽⁶⁾⁽⁷⁾	Hollywood	478,845	16.2
Sunset Las Palmas Studios—Development ⁽⁶⁾	Hollywood	617,581	20.9
Element LA	West Los Angeles	500,000	16.9
Subtotal		1,616,242	54.7 %
TOTAL LAND		2,954,406	100.0 %

1. Square footage for land assets represents management's estimate of developable square feet, the majority of which remains subject to entitlement approvals that have not yet been obtained.
2. We own 35% of the ownership interest in the unconsolidated joint venture that owns Sunset Waltham Cross Studios—Development.
3. We own 20% of the ownership interest in the unconsolidated joint venture that owns Burrard Exchange. The construction of Burrard Exchange may require the demolition of certain retail square footage.
4. The final purchase of Washington 1000 is pending as of December 31, 2021. Square footage represents condominium rights to build a fully entitled 16-story office tower.
5. Square footage for Sunset Bronson Studios Lot D—Development represents management's estimate of developable square footage for 33 residential units.
6. We own 51% of the ownership interest in the consolidated joint venture that owns Sunset Bronson Studios, Sunset Gower Studios and Sunset Las Palmas Studios.
7. Estimated square footage for Sunset Gower Studios—Development is net of 130,169 square feet of anticipated demolition in connection with the development.

ITEM 3. Legal Proceedings

From time to time, we are a party to various lawsuits, claims and other legal proceedings arising out of, or incident to, our ordinary course of business. We are not currently a party, as plaintiff or defendant, to any legal proceedings that we believe to be material or that, individually or in the aggregate, would be expected to have a material adverse effect on our business, financial condition, results of operations or cash flows if determined adversely to us.

ITEM 4. Mine Safety Disclosures

Not applicable.

PART II

ITEM 5. Market for Hudson Pacific Properties, Inc. Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities

Overview

As of February 11, 2022, Hudson Pacific Properties, Inc. had 64 stockholders of record of our common stock. Hudson Pacific Properties, Inc. common stock has traded on the NYSE under the symbol “HPP” since June 24, 2010.

Dividends

We intend to pay dividends each taxable year (not including a return of capital for federal income tax purposes) equal to at least 90% of REIT taxable income. We intend to pay regular quarterly dividends to our stockholders. Currently, we pay dividends to our stockholders quarterly in March, June, September and December. Dividends are paid to those stockholders who are stockholders as of the dividend record date. Dividends are paid at the discretion of our board of directors and dividend amounts depend on our available cash flows, financial condition and capital requirements, the annual distribution requirements under the REIT provisions of the Code and such other factors that our board of directors deems relevant.

Issuer Purchases of Equity Securities

During the fourth quarter of 2021, certain employees surrendered common shares owned by them to satisfy their statutory federal income tax obligation associated with the vesting of restricted common shares of beneficial interest issued under our 2010 Incentive Award Plan.

The following table summarizes all of the repurchases of Hudson Pacific Properties, Inc. equity securities during the fourth quarter of 2021:

Period	Total Number of Shares Purchased	Average Price Paid Per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs ⁽¹⁾	Approximate Dollar Value of Shares That May Yet Be Purchased Under the Plans or Programs
December 1 - December 31, 2021	1,364,076 ⁽²⁾	24.09 ⁽³⁾	1,302,814	73,787,949
TOTAL	1,364,076	\$ 24.09	1,302,814	

- Our board of directors authorized a share repurchase program to buy up to \$250.0 million of the outstanding common stock of Hudson Pacific Properties, Inc. The program does not have a termination date, and repurchases may commence or be discontinued at any time. A cumulative total of \$176.2 million had been repurchased under the program as of December 31, 2021.
- Includes shares of common stock remitted to Hudson Pacific Properties, Inc. to satisfy tax withholding obligations in connection with the vesting of restricted stock.
- The price paid per share is based on the closing price of our common stock, as reported by the NYSE, as of the date of the vesting of restricted stock.

Equity Compensation Plan Information

Our equity compensation plan information required by this item is incorporated by reference to the information in Part III, Item 12 “Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters” of this Annual Report on Form 10-K.

Market for Hudson Pacific Properties, L.P. Common Capital, Related Unitholder Matters and Issuer Purchases of Units

Overview

There is no established public trading market for our operating partnership's common units. As of February 11, 2022, there were 21 holders of record of common units (including through our general partnership interest).

Distributions

We intend to make distributions each taxable year, and intend to make regular quarterly distributions to our unitholders. Currently, we make distributions to our unitholders quarterly in March, June, September and December. Distributions are made to those unitholders who are unitholders as of the distribution record date. Distributions are made at the discretion of our board of directors and distribution amounts depend on our available cash flows, financial condition and capital requirements, the annual distribution requirements under the REIT provisions of the Code and such other factors that our board of directors deems relevant.

Recent Sales of Unregistered Securities

During the fourth quarter of 2021, our operating partnership issued partnership units in private placements in reliance on the exemption from registration provided by Section 4(a)(2) of the Securities Act, in the amounts and for the consideration set forth below.

During the fourth quarter of 2021, the Company issued an aggregate of 168,367 shares of its common stock in connection with restricted stock awards for no cash consideration, out of which 61,262 shares of common stock were forfeited to the Company in connection with restricted stock awards for a net issuance of 107,105 shares of common stock. For each share of common stock issued by the Company in connection with such an award, our operating partnership issued a restricted common unit to the Company as provided in the partnership agreement of our operating partnership. During the fourth quarter of 2021, our operating partnership issued an aggregate of 168,367 common units to the Company. Investors who own common units have the right to cause our operating partnership to repurchase any or all of their common units for cash at a value equal to the then-current market value of one share of common stock. However, in lieu of such payment of cash, the Company may, at its election, issue shares of its common stock in exchange for such common units on a one-for-one basis. The operating partnership also issued 467,021 long-term incentive plan units during the fourth quarter of 2021. Long-term incentive plan units may also, under certain circumstances, be convertible into common units on a one-for-one basis, which are then exchangeable for shares of the Company's common stock as described above.

All other issuances of unregistered equity securities of our operating partnership during the year ended December 31, 2021 have previously been disclosed in filings with the SEC. For all issuances of units to the Company, our operating partnership relied on the Company's status as a publicly traded NYSE-listed company with approximately \$8.99 billion in total consolidated assets and as our operating partnership's majority owner and sole general partner as the basis for the exemption under Section 4(a)(2) of the Securities Act.

Equity Compensation Plan Information

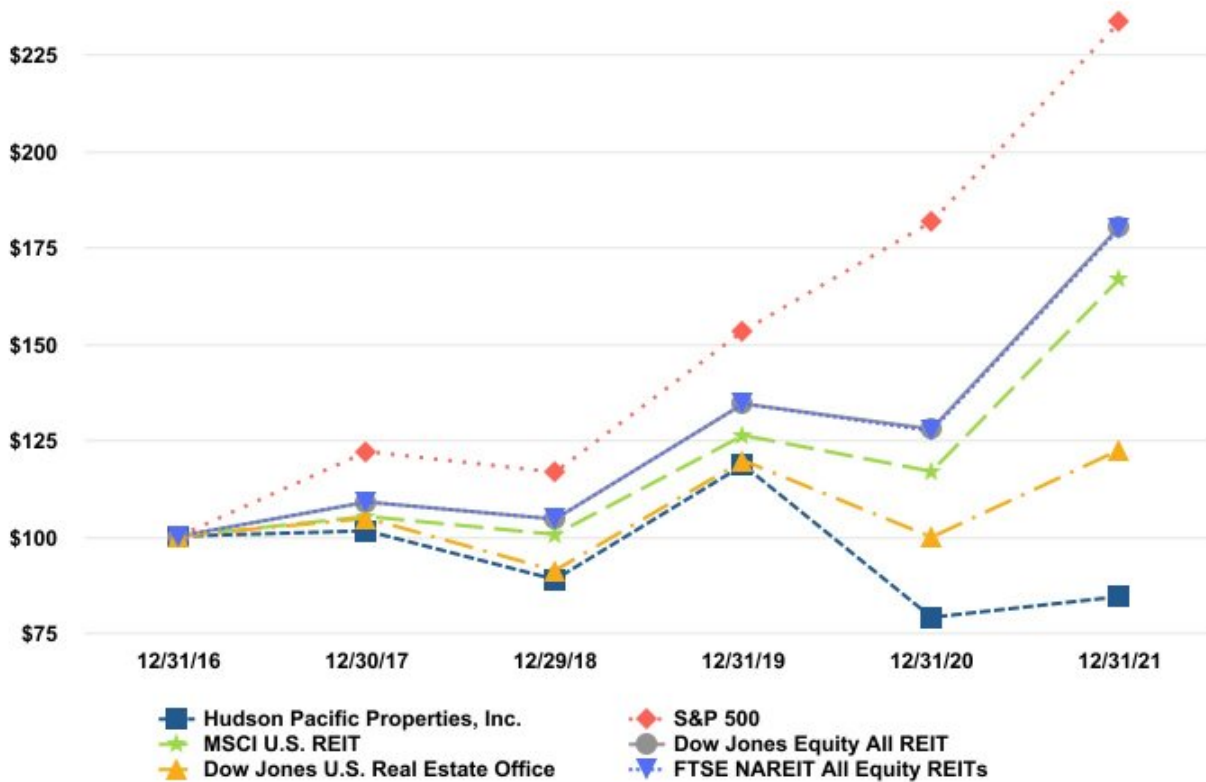
Our equity compensation plan information required by this item is incorporated by reference to the information in Part III, Item 12 "Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters" of this Annual Report on Form 10-K.

Stock Performance Graph

The information below shall not be deemed to be "soliciting material" or to be "filed" with the SEC or subject to Regulation 14A or 14C, other than as provided in Item 201 of Regulation S-K, or to the liabilities of Section 18 of the Exchange Act, except to the extent we specifically request that such information be treated as soliciting material or specifically incorporate it by reference into a filing under the Securities Act or the Exchange Act.

The following graph shows our cumulative total stockholder return for the five-year period ending on December 31, 2021. The graph assumes a \$100 investment in each of the indices on December 31, 2016 and the reinvestment of all dividends. The graph also shows the cumulative total returns of the Standard & Poor's 500 Stock Index ("S&P 500"), and industry peer groups. Our stock price performance shown in the following graph is not indicative of future stock price performance.

Total Return Performance



Index	Period Ending					
	12/31/16	12/31/17	12/31/18	12/31/19	12/31/20	12/31/21
Hudson Pacific Properties, Inc.	100.00	101.41	88.72	118.32	78.81	84.16
S&P 500	100.00	121.83	116.49	153.17	181.35	233.41
MSCI U.S. REIT	100.00	105.07	100.27	126.18	116.62	166.84
Dow Jones Equity All REIT	100.00	108.69	104.23	134.18	127.76	180.39
Dow Jones U.S. Real Estate Office	100.00	104.61	90.96	119.41	99.57	122.40
FTSE NAREIT All Equity REITs	100.00	108.67	104.28	134.17	127.30	179.87

Use of Proceeds (Series C Preferred Stock)

Net proceeds from our series C preferred stock offering were \$414.0 million, after deducting underwriting discounts and commissions (before our transaction expenses). We contributed the net proceeds to our operating partnership in exchange for series C preferred units. The operating partnership will use the proceeds to repay amounts outstanding from time to time under its credit facility and/or other indebtedness, fund development or redevelopment activities, fund potential acquisition opportunities, provide funds for tenant improvements and capital expenditures, and provide for working capital and/or for other general corporate purposes.

ITEM 6. [Reserved]

ITEM 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

The following discussion relates to our consolidated financial statements and should be read in conjunction with the consolidated financial statements and the related notes, see Part IV, Item 15(a) "Exhibits, Financial Statement Schedules." Statements in this Item 7 contain forward-looking statements. Such statements are subject to risks, uncertainties and assumptions and may be affected by known and unknown risks, trends, uncertainties and factors that are beyond our control. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those anticipated, estimated or projected. In particular, information concerning projected future occupancy rates, rental rate increases, property development timing and investment amounts contain forward-looking statements. Furthermore, all of the statements regarding future financial performance (including anticipated funds from operations ("FFO") market conditions and demographics) are forward-looking statements. Numerous factors will affect our actual results, some of which are beyond our control. These include the impact of the COVID-19 pandemic, and its impact on our tenants, the strength of commercial and industrial real estate markets, market conditions affecting tenants, competitive market conditions, interest rate levels, volatility in our stock price and capital market conditions. Accordingly, investors should use caution and not place undue reliance on this information, which speaks only as of the date of this report. We expressly disclaim any responsibility to update any forward-looking information, whether as a result of new information, future events, or otherwise, except to the extent we are required to do so in connection with our ongoing requirements under federal securities laws to disclose material information.

For a discussion of important risks related to our business, and related to investing in our securities, including risks that could cause actual results and events to differ materially from results and events referred to in the forward-looking statements see Part I, Item 1A "Risk Factors." In light of these risks, uncertainties and assumptions, the forward-looking events discussed in this report might not occur.

Executive Summary

Through our interest in Hudson Pacific Properties, L.P. (our operating partnership) and its subsidiaries, at December 31, 2021, our office portfolio consisted of approximately 15.8 million square feet of in-service, repositioning, redevelopment and development properties. Additionally, as of December 31, 2021, our studio portfolio consisted of 1.5 million square feet of in-service, repositioning and development properties and our land portfolio consisted of approximately 3.0 million developable square feet.

As of December 31, 2021, our in-service office portfolio was 92.8% leased (including leases not yet commenced). Our same-store studio properties average percent leased for the twelve months ended December 31, 2021 was 85.7%.

Impact of COVID-19

During 2021, the spread of COVID-19 had a significant impact on the global economy, the U.S. economy, the economies of the local markets throughout the west coast in which our properties are located and the broader financial markets. As of December 31, 2021, the COVID-19 pandemic is ongoing. We continue to closely monitor its impact on all aspects of our business and geographies, including how it will impact our tenants and business partners. We did not incur significant disruptions during the year ended December 31, 2021 from the COVID-19 pandemic. In 2021, the economy has, with certain setbacks, begun reopening and wider distribution of vaccines will likely encourage greater economic activity. With the increased availability of vaccines, we have begun to see increases in physical occupancy at our properties. We cannot predict, however, how the COVID-19 pandemic may impact our operations in the future, including the continued return to office by our tenants, occupancy rates and the demand for office space in the future. Recovery could remain uneven, particularly given uncertainty with respect to the distribution and acceptance of the vaccines and their effectiveness with respect to new variants of the virus. This uncertainty precludes any predictions as to the actual impact of the COVID-19 pandemic on our business, operations, cash flows and financial condition for the future periods.

During the pandemic, the commercial real estate market came under pressure due to numerous factors, including preventative measures taken by local, state and federal authorities to alleviate the public health crisis such as mandatory business closures, quarantines, restrictions on travel and "shelter-in-place" or "stay-at-home" orders. As a result, the COVID-19 pandemic has negatively impacted almost every industry directly or indirectly, including industries in which we and our tenants operate. Although these restrictions have now largely been lifted in the west coast markets in which we operate, recovery continues to be gradual, uneven and characterized by meaningful dispersion across sectors and regions, and could be hindered by persistent or resurgent infection rates. Overall, among other unanticipated consequences, there remains significant uncertainty regarding the timing and duration of the economic recovery, the disruptions to, and volatility in, the credit and financial markets and in consumer spending.

Given the uncertainty of the COVID-19 pandemic's near- and potential long-term impact on our business, and in order to preserve our liquidity position, our Board of Directors will continue to evaluate our dividend policy. We intend to continue to operate our business in a manner that will allow us to qualify as a REIT for U.S. federal income tax purposes. We derive revenues primarily from rents and reimbursement payments received from tenants under leases at our properties. Our operating results therefore depend materially on the ability of our tenants to make required rental payments. The extent to which the COVID-19 pandemic continues to impact the businesses of our tenants, and our operations and financial condition, will depend on future developments that remain uncertain and cannot be predicted with confidence, including the scope, severity and duration of the pandemic, the actions taken to contain the pandemic or mitigate its impact and the direct and indirect economic effects of the pandemic and such containment measures, among others. The factors described above, as well as additional factors that we may not currently be aware of, could materially negatively impact our ability to collect rent and could lead to termination of leases by tenants, tenant bankruptcies, decreases in demand for office space at our properties, difficulties in accessing capital, impairment of our long-lived assets and other impacts that could materially and adversely affect our business, results of operations, financial condition and ability to pay distributions to stockholders. See Part I, Item 1A "Risk Factors."

For the foregoing reasons, the comparability of our results of operations for the year ended December 31, 2021 to future periods may be significantly impacted by the effects of the COVID-19 pandemic. The situation surrounding the COVID-19 pandemic remains fluid, and we are actively managing our response in collaboration with tenants, government officials and business partners and assessing potential impacts to our financial position and operating results, as well as potential adverse developments in our business. For further information regarding the impact of COVID-19 on us, see Part I, Item 1A, "Risk Factors."

Current Year Highlights

Business Acquisitions

On August 16, 2021, the Company acquired 100% of the equity interests in Zio. On August 31, 2021, the Company acquired 100% of the equity interests in Star Waggon. The acquired businesses provide transportation and logistics services to studio productions and their acquisition will expand the Company's service offerings for its studio platform. Please refer to Part IV, Item 15 (a) "Exhibits, Financial Statement Schedules—Note 3 to the Consolidated Financial Statements—Business Combinations" for details.

Property Acquisitions

On July 29, 2021, the Company purchased, through a joint venture entity with Kane Holdco S.A.R.L., an affiliate of Blackstone Property Partners, the land site for the Sunset Waltham Cross Studios development. The Company owns 35% of the ownership interest in the joint venture entity. The Company also owns 35% of the ownership interest in the joint venture entities formed to serve as the general partner and management services company for the property-owning joint venture entity. The joint ventures are not consolidated. Please refer to Part IV, Item 15 (a) "Exhibits, Financial Statement Schedules—Note 6 to the Consolidated Financial Statements—Investment in Unconsolidated Real Estate Entities" for details.

On December 23, 2021, the Company acquired the 197,136 square-foot 5th & Bell office property located in Seattle, Washington. The property is a Class A office building, with the office component of approximately 192,000 square feet fully leased to Amazon. The building is strategically located two blocks from Amazon's global headquarters. Please refer to Part IV, Item 15 (a) "Exhibits, Financial Statement Schedules—Note 4 to the Consolidated Financial Statements—Investment in Real Estate" for details.

Property Dispositions

The Company had no dispositions during the year ended December 31, 2021.

Held for Sale

As of December 31, 2021, the Company had four properties classified as held for sale—6922 Hollywood, Skyway Landing, Del Amo and Northview Center—as these properties were considered non-strategic to the Company's portfolio. During the year ended December 31, 2021, the Company recognized an impairment loss of \$2.8 million related to its Del Amo office property due to a reduction in management's intended hold period from a long-term hold period to a short-term hold period, which resulted in an estimated fair value of the property that was less than its carrying value. Please refer to Part IV, Item 15 (a)

“Exhibits, Financial Statement Schedules—Note 4 to the Consolidated Financial Statements—Investment in Real Estate” for details.

Under Construction and Future Development Projects

The following table summarizes the properties currently under construction and future developments as of December 31, 2021:

Location	Submarket	Estimated Square Feet ⁽¹⁾	Estimated Completion Date	Estimated Stabilization Date
Under Construction:				
Sunset Glenoaks Studios ⁽²⁾	Los Angeles	241,000	Q3-2023	Q2-2024
Total Under Construction		241,000		
Future Development Pipeline:				
Washington 1000	Denny Triangle	538,164	TBD	TBD
Burrard Exchange ⁽³⁾	Downtown Vancouver	450,000	TBD	TBD
Element LA—Development	West Los Angeles	500,000	TBD	TBD
Sunset Bronson Studios Lot D—Development ⁽⁴⁾	Hollywood	19,816	TBD	TBD
Sunset Gower Studios—Development ⁽⁴⁾	Hollywood	478,845	TBD	TBD
Sunset Las Palmas Studios—Development ⁽⁴⁾	Hollywood	617,581	TBD	TBD
Sunset Waltham Cross Studios—Development ⁽⁵⁾	Broxbourne	TBD	TBD	TBD
Cloud10	North San Jose	350,000	TBD	TBD
Total Future Development Pipeline		2,954,406		
TOTAL UNDER CONSTRUCTION AND FUTURE DEVELOPMENT PIPELINE		3,195,406		

1. Determined by management based upon estimated leasable square feet, which may be less or more than the BOMA rentable area. Square footage may change over time due to re-measurement or re-leasing.

2. We own 50% of the ownership interest in the unconsolidated joint venture that owns Sunset Glenoaks Studios.

3. We own 20% of the ownership interest in the unconsolidated joint venture that owns Burrard Exchange.

4. We own 51% of the ownership interest in the consolidated joint venture that owns Sunset Bronson Studios, Sunset Gower Studios and Sunset Las Palmas Studios.

5. We own 35% of the ownership interest in the unconsolidated joint venture that owns Sunset Waltham Cross Studios—Development.

Financings

During the year ended December 31, 2021, the outstanding borrowings on our unsecured revolving credit facility increased by \$125.0 million, net of draws. We use the unsecured revolving credit facility to finance the acquisition of properties, to provide funds for tenant improvements and capital expenditures and to provide for working capital and other corporate purposes. See Part IV, Item 15(a) “Exhibits, Financial Statement Schedules—Note 9 to the Consolidated Financial Statements—Debt” for details on our debt.

During the year ended December 31, 2021, the Company paid off the mortgage loan secured by its 10950 Washington property that was originally due on March 11, 2022.

In December 2021, the Company entered into the fourth amended and restated credit agreement (the “Amended and Restated Credit Agreement”) with various financial institutions, which increased the unsecured revolving credit facility capacity to \$1.0 billion and extended its maturity date to December 21, 2025 with two six-month extension options.

In December 2021, the unconsolidated joint venture that owns the Sunset Glenoaks Studios secured a construction loan to finance the said development. The loan has a borrowing capacity of \$94.0 million, bears an interest rate of LIBOR + 3.00% and matures on January 9, 2025.

In November 2021, the consolidated joint venture that owns the 1918 Eighth property amended its \$314.3 million loan secured by the property. The refinancing resulted in a reduction of the interest rate from LIBOR + 1.70% to LIBOR + 1.30%.

In November 2021, the Company completed an underwritten public offering of 17,000,000 shares (including the over-allotment) of 4.750% Series C Preferred Stock with a par value of \$0.01. Net proceeds from the offering were approximately \$414.0 million, after deducting underwriting discounts and commissions (before our transaction expenses). The Company will use the proceeds to repay amounts outstanding from time to time under its credit facility and/or other indebtedness, fund development or redevelopment activities, fund potential acquisition opportunities, provide funds for tenant improvements and capital expenditures, and provide for working capital and/or for other general corporate purposes.

In August 2021, the joint venture that owns our Hollywood Media Portfolio refinanced its previous \$900.0 million loan secured by the Hollywood Media Portfolio, which bore interest at a rate of LIBOR + 2.15%, with a \$1.1 billion mortgage loan secured by the Hollywood Media Portfolio with an initial interest rate of LIBOR + 1.17%. The refinanced loan has an initial term of two years from the first payment date with three one-year extension options, subject to certain requirements. The Company used the proceeds to purchase bonds comprising the loan in the amount of \$209.8 million.

Factors That May Influence Our Operating Results

Business and Strategy

We invest in Class-A office and studio properties located in high barrier-to-entry, innovation-centric submarkets with significant growth potential. Our positioning within these submarkets allows us to attract and retain quality growth companies as tenants, many of which are in the technology and studio sectors. The purchase of properties with a value-add component, typically through off-market transactions, also facilitates our growth. These types of assets afford us the opportunity to capture embedded rent growth and occupancy upside, and to strategically invest capital to reposition and redevelop assets to generate additional cash flow. We take a more measured approach to ground-up development, with most under-construction, planned or potential projects located on ancillary sites part of existing operating assets. Management expertise across disciplines supports execution at all levels of our operations. In particular, aggressive leasing and proactive asset management, combined with a focus on conservatively managing our balance sheet, are central to our strategy.

Rental Revenue

The amount of net rental revenue generated by the properties in our portfolio depends principally on our ability to maintain the occupancy rates of currently leased space and to lease currently available space and space that becomes available from lease terminations. As of December 31, 2021, the percent leased for our in-service office properties was approximately 92.8% (or 91.8%, excluding leases signed but not commenced as of that date). As of December 31, 2021, the percent leased, based on a 12-month trailing average, was approximately 85.7% for same-store studio properties. The amount of rental revenue generated by us also depends on our ability to maintain or increase rental rates at our properties. We believe that the average rental rates for our office properties are generally below the current average quoted market rate. We believe the average rental rates for our studio properties are generally equal to current average quoted market rates. Negative trends in one or more of these factors could adversely affect our rental revenue in future periods. Future economic downturns or regional downturns affecting our submarkets or downturns in our tenants' industries that impair our ability to renew or re-let space and the ability of our tenants to fulfill their lease commitments, as in the case of tenant bankruptcies, could adversely affect our ability to maintain or increase rental rates at our properties. In addition, growth in rental revenue will also partially depend on our ability to acquire additional properties that meet our investment criteria.

Conditions in Our Markets

The properties in our portfolio are all located in Northern and Southern California, the Pacific Northwest, Western Canada and Greater London, United Kingdom. Positive or negative changes in economic or other conditions in Northern and Southern California, the Pacific Northwest, Western Canada or the United Kingdom, including state budgetary shortfalls, employment rates, natural hazards and other factors, may impact our overall performance.

Operating Expenses

Our operating expenses generally consist of utilities, cleaning, engineering, administrative, property, *ad valorem* taxes and site maintenance costs. Increases in these expenses over tenants' base years are generally passed on to tenants in our full-service gross leased properties and are generally paid in full by tenants in our net lease properties. Certain of our properties have been reassessed for property tax purposes as a result of subsequent acquisition, development, redevelopment and other reassessments that remain pending. In the case of completed reassessments, the amount of property taxes we pay reflects the valuations established with the county assessors for the relevant locations of each property as of IPO or their subsequent

acquisition. With respect to pending reassessments, we similarly expect the amount of property taxes we pay to reflect the valuations established with such county assessors.

Taxable REIT Subsidiaries

Hudson Pacific Services, Inc., or our services company, is a Maryland corporation that is wholly-owned by our operating partnership. We have elected, together with our services company and certain of our subsidiaries, to treat our services company and such other subsidiaries as taxable REIT subsidiaries for federal income tax purposes, and we may form additional taxable REIT subsidiaries in the future. Our taxable REIT subsidiaries generally may provide both customary and non-customary services to our tenants and engage in other activities that we may not engage in directly without adversely affecting our qualification as a REIT. Our services company and its subsidiaries provide a number of services to certain tenants at our studio properties and, from time to time, one or more taxable REIT subsidiaries may provide services to our tenants at these and other properties. In addition, our operating partnership has contributed some or all of its interests in certain subsidiaries or their assets to our services company. We currently lease space to subsidiaries of our services company at our studio properties and may, from time to time, enter into additional leases with one or more taxable REIT subsidiaries. Any income earned by our taxable REIT subsidiaries will not be included in our taxable income for purposes of the 75% or 95% gross income tests, except to the extent such income is distributed to us as a dividend, in which case such dividend income will qualify under the 95%, but not the 75%, gross income test. Because a taxable REIT subsidiary is subject to federal income tax, and state and local income tax (where applicable), as a regular C corporation, the income earned by our taxable REIT subsidiaries generally will be subject to an additional level of tax as compared to the income earned by our other subsidiaries.

Critical Accounting Policies and Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of commitments and contingencies as of the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. On an ongoing basis, we evaluate our estimates, including those related to acquiring, developing and assessing the carrying values of our real estate properties, the fair value measurement of contingent consideration, assets acquired and liabilities assumed in business combination transactions, determining the incremental borrowing rate used in the present value calculations of our new or modified operating lessee agreements, our accrued liabilities, and our performance-based equity compensation awards. We base our estimates on historical experience, current market conditions, and various other assumptions that are believed to be reasonable under the circumstances. Actual results could materially differ from these estimates. The following critical accounting policies discussion reflects what we believe are the most significant estimates, assumptions and judgments used in the preparation of our consolidated financial statements. See Part IV, Item 15(a) “Exhibits, Financial Statement Schedules—Note 2 to the Consolidated Financial Statements—Summary of Significant Accounting Policies” for details on our significant accounting policies.

Investment in Real Estate Properties

Acquisitions

Our acquisitions are accounted for using the acquisition method. The results of operations for each of these acquisitions are included in our Consolidated Statements of Operations from the date of acquisition.

We evaluate each acquisition of real estate to determine if the integrated set of assets and activities acquired meet the definition of a business and need to be accounted for as a business combination in accordance with ASC 805, *Business Combinations*. An integrated set of assets and activities would fail to qualify as a business if either (i) substantially all of the fair value of the gross assets acquired is concentrated in either a single identifiable asset or a group of similar identifiable assets or (ii) the integrated set of assets and activities is lacking, at a minimum, an input and a substantive process that together significantly contribute to the ability to create outputs (i.e., revenue generated before and after the transaction). An acquired process is considered substantive if (i) the process includes an organized workforce (or includes an acquired contract that provides access to an organized workforce), that is skilled, knowledgeable, and experienced in performing the process, (ii) the process cannot be replaced without significant cost, effort, or delay or (iii) the process is considered unique or scarce.

Acquisitions of real estate will generally not meet the definition of a business because substantially all of the fair value is concentrated in a single identifiable asset or group of similar identifiable assets (i.e., land, buildings and improvements and related intangible assets or liabilities) or because the acquisition does not include a substantive process in the form of an acquired workforce or an acquired contract that cannot be replaced without significant cost, effort or delay.

Acquisitions that do not meet the definition of a business

When we acquire properties that are considered asset acquisitions, the purchase price, which includes transaction-related expenses, is allocated based on relative fair value of the assets acquired and liabilities assumed. Assets acquired and liabilities assumed include, but are not limited to, land, building and improvements, intangible assets related to above-and below-market leases, intangible assets related to in-place leases, debt and other assumed assets and liabilities. The purchase price accounting is finalized in the period of acquisition.

The fair value of tangible assets of an acquired property considers the value of the property as if it was vacant. The fair value of acquired “above- and below-” market leases are based on the estimated cash flow projections utilizing discount rates that reflect the risks associated with the leases acquired. The amount recorded is based on the present value of the difference between (i) the contractual amounts to be paid pursuant to each in-place lease and (ii) management’s estimate of fair market lease rates for each in-place lease, measured over a period equal to the remaining term of the lease for above-market leases and the initial term plus the extended below-market term for any leases with below-market renewal options. Other intangible assets acquired include amounts for in-place lease values that are based on our evaluation of the specific characteristics of each tenant’s lease. Factors considered include estimates of carrying costs during hypothetical expected lease-up periods, market conditions and costs to execute similar leases. In estimating carrying costs, we include estimates of lost rents at market rates during the hypothetical expected lease-up periods, which are dependent on local market conditions. In estimating costs to execute similar leases, we consider leasing commissions, legal and other related costs. The fair value debt assumed is based on the estimated cash flow projections utilizing interest rates available for the issuance of debt with similar terms and remaining maturities.

The Company applies a cost accumulation and allocation model to acquisitions that meet the definition of an asset acquisition. Under this model, the purchase price is allocated based on the relative fair value of the assets acquired and liabilities assumed. Additionally, acquisition-related expenses associated with an asset acquisition are capitalized as part of the purchase price.

Acquisitions that meet the definition of a business

For acquisitions that meet the definition of a business, the Company estimates the fair value of the identifiable assets and liabilities of the acquired entity on the acquisition date. We measure goodwill as the excess of consideration transferred over the net of the acquisition date fair values of the identifiable assets acquired and liabilities assumed. Acquisition-related expenses arising from the transaction are expensed as incurred. The Company includes the results of operations of the businesses that it acquires beginning on the acquisition date.

The Company tests its goodwill and indefinite-lived intangible assets for impairment at least annually, or more frequently if events or changes in circumstances indicate that the asset may be impaired. The Company first performs a qualitative assessment and will proceed to a quantitative impairment test only if qualitative factors indicate that it is more likely than not that the fair value of the reporting unit or intangible asset is less than its carrying amount.

Intangible assets with finite lives are amortized over their estimated useful lives using the straight-line method, which reflects the pattern in which the assets are consumed. The estimated useful lives for acquired intangible assets range from five to seven years. The Company assesses its intangible assets with finite lives for impairment when indicators of impairment are identified.

Cost Capitalization

We capitalize costs associated with development and redevelopment activities, capital improvements, tenant improvements and leasing activity. Costs associated with development and redevelopment that are capitalized include interest, property taxes, insurance and other costs directly related and essential to the acquisition, development or construction of a real estate project. Indirect development costs, including salaries and benefits, office rent, and associated costs for those individuals directly responsible for and who spend their time on development activities are also capitalized and allocated to the projects to which they relate. Construction and development costs are capitalized while substantial activities are ongoing to prepare an asset for its intended use. We consider a construction project as substantially complete and held available for occupancy upon the completion of tenant improvements but no later than one year after cessation of major construction activity. Costs incurred after a project is substantially complete and ready for its intended use, or after development activities have ceased, are expensed as they are incurred. Costs previously capitalized related to abandoned acquisitions or developments are charged to earnings. Expenditures for repairs and maintenance are expensed as they are incurred.

Operating Properties

The properties are generally carried at cost less accumulated depreciation and amortization. We compute depreciation and amortization using the straight-line method over the estimated useful lives of the assets as represented in the table below:

Asset Description	Estimated Useful Life (Years)
Building and improvements	Shorter of the ground lease term or 39
Land improvements	15
Furniture and fixtures	5 to 7
Tenant improvements	Shorter of the estimated useful life or the lease term

We amortize above- and below-market lease intangibles over the remaining non-cancellable lease terms and bargain renewal periods, if applicable. The in-place lease intangibles are amortized over the remaining non-cancellable lease term. When tenants vacate prior to the expiration of their lease, the amortization of intangible assets and liabilities is accelerated. We amortize above- and below-market ground lease intangibles over the remaining non-cancellable lease terms.

Impairment of Long-Lived Assets

In accordance with GAAP, we assess the carrying value of real estate assets and related intangibles for impairment on a quarterly basis and whenever events or changes in circumstances indicate that the carrying amount of an asset or asset group may not be recoverable over the life of the asset or its intended holding period. Impairment losses are recorded on real estate assets held for investment when indicators of impairment are present and the future undiscounted cash flows estimated to be generated by those assets are less than the assets' carrying amount. We recognize impairment losses to the extent the carrying amount exceeds the fair value of the properties.

Goodwill and Acquired Intangible Assets

Goodwill is an unidentifiable intangible asset and is recognized as a residual, generally measured as the excess of consideration transferred in a business combination over the identifiable assets acquired and liabilities assumed. Goodwill is assigned to reporting units that are expected to benefit from the synergies of the business combination.

We test our goodwill and indefinite-lived intangible assets for impairment at least annually, or more frequently if events or changes in circumstances indicate that the asset may be impaired. Goodwill is tested for impairment at the reporting unit to which it is assigned, which can be an operating segment or one level below an operating segment. We have three operating segments: the management entity, Office, and Studio. The management entity and the Office operating segments are each a reporting unit. Within the Studio operating segment, there are two reporting units: Studio Properties and Studio Services, the latter of which consists of the Zio and Star Waggon businesses acquired in the year ended December 31, 2021. The assessment of goodwill for impairment may initially be performed based on qualitative factors to determine if it is more likely than not that the fair value of the reporting unit is less than its carrying value, including goodwill. If so, a quantitative assessment is performed, and to the extent the carrying value of the reporting unit exceeds its fair value, impairment is recognized for the excess up to the amount of goodwill assigned to the reporting unit. Alternatively, the Company may bypass a qualitative assessment and proceed directly to a quantitative assessment.

A qualitative assessment considers various factors such as macroeconomic, industry and market conditions to the extent they affect the earnings performance of the reporting unit, changes in business strategy and/or management of the reporting unit, changes in composition or mix of revenues and/or cost structure of the reporting unit, financial performance and business prospects of the reporting unit, among other factors.

In a quantitative assessment, significant judgment, assumptions and estimates are applied in determining the fair value of reporting units. The Company generally uses the income approach to estimate fair value by discounting the projected net cash flows of the reporting unit, and may corroborate with market-based data where available and appropriate. Projection of future cash flows is based upon various factors, including, but not limited to, our strategic plans in regard to our business and operations, internal forecasts, terminal year residual revenue multiples, operating profit margins, pricing of similar businesses and comparable transactions where applicable, and risk-adjusted discount rates to present value future cash flows. Given the level of sensitivity in the inputs, a change in the value of any one input, in isolation or in combination, could significantly affect the overall estimation of fair value of the reporting unit.

Intangible assets with finite lives are amortized over their estimated useful lives using the straight-line method, which reflects the pattern in which the assets are consumed. The estimated useful lives for acquired intangible assets range from five to

seven years. The Company assesses its intangible assets with finite lives for impairment when indicators of impairment are identified.

Revenue Recognition

The recognition of revenues related to lease components is governed by ASC 842. The revenue related to non-lease components is subject to ASC 606, *Revenue from Contracts with Customers* (“ASC 606”).

We capitalize direct incremental costs of signing a lease. Internal direct compensation costs and external legal fees related to the execution of successful lease agreements that do not meet the definition of initial direct costs under ASC 842 are accounted for as office operating expense or studio operating expense in our Consolidated Statements of Operations.

We elected the lessor’s practical expedient to present revenues on the Consolidated Statement of Operations as a single lease component that combines rental, tenant recoveries, and other tenant-related revenues for the office portfolio. For our rentals at the studio properties, total lease consideration is allocated to lease and non-lease components on a relative standalone basis.

We recognize rental revenue from tenants on a straight-line basis over the lease term when collectability is probable and the tenant has taken possession or controls the physical use of the leased asset. If the lease provides for tenant improvements, we determine whether the tenant improvements, for accounting purposes, are owned by the tenant or us. When we are the owner of the tenant improvements, the tenant is not considered to have taken physical possession or have control of the physical use of the leased asset until the tenant improvements are substantially completed. When the tenant is the owner of the tenant improvements, any tenant improvement allowance that is funded is treated as a lease incentive and amortized as a reduction of revenue over the lease term. Tenant improvement ownership is determined based on various factors including, but not limited to:

- whether the lease stipulates how and on what a tenant improvement allowance may be spent;
- whether the tenant or landlord retains legal title to the improvements at the end of the lease term;
- whether the tenant improvements are unique to the tenant or general-purpose in nature; and
- whether the tenant improvements are expected to have any residual value at the end of the lease.

Other property-related revenue is revenue that is derived from the tenants’ use of lighting, equipment rental, parking, power, HVAC and telecommunications (telephone and internet). Other property-related revenue is recognized based on a five-step model and revenue is recognized once all performance obligations are satisfied.

Tenant recoveries related to reimbursement of real estate taxes, insurance, repairs and maintenance, and other operating expenses are recognized as revenue in the period during which the applicable expenses are incurred. The reimbursements are recognized and presented gross, as we are generally the primary obligor with respect to purchasing goods and services from third-party suppliers, have discretion in selecting the supplier and bear the associated credit risk.

We evaluate the sales of real estate based on transfer of control. If a real estate sale contract includes ongoing involvement by the seller with the sold property, we evaluate each promised good or service under the contract to determine whether it represents a performance obligation, constitutes a guarantee or prevents the transfer of control.

Stock-Based Compensation

Compensation cost of restricted stock, restricted stock units and performance units under our equity incentive award plans are accounted for under ASC 718, *Compensation-Stock Compensation* (“ASC 718”). For time-based awards, stock-based compensation is valued based on the quoted closing price of our common stock on the applicable grant date and discounted for any hold restrictions. For performance-based awards, stock-based compensation is valued utilizing a Monte Carlo Simulation to estimate the probability of the performance vesting conditions being satisfied.

The stock-based compensation is amortized through the final vesting period on a straight-line basis and graded vesting basis for time-based awards and performance-based awards, respectively. We account for forfeitures of awards as they occur. Share-based payments granted to non-employees are accounted for in the same manner as share-based payments granted to employees.

Our compensation committee will regularly consider the accounting implications of significant compensation decisions, especially in connection with decisions that relate to our equity incentive award plans and programs.

Income Taxes

Our property-owning subsidiaries are limited liability companies and are treated as pass-through entities or disregarded entities (or, in the case of the entities that own the 1455 Market, Hill7, Ferry Building and 1918 Eighth properties, REITs) for federal income tax purposes. In the case of the Bentall Centre property and the Sunset Waltham Cross Studios development, the Company owns its interest in the properties through non-U.S. entities treated as TRSs for federal income tax purposes. Accordingly, no provision has been made for federal income taxes in the accompanying consolidated financial statements for the activities of these entities.

We have elected to be taxed as a REIT under the Internal Revenue Code of 1986, as amended (the “Code”), commencing with our taxable year ended December 31, 2010. We believe that we have operated in a manner that has allowed us to qualify as a REIT for federal income tax purposes commencing with such taxable year, and we intend to continue operating in such manner. To qualify as a REIT, we are required to distribute at least 90% of our REIT taxable income, excluding net capital gains, to our stockholders and meet the various other requirements imposed by the Code relating to such matters as operating results, asset holdings, distribution levels and diversity of stock ownership.

Provided that we continue to qualify for taxation as a REIT, we are generally not subject to corporate level income tax on the earnings distributed currently to our stockholders. If we were to fail to qualify as a REIT in any taxable year, and were unable to avail ourselves of certain savings provisions set forth in the Code, all of our taxable income would be subject to federal corporate income tax. Unless entitled to relief under specific statutory provisions, we would be ineligible to elect to be treated as a REIT for the four taxable years following the year for which we lose our qualification. It is not possible to state whether in all circumstances we would be entitled to this statutory relief.

We own and may acquire direct or indirect interests in one or more Subsidiary REITs. A Subsidiary REIT is subject to the various REIT qualification requirements and other limitations described herein that are applicable to us. If a Subsidiary REIT were to fail to qualify as a REIT, then (i) that Subsidiary REIT would become subject to federal income tax, (ii) shares in such REIT would cease to be qualifying assets for purposes of the asset tests applicable to REITs and (iii) it is possible that we would fail certain of the asset tests applicable to REITs, in which event we would fail to qualify as a REIT unless we could avail ourselves of certain relief provisions.

We believe that our operating partnership is properly treated as a partnership for federal income tax purposes. As a partnership, our operating partnership is not subject to federal income tax on its income. Instead, each of its partners, including us, is allocated, and may be required to pay tax with respect to, its share of our operating partnership’s income. As such, no provision for federal income taxes has been included for the operating partnership.

We have elected, together with certain of our subsidiaries, to treat such subsidiaries as taxable REIT subsidiaries (“TRSs”) for federal income tax purposes. Certain activities that we may undertake, such as non-customary services for our tenants and holding assets that we cannot hold directly, will be conducted by a TRS. A TRS is subject to federal and, where applicable, state and local income taxes on its net income.

We are subject to the statutory requirements of the states in which we conduct business.

We periodically evaluate our tax positions to determine whether it is more likely than not that such positions would be sustained upon examination by a tax authority for all open tax years, as defined by the statute of limitations, based on their technical merits. As of December 31, 2021, we have not established a liability for uncertain tax positions.

We and certain of our TRSs file income tax returns with the U.S. federal government and various state and local jurisdictions. We and our TRSs are no longer subject to tax examinations by tax authorities for years prior to 2017. Generally, we have assessed our tax positions for all open years, which as of December 31, 2021 include 2018 to 2020 for Federal purposes and 2017 to 2020 for state purposes, and concluded that there are no material uncertainties to be recognized.

Results of Operations

As of December 31, 2021, our portfolio consists of 66 properties (42 wholly-owned properties, 16 properties owned by joint ventures and eight land properties) located in eleven California, three Seattle, one Western Canada and one Greater London, United Kingdom submarkets, totaling approximately 20.2 million square feet.

The following table summarizes our consolidated and unconsolidated portfolio as of December 31, 2021:

	Number of Properties	Rentable Square Feet ⁽¹⁾	Percent Occupied ⁽²⁾	Percent Leased ⁽²⁾	Annualized Base Rent per Square Foot ⁽³⁾
OFFICE					
Same-store ⁽⁴⁾	41	11,982,460	92.1 %	93.1 %	\$ 51.99
Stabilized non-same store ⁽⁵⁾	5	1,725,189	97.6	98.5	46.69
Total stabilized	46	13,707,649	92.8	93.8	51.29
Lease-up ⁽⁵⁾⁽⁶⁾	3	1,039,130	78.4	79.8	60.67
Total in-service office	49	14,746,779	91.8	92.8	51.85
STUDIO					
Same-store ⁽⁷⁾	3	1,205,809	85.7	85.7	42.89
Total	3	1,205,809			
Repositioning ⁽⁵⁾⁽⁸⁾	1	295,675	—	1.8	
Development ⁽⁵⁾	1	241,000	—	—	
Held-for-sale ⁽⁹⁾	4	745,171	61.9	61.9	47.21
Total repositioning, redevelopment, development and held-for-sale	6	1,281,846			
Total office and studio properties	58	17,234,434			
Land	8	2,954,406 ⁽¹⁰⁾			
TOTAL	66	20,188,840			

1. Determined by management based upon estimated leasable square feet, which may be less or more than the Building Owners and Managers Association ("BOMA") rentable area. Square footage may change over time due to re-measurement or re-leasing. Represents 100% share of consolidated and unconsolidated joint ventures.
2. Percent occupied for office properties is calculated as (i) square footage under commenced leases as of December 31, 2021, divided by (ii) total square feet, expressed as a percentage. Percent leased for office properties includes uncommenced leases. Percent leased for studio properties is calculated as (i) average square footage under commenced leases for the 12 months ended December 31, 2021, divided by (ii) total square feet, expressed as a percentage.
3. Office portfolio calculated as (i) annualized base rent divided by (ii) square footage under commenced leases as of December 31, 2021. Annualized base rent does not reflect tenant reimbursements. Studio portfolio calculated as annual base rent per leased square foot calculated as (i) annual base rent divided by (ii) square footage under leased as of December 31, 2021.
4. Includes office properties owned and included in our stabilized portfolio as of January 1, 2020 and still owned and included in the stabilized portfolio as of December 31, 2021.
5. Included in our non-same-store property group.
6. Includes office properties that have not yet reached 92.0% occupancy since the date they were acquired or placed under redevelopment or development as of December 31, 2021.
7. Includes studio properties owned and included in our portfolio as of January 1, 2020 and still owned and included in our portfolio as of December 31, 2021.
8. Includes 79,056 square feet at Page Mill Center, 61,066 square feet at Metro Plaza, 51,409 square feet at 10850 Pico, 36,905 square feet at Rincon Center, 35,905 square feet at 95 Jackson, 18,594 square feet at Sunset Las Palmas, and 12,740 square feet at Palo Alto Square as of fourth quarter 2021.
9. Includes Northview Center, Skyway Landing, 6922 Hollywood and Del Amo.
10. Includes 538,164 square feet related to the office development Washington 1000, adjacent to the Washington State Convention Center, to which we purchased rights during first quarter 2019.

All amounts and percentages used in this discussion of our results of operations are calculated using the numbers presented in the financial statements contained in this report rather than the rounded numbers appearing in this discussion. The dollar amounts included in the tables in this discussion of our results of operations are presented in thousands.

Comparison of the year ended December 31, 2021 to the year ended December 31, 2020

Net Operating Income

We evaluate performance based upon property net operating income (“NOI”). NOI is not a measure of operating results or cash flows from operating activities or cash flows as measured by GAAP and should not be considered an alternative to net income, as an indication of our performance, or as an alternative to cash flows as a measure of liquidity, or our ability to make distributions. All companies may not calculate NOI in the same manner. We consider NOI to be a useful performance measure to investors and management because when compared across periods, NOI reflects the revenues and expenses directly associated with owning and operating our properties and the impact to operations from trends in occupancy rates, rental rates and operating costs, providing a perspective not immediately apparent from net income. We calculate NOI as net income (loss) excluding corporate general and administrative expenses, depreciation and amortization, impairments, gains/losses on sales of real estate, interest expense, transaction-related expenses and other non-operating items. We define NOI as operating revenues (including rental revenues, other property-related revenue, tenant recoveries and other operating revenues), less property-level operating expenses (which includes external management fees, if any, and property-level general and administrative expenses). NOI on a cash basis is NOI adjusted to exclude the effect of straight-line rent and other non-cash adjustments required by GAAP. We believe that NOI on a cash basis is helpful to investors as an additional measure of operating performance because it eliminates straight-line rent and other non-cash adjustments to revenue and expenses.

Management further analyzes NOI by evaluating the performance from the following property groups:

- Same-store properties, which include all of the properties owned and included in our stabilized portfolio as of January 1, 2020 and still owned and included in the stabilized portfolio as of December 31, 2021; and
- Non-same-store, which includes:
 - Stabilized non-same store properties
 - Lease-up properties
 - Repositioning properties
 - Development properties
 - Redevelopment properties
 - Held for sale properties
 - Operating results from studio service-related businesses

The following table reconciles net income to NOI (in thousands, except percentage change):

	Year Ended December 31,		Dollar Change	Percentage Change
	2021	2020		
NET INCOME	\$ 29,012	\$ 16,430	\$ 12,582	76.6 %
Adjustments:				
Income from unconsolidated real estate entities	(1,822)	(736)	(1,086)	147.6
Fee income	(3,221)	(2,815)	(406)	14.4
Interest expense	121,939	113,823	8,116	7.1
Interest income	(3,794)	(4,089)	295	(7.2)
Management services reimbursement income—unconsolidated joint ventures	(1,132)	—	(1,132)	100.0
Management services expense—unconsolidated joint ventures	1,132	—	1,132	100.0
Transaction-related expenses	8,911	440	8,471	1,925.2
Unrealized (gain) loss on non-real estate investment	(16,571)	2,463	(19,034)	(772.8)
Loss on extinguishment of debt	6,259	2,654	3,605	135.8
Impairment loss	2,762	—	2,762	100.0
Other expense (income)	2,553	(548)	3,101	(565.9)
General and administrative	71,346	77,882	(6,536)	(8.4)
Depreciation and amortization	343,614	299,682	43,932	14.7
NOI	\$ 560,988	\$ 505,186	\$ 55,802	11.0 %
Same-store NOI	\$ 460,843	\$ 454,156	\$ 6,687	1.5 %
Non-same-store NOI	100,145	51,030	49,115	96.2
NOI	\$ 560,988	\$ 505,186	\$ 55,802	11.0 %

The following table summarizes certain statistics of our consolidated same-store office and studio properties:

	Year Ended December 31,	
	2021	2020
Same-store office		
Number of properties	40	40
Rentable square feet	10,482,170	10,482,170
Ending % leased	92.6 %	95.1 %
Ending % occupied	91.5 %	94.2 %
Average % occupied for the period	91.9 %	94.7 %
Average annual rental rate per square foot	\$ 55.32	\$ 52.85
Same-store studio		
Number of properties	3	3
Rentable square feet	1,205,809	1,205,809
Average % occupied over period ⁽¹⁾	85.7 %	90.0 %

1. Percent occupied for same-store studio is the average percent occupied for the 12 months ended December 31, 2021.

The following table gives further detail on our consolidated NOI (in thousands):

	Year Ended December 31,					
	2021			2020		
	Same-store	Non-same-store	Total	Same-store	Non-same-store	Total
REVENUES						
Office						
Rental	\$ 643,695	\$ 139,041	\$ 782,736	\$ 631,566	\$ 89,720	\$ 721,286
Service and other revenues	9,578	3,056	12,634	12,611	2,022	14,633
Total office revenues	653,273	142,097	795,370	644,177	91,742	735,919
Studio						
Rental	49,435	550	49,985	48,756	—	48,756
Service and other revenues	30,959	20,521	51,480	20,290	—	20,290
Total studio revenues	80,394	21,071	101,465	69,046	—	69,046
Total revenues	733,667	163,168	896,835	713,223	91,742	804,965
OPERATING EXPENSES						
Office operating expenses	227,709	52,625	280,334	221,487	40,712	262,199
Studio operating expenses	45,115	10,398	55,513	37,580	—	37,580
Total operating expenses	272,824	63,023	335,847	259,067	40,712	299,779
Office NOI	425,564	89,472	515,036	422,690	51,030	473,720
Studio NOI	35,279	10,673	45,952	31,466	—	31,466
NOI	\$ 460,843	\$ 100,145	\$ 560,988	\$ 454,156	\$ 51,030	\$ 505,186

The following table gives further detail on our change in consolidated NOI (in thousands, except percentage change):

	Year Ended December 31, 2021 as compared to the Year Ended December 31, 2020					
	Same-store		Non-same-store		Total	
	Dollar change	Percentage change	Dollar change	Percentage change	Dollar change	Percentage change
REVENUES						
Office						
Rental	\$ 12,129	1.9 %	\$ 49,321	55.0 %	\$ 61,450	8.5 %
Service and other revenues	(3,033)	(24.1)	1,034	51.1	(1,999)	(13.7)
Total office revenues	9,096	1.4	50,355	54.9	59,451	8.1
Studio						
Rental	679	1.4	550	—	1,229	2.5
Service and other revenues	10,669	52.6	20,521	—	31,190	153.7
Total studio revenues	11,348	16.4	21,071	—	32,419	47.0
Total revenues	20,444	2.9	71,426	77.9	91,870	11.4
OPERATING EXPENSES						
Office operating expenses	6,222	2.8	11,913	29.3	18,135	6.9
Studio operating expenses	7,535	20.1	10,398	—	17,933	47.7
Total operating expenses	13,757	5.3	22,311	54.8	36,068	12.0
Office NOI	2,874	0.7	38,442	75.3	41,316	8.7
Studio NOI	3,813	12.1	10,673	—	14,486	46.0
NOI	\$ 6,687	1.5 %	\$ 49,115	96.2 %	\$ 55,802	11.0 %

NOI increased \$55.8 million, or 11.0%, for the year ended December 31, 2021 as compared to the year ended December 31, 2020, primarily resulting from:

- a \$49.1 million increase in non-same-store NOI driven by:
 - an increase in office NOI of \$38.4 million primarily due to:
 - a \$49.3 million increase in rental revenues primarily resulting from the acquisition of our 1918 Eighth property in December 2020, beneficial occupancy of our One Westside property (Google) in November 2021 and a lease commenced at our Harlow property (Company 3); and
 - a \$1.0 million increase in service and other revenues primarily resulting from a lease cancellation fee at our 10850 Pico property;
 - partially offset by a \$11.9 million increase in operating expenses primarily resulting from the acquisition of our 1918 Eighth property.
 - an increase in studio NOI of \$10.7 million primarily due to the acquisition of Zio and Star Waggon in August 2021.
- a \$6.7 million increase in same-store NOI driven by:
 - an increase in studio NOI of \$3.8 million primarily due to:
 - \$10.7 million increase in service and other revenues primarily resulting from an increase in lighting and grip services at our studio properties;
 - partially offset by a \$7.5 million increase in operating expenses primarily resulting from higher lighting rental, utilities, cleaning and security expenses driven by the increase in studio services activity and one time property tax savings in 2020, partially offset by a favorable prior period property tax assessment for our Sunset Las Palmas studio property in 2021.
 - an increase in office NOI of \$2.9 million primarily due to:
 - \$12.1 million increase in rental revenues primarily resulting from lease renewals at Clocktower Square (Rivian Automotive) and 3400 Hillview (Google) and lower reserves at various properties compared to

- prior year, partially offset by lease terminations at Page Mill Hill (Perkens), 505 First (Nuance) and Techmart (Process Weaver);
- partially offset by a \$6.2 million increase in operating expenses primarily resulting from higher parking expenses at our EPIC property and a prior period property tax assessment for our ICON and CUE properties; and
- a \$3.0 million decrease in service and other revenues primarily resulting from a decrease in parking revenue at our ICON property due to continued reduced activity resulting from the COVID-19 pandemic and higher lease cancellation fees at our 11601 Wilshire property during 2020.

Other Income (Expense)

Income from unconsolidated real estate entities

Income from our unconsolidated real estate entities increased by \$1.1 million, or 147.6%, to \$1.8 million of income for the year ended December 31, 2021 compared to \$0.7 million of income for the year ended December 31, 2020. The increase was primarily driven by an increase in rental revenue at the unconsolidated entities for the year ended December 31, 2021 due to higher average occupancy at Bentall Centre during the year ended December 31, 2021 as compared to the year ended December 31, 2020.

Fee income

Fee income increased by \$0.4 million, or 14.4%, to \$3.2 million for the year ended December 31, 2021 compared to \$2.8 million for the year ended December 31, 2020. The fee income primarily represents the management fee income earned from the unconsolidated real estate entities.

Interest expense

Comparison of the year ended December 31, 2021 to the year ended December 31, 2020 is as follows (in thousands, except percentage change):

	Year Ended December 31,			
	2021	2020	Dollar Change	Percentage Change
Gross interest expense	\$ 134,071	\$ 126,447	\$ 7,624	6.0 %
Capitalized interest	(22,595)	(19,509)	(3,086)	15.8
Amortization of deferred financing costs/loan discount	10,463	6,885	3,578	52.0
TOTAL	\$ 121,939	\$ 113,823	\$ 8,116	7.1 %

Gross interest expense increased by \$7.6 million, or 6.0%, to \$134.1 million for the year ended December 31, 2021 compared to \$126.4 million for the year ended December 31, 2020. The increase was primarily driven by the issuance of a \$900.0 million loan secured by the Hollywood Media Portfolio in July 2020, the closing of a \$314.3 million loan secured by our 1918 Eighth property in December 2020 and \$135.3 million in draws on the construction loan secured by our One Westside and 10850 Pico properties during the year, partially offset by the paydown of Term Loan B, Term Loan D, the Met Park North loan, the Revolving Sunset Bronson Studios/ICON/CUE facility and outstanding borrowings on our unsecured revolving credit facility all in July 2020.

Capitalized interest increased \$3.1 million, or 15.8%, to \$22.6 million for the year ended December 31, 2021 compared to \$19.5 million for the year ended December 31, 2020. The increase was primarily driven by interest capitalized on our One Westside redevelopment project and our Page Mill Center, Metro Plaza and 95 Jackson repositioning projects, partially offset by the completion of our Harlow development property.

Amortization of deferred financing costs and loan discounts/premiums increased by \$3.6 million, or 52.0% to \$10.5 million for the year ended December 31, 2021 compared to \$6.9 million for the year ended December 31, 2020. The increase was primarily driven by the amortization of new issuance costs associated with the original \$900.0 million loan and refinanced \$1.1 billion loan secured by the Hollywood Media Portfolio and the \$314.3 million loan secured by our 1918 Eighth property.

Transaction-related expenses

Transaction-related expenses increased \$8.5 million, or 1,925%, to \$8.9 million for the year ended December 31, 2021 compared to \$0.4 million for the year ended December 31, 2020. The increase is attributable to the acquisition of Zio and Star Waggon in August 2021.

Unrealized (gain) loss on non-real estate investments

We recognized an unrealized gain on non-real estate investments of \$16.6 million for the year ended December 31, 2021 compared to an unrealized loss on non-real estate investments of \$2.5 million for the year ended December 31, 2020. The activity in both periods is due to the observable changes in the fair value of the investments.

Loss on extinguishment of debt

During the year ended December 31, 2021 we completed a refinancing of the loan secured by the Hollywood Media Portfolio and recognized a loss on extinguishment of debt of \$6.3 million primarily representing the write-off of unamortized deferred financing costs associated with the extinguished portion of the loan. During the year ended December 31, 2020 we recognized a loss on extinguishment of debt of \$2.7 million representing the write-off of unamortized deferred financing costs related to the early repayment of Term Loan B, Term Loan D and the Revolving Sunset Bronson Studios/ICON/CUE facility.

Impairment loss

We recognized an impairment loss of \$2.8 million during the year ended December 31, 2021 related to a reduction in the estimated hold period of our Del Amo property. We did not recognize any impairment charges during the year ended December 31, 2020.

Other expense (income)

Other expense increased \$3.1 million, or 565.9%, to \$2.6 million for the year ended December 31, 2021 compared to other income of \$0.5 million for the year ended December 31, 2020. The increase was primarily related to an increase in tax expense due to an unrealized gain on our non-real estate investment.

General and administrative expenses

General and administrative expenses decreased \$6.5 million, or 8.4%, to \$71.3 million for the year ended December 31, 2021 compared to \$77.9 million for the year ended December 31, 2020. General and administrative expenses include wages and salaries for corporate-level employees, accounting, legal and other professional services, office supplies, entertainment, travel and automobile expenses, telecommunications and computer-related expenses and other miscellaneous items. The decrease was primarily attributable to political contributions made for statewide ballot measures in 2020 that did not reoccur in 2021.

Depreciation and amortization expense

Depreciation and amortization expense increased \$43.9 million, or 14.7%, to \$343.6 million for the year ended December 31, 2021 compared to \$299.7 million for the year ended December 31, 2020. The increase was primarily related to our acquisition of 1918 Eighth, the accelerated depreciation of tenant improvements resulting from a termination at our Maxwell property, the accelerated amortization of lease intangibles resulting from a termination at our 625 Second property and the depreciation and amortization of non-real estate property, plant and equipment and finite-lived intangible assets acquired as part of the Zio and Star Waggon transactions in August 2021.

Comparison of the year ended December 31, 2020 to the year ended December 31, 2019

Refer to Part II, Item 7 “Management’s Discussion and Analysis of Financial Condition and Results of Operations—Results of Operations—Comparison of the year ended December 31, 2020 to the year ended December 31, 2019” of the Form 10-K for the fiscal year ended December 31, 2020.

Liquidity and Capital Resources

We have remained capitalized since our initial public offering through public offerings, private placements, joint ventures and continuous offerings under our at-the-market (“ATM”) program. We currently expect that our principal sources of funds to meet our short-term and long-term liquidity requirements for working capital, strategic acquisitions, capital expenditures, tenant improvements, leasing costs, dividends and distributions, share repurchases and repayments of outstanding debt financing will include:

- cash on hand, cash reserves and net cash provided by operations;
- proceeds from additional equity securities;
- our ATM program;
- borrowings under the operating partnership’s unsecured revolving credit facility and One Westside construction loan;
- proceeds from joint venture partners;
- proceeds from Sunset Glenoaks constructions loan (unconsolidated joint venture); and
- proceeds from additional secured, unsecured debt financings or offerings.

Liquidity Sources

We had approximately \$96.6 million of cash and cash equivalents at December 31, 2021. Our principal source of operating cash flow is related to leasing and operating the properties in our portfolio. Our properties provide a relatively consistent stream of cash flow that provides us with resources to pay operating expenses, debt service and fund quarterly dividend and distribution requirements.

Our ability to access the equity capital markets will be dependent on a number of factors as well, including general market conditions for REITs and market perceptions about us.

We have an ATM program that allows us to sell up to \$125.0 million of common stock, \$65.8 million of which has been sold through December 31, 2021. Any future sales will depend on several factors, including, but not limited to, market conditions, the trading price of our common stock and our capital needs. We have no obligation to sell the remaining shares available for sale under this program.

As of December 31, 2021, we had total borrowing capacity of \$1.0 billion under our unsecured revolving credit facility, \$125.0 million of which had been drawn. As of December 31, 2021, we had total borrowing capacity of \$414.6 million under our construction loan, secured by our One Westside and 10850 Pico properties, \$241.4 million of which had been drawn. As of December 31, 2021, we had total borrowing capacity of \$94.0 million under the Sunset Glenoaks construction loan (unconsolidated joint venture), of which \$3.3 million had been drawn.

Our ability to incur additional debt will be dependent on a number of factors, including our degree of leverage, the value of our unencumbered assets and borrowing restrictions that may be imposed by lenders. If we incur additional debt, the risks associated with our leverage, including our ability to service our debt, would increase.

The following table sets forth our ratio of debt to total market capitalization (counting series A preferred units as debt) as of December 31, 2021 (in thousands, except percentage):

Market Capitalization	December 31, 2021	
Unsecured and secured debt ⁽¹⁾	\$	3,764,874
Series A redeemable preferred units		9,815
Total consolidated debt		3,774,689
Common equity capitalization ⁽²⁾		4,248,939
TOTAL CONSOLIDATED MARKET CAPITALIZATION	\$	8,023,628
Total consolidated debt/total consolidated market capitalization		47.0 %

1. Excludes in-substance defeased debt, joint venture partner debt and unamortized deferred financing costs and loan discount.

2. Common equity capitalization represents the shares of common stock outstanding (including unvested restricted shares), OP units outstanding, restricted performance units and dilutive shares multiplied by the closing price of \$24.71, reported by the NYSE, on December 31, 2021 as well as the series C preferred stock liquidation preference as of December 31, 2021.

Outstanding Indebtedness

The following table sets forth information as of December 31, 2021 and December 31, 2020 with respect to our outstanding indebtedness, excluding unamortized deferred financing costs and loan discounts (in thousands):

	December 31, 2021	December 31, 2020
Unsecured debt	\$ 2,050,000	\$ 1,925,000
Secured debt	\$ 1,714,874	\$ 1,507,276
In-substance defeased debt	\$ 128,212	\$ 131,707
Joint venture partner debt	\$ 66,136	\$ 66,136

The operating partnership was in compliance with its financial covenants as of December 31, 2021.

Credit Ratings

The following table provides information with respect to our credit ratings at December 31, 2021:

Agency	Credit Rating
Moody's	Baa2
Standard and Poor's	BBB-
Fitch	BBB-

Liquidity Uses

Contractual Obligations

The following table provides information with respect to our commitments at December 31, 2021, including any guaranteed or minimum commitments under contractual obligations (in thousands):

Contractual Obligation	Payments Due by Period				
	Total	Less than 1 Year	1-3 Years	3-5 Years	More than 5 Years
Principal payments on unsecured and secured debt	\$ 3,764,874	\$ —	\$ 1,291,574	\$ 1,016,300	\$ 1,457,000
Principal payments on in-substance defeased debt ⁽¹⁾	128,212	128,212	—	—	—
Principal payments on joint venture partner debt	66,136	—	—	—	66,136
Interest payments—fixed rate ⁽²⁾⁽³⁾	542,144	98,347	175,215	149,462	119,120
Interest payments—variable rate ⁽²⁾⁽⁴⁾	55,784	25,046	24,993	5,745	—
Ground leases ⁽⁵⁾	628,728	21,191	41,971	41,689	523,877
TOTAL	\$ 5,185,878	\$ 272,796	\$ 1,533,753	\$ 1,213,196	\$ 2,166,133

- Will be repaid with proceeds from sale of the U.S. Government securities that will happen when the in-substance defeased debt reaches maturity.
- Interest rates with respect to indebtedness are calculated on the basis of a 360-day year for the actual days elapsed.
- Reflects our projected interest obligations for fixed rate debts, which includes \$4.8 million of projected interest related to our in-substance defeased debt and \$20.2 million of projected interest related to our joint venture partner debt.
- Reflects our projected interest obligations for variable rate debts, including those that are effectively fixed as a result of derivatives and in instances where interest is paid based on a LIBOR margin. We used the average December LIBOR and current margin based on the leverage ratio as of December 31, 2021.
- Reflects minimum lease payments through the contractual lease expiration date before the impact of extension options. Refer to Part IV, Item 15(a) “Exhibits, Financial Statement Schedules—Note 12 to the Consolidated Financial Statements—Future Minimum Base Rents and Lease Payments” for details of our ground lease agreements.

The Company has entered into a number of construction agreements related to capital improvement activities at various properties. As of December 31, 2021, the Company had \$244.8 million in outstanding obligations under the agreements, of which \$193.3 million are expected to be incurred within one year from December 31, 2021.

The Company invests in several non-real estate funds with an aggregate commitment to contribute up \$28.0 million. As of December 31, 2021, the Company has contributed \$16.4 million, net of distributions, with \$11.6 million remaining to be contributed.

Off-Balance Sheet Arrangements

Joint Venture Indebtedness

We have investments in unconsolidated real estate entities accounted for using the equity method of accounting. The following table provides information about joint venture indebtedness as of December 31, 2021 (in thousands):

	Principal Amount	Interest Rate	Contractual Maturity Date	Company's Share
Bentall Centre ⁽¹⁾	\$ 518,126	CDOR + 1.75%	7/1/2024	\$ 103,625
Sunset Glenoaks Studios ⁽²⁾	\$ 3,300	LIBOR + 3.00%	1/9/2025	\$ 1,650

(1) We own 20% of the ownership interest in the unconsolidated real estate investment that owns Bentall Centre. The loan was transacted in Canadian dollars. The principal balance is shown in U.S. dollars using the foreign currency exchange rate as of December 31, 2021. The interest on the full amount has been effectively capped at 5.25% per annum through the use of an interest rate cap.

(2) We own 50% of the ownership interest in the unconsolidated real estate investment that owns the Sunset Glenoaks Studios development. This loan has an initial interest rate of LIBOR plus 3.00% per annum and is interest-only through its term. The total capacity of the loan is \$94.0 million, as of December 31, 2021 we have \$90.7 million undrawn.

Cash Flows

Comparison of the cash flow activity for the year ended December 31, 2021 to the year ended December 31, 2020 is as follows (in thousands, except percentage change):

	Year Ended December 31,			
	2021	2020	Dollar Change	Percentage Change
Net cash provided by operating activities	\$ 314,863	\$ 302,032	\$ 12,831	4.2 %
Net cash used in investing activities	\$ (754,208)	\$ (1,006,844)	\$ 252,636	(25.1) %
Net cash provided by financing activities	\$ 486,681	\$ 796,094	\$ (309,413)	(38.9) %

Cash and cash equivalents and restricted cash were \$196.9 million and \$149.5 million at December 31, 2021 and 2020, respectively.

Operating Activities

Net cash provided by operating activities increased by \$12.8 million, or 4.2%, to \$314.9 million for the year ended December 31, 2021 as compared to \$302.0 million for the year ended December 31, 2020. The change resulted primarily from the operating activities of our recent acquisitions of 1918 Eighth property in December 2020 and Zio and Star Waggon in August 2021, partially offset by an increase in interest expense and transaction costs related to the business combination of Zio and Star Waggon.

Investing Activities

Net cash used in investing activities decreased by \$252.6 million, or 25.1%, to \$0.8 billion for the year ended December 31, 2021 as compared to \$1.0 billion for the year ended December 31, 2020. The change resulted primarily from \$475.0 million lower consideration paid for the 5th & Bell property acquisition in 2021 compared to the consideration paid for the 1918 Eighth in 2020, partially offset by \$209.9 million spent on the 2021 acquisitions of Zio and Star Waggon. Additional drivers of the change included a \$63.7 million decrease in capital expenditures and a \$58.8 million increase in contributions to unconsolidated entities in 2021 as compared to 2020.

Financing Activities

Net cash provided by financing activities decreased by \$309.4 million, or 38.9%, to \$486.7 million for the year ended December 31, 2021 as compared to \$796.1 million for the year ended December 31, 2020. The change resulted primarily from \$367.5 million proceeds from sale of non-controlling interest in the Hollywood Media Portfolio in 2020, \$254.2 million higher proceeds from notes payable, net of repayments, in 2021 as compared to 2020, as well as \$113.4 million lower contributions from non-controlling members in consolidated real estate entities in 2021 as compared to 2020. The increase was partially offset by \$413.0 million proceeds from issuance of Series C preferred stock in 2021. Additional drivers of the change included \$45.0 million from sales of common stock in 2021, \$34.1 million less spent on common stock repurchases in 2021 as compared to 2020, and \$84.0 million higher distributions to non-controlling members in consolidated real estate entities in 2021 as compared to 2020.

Non-GAAP Supplemental Financial Measures

We calculate FFO in accordance with the White Paper issued in December 2018 on FFO approved by the Board of Governors of NAREIT. The White Paper defines FFO as net income or loss calculated in accordance with generally accepted accounting principles in the United States ("GAAP"), excluding gains and losses from sales of depreciable real estate, gains and losses from sale of certain real estate assets and impairment write-downs associated with depreciable real estate, plus real estate-related depreciation and amortization (excluding amortization of deferred financing costs and depreciation of non-real estate assets) and after adjustment for unconsolidated partnerships and joint ventures. The calculation of FFO includes the amortization of deferred revenue related to tenant-funded tenant improvements and excludes the depreciation of the related tenant improvement assets. In the December 2018 White Paper, NAREIT provided an option to include value changes in mark-to-market equity securities in the calculation of FFO. We elected this option retroactively during fourth quarter 2018. We believe that FFO is a useful supplemental measure of our operating performance. The exclusion from FFO of gains and losses from the sale of operating real estate assets allows investors and analysts to readily identify the operating results of the assets that form the core of our activity and assists in comparing those operating results between periods. Also, because FFO is generally recognized as the industry standard for reporting the operations of REITs, it facilitates comparisons of operating performance to other REITs.

However, other REITs may use different methodologies to calculate FFO, and accordingly, our FFO may not be comparable to all other REITs.

Implicit in historical cost accounting for real estate assets in accordance with GAAP is the assumption that the value of real estate assets diminishes predictably over time. Since real estate values have historically risen or fallen with market conditions, many industry investors and analysts have considered presentations of operating results for real estate companies using historical cost accounting alone to be insufficient. Because FFO excludes depreciation and amortization of real estate assets, we believe that FFO along with the required GAAP presentations provides a more complete measurement of our performance relative to our competitors and a more appropriate basis on which to make decisions involving operating, financing and investing activities than the required GAAP presentations alone would provide. We use FFO per share to calculate annual cash bonuses for certain employees.

However, FFO should not be viewed as an alternative measure of our operating performance because it does not reflect either depreciation and amortization costs or the level of capital expenditures and leasing costs necessary to maintain the operating performance of our properties, which are significant economic costs and could materially impact our results from operations.

The following table presents a reconciliation of net income to FFO (in thousands):

	Year Ended December 31,	
	2021	2020
Net income	\$ 29,012	\$ 16,430
Adjustments:		
Depreciation and amortization—Consolidated	343,614	299,682
Depreciation and amortization—Corporate-related	(7,719)	(2,286)
Depreciation and amortization—Company’s share from unconsolidated real estate investments	6,020	5,605
Impairment loss	2,762	—
Unrealized (gain) loss on non-real estate investments	(16,571)	2,463
Tax impact of unrealized gain on non-real estate investment	3,849	—
FFO attributable to non-controlling interests	(64,388)	(37,644)
FFO attributable to preferred units	(2,893)	(612)
FFO TO COMMON STOCKHOLDERS AND UNITHOLDERS	\$ 293,686	\$ 283,638

ITEM 7A. Quantitative and Qualitative Disclosures About Market Risk

Interest Rate Risk

The primary market risk we face is interest rate risk. Our future income, cash flows and fair values relevant to financial instruments are dependent upon prevalent market interest rates. Market risk refers to the risk of loss from adverse changes in market prices and interest rates. As more fully described below, we use derivatives to manage, or hedge, interest rate risks related to our borrowings. We only enter into contracts with major financial institutions based on their credit rating and other factors. For a summary of our outstanding indebtedness, see Item 7 “Management’s Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources.” For a summary of our derivatives, refer to Part IV, Item 15(a) “Exhibits, Financial Statement Schedules—Note 10 to the Consolidated Financial Statements—Derivatives.”

Interest risk amounts were determined by considering the impact of hypothetical interest rates on our financial instruments. These analyses do not consider the effect of any change in overall economic activity that could occur in that environment. Further, in the event of a change of that magnitude, we may take actions to further mitigate our exposure to the change. However, due to the uncertainty of the specific actions that would be taken and their possible effects, these analyses assume no changes in our financial structure.

The following table summarizes our derivative instruments used to hedge interest rate risk as of December 31, 2021 (notional amount and fair value in thousands):

Underlying Debt Instrument	Number of Derivatives	Notional Amount	Effective Date	Maturity Date	Interest Rate Range		Fair Value (Liabilities)/Assets
					Low	High	
Interest rate swaps							
Hollywood Media Portfolio	2	\$ 350,000	April 2015	April 2022	2.96 %	3.46 %	\$ (1,413)
Hollywood Media Portfolio	1	125,000	June 2016	November 2022	2.63 %	3.13 %	(1,122)
Interest rate cap					Strike rate		
Hollywood Media Portfolio	1	900,000	July 2020	Terminated August 2021	3.50%		—
Hollywood Media Portfolio	1	1,100,000	August 2021	August 2023	3.50%		368
TOTAL		\$ 2,475,000					\$ (2,167)

The following table summarizes our fixed and variable rate debt as of December 31, 2021 (in thousands):

	Unsecured and Secured Debt		In-Substance Defeased Debt		Joint Venture Partner Debt	
	Carrying Value	Fair Value	Carrying Value	Fair Value	Carrying Value	Fair Value
Variable rate ⁽¹⁾	\$ 1,570,874	\$ 1,570,874	\$ —	\$ —	\$ —	\$ —
Fixed rate	2,194,000	2,297,761	128,212	128,361	66,136	69,116
TOTAL⁽²⁾	\$ 3,764,874	\$ 3,868,635	\$ 128,212	\$ 128,361	\$ 66,136	\$ 69,116

1. Includes \$475.0 million of debt that is effectively fixed as a result of interest rate swaps.

2. Excludes unamortized deferred financing costs.

For sensitivity purposes, if one-month LIBOR as of December 31, 2021 was to increase by 100 basis points, or 1.0%, the resulting increase in annual interest expense would decrease our future earnings and cash flows by \$11.0 million, after considering the effects of our interest rate swap agreements.

Foreign Currency Exchange Rate Risk

We have exposure to foreign currency exchange rate risk related to our unconsolidated real estate entities operating in Canada and the United Kingdom. The unconsolidated real estate entities' functional currency is the local currency, or Canadian dollars and pound sterling. Any gains or losses resulting from the translation of Canadian dollars and pound sterling to U.S. dollars are classified on our Consolidated Balance Sheets as a separate component of other comprehensive income and are excluded from net income.

ITEM 8. Financial Statements and Supplementary Data

Our consolidated financial statements included in this Annual Report on Form 10-K are listed in Part IV, Item 15(a) of this report.

ITEM 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure

Not applicable.

ITEM 9A. Controls and Procedures

Disclosure Controls and Procedures (Hudson Pacific Properties, Inc.)

Hudson Pacific Properties, Inc. maintains disclosure controls and procedures (as defined in Rule 13a-15(e) or Rule 15d-15(e) under the Exchange Act) that are designed to ensure that information required to be disclosed in Hudson Pacific Properties, Inc.'s reports under the Exchange Act is processed, recorded, summarized and reported within the time periods specified in the SEC's rules and forms and that such information is accumulated and communicated to management, including the Chief Executive Officer and Chief Financial Officer, as appropriate, to allow for timely decisions regarding required disclosure. In designing and evaluating the disclosure controls and procedures, management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives, and management is required to apply its judgment in evaluating the cost-benefit relationship of possible controls and procedures.

As required by Rule 13a-15(b) under the Exchange Act, Hudson Pacific Properties, Inc. carried out an evaluation, under the supervision and with the participation of management, including the Chief Executive Officer and Chief Financial Officer, of the effectiveness of the design and operation of the disclosure controls and procedures as of the end of the period covered by this report.

Based on the foregoing, our Chief Executive Officer and Chief Financial Officer concluded, as of that time, that Hudson Pacific Properties, Inc.'s disclosure controls and procedures were effective in providing a reasonable level of assurance that information Hudson Pacific Properties, Inc. is required to disclose in reports that Hudson Pacific Properties, Inc. files under the Exchange Act is processed, recorded, summarized and reported within the time periods specified in the SEC's rules and forms and that such information is accumulated and communicated to management, including the Chief Executive Officer and Chief Financial Officer, as appropriate, to allow for timely decisions regarding required disclosure.

Disclosure Controls and Procedures (Hudson Pacific Properties, L.P.)

Hudson Pacific Properties, L.P. maintains disclosure controls and procedures (as defined in Rule 13a-15(e) or Rule 15d-15(e) under the Exchange Act) that are designed to ensure that information required to be disclosed in Hudson Pacific Properties, L.P.'s reports under the Exchange Act is processed, recorded, summarized and reported within the time periods specified in the SEC's rules and forms and that such information is accumulated and communicated to management, including the Chief Executive Officer and Chief Financial Officer of Hudson Pacific Properties, Inc. (the sole general partner of Hudson Pacific Properties, L.P.), as appropriate, to allow for timely decisions regarding required disclosure. In designing and evaluating the disclosure controls and procedures, management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives, and management is required to apply its judgment in evaluating the cost-benefit relationship of possible controls and procedures.

As required by Rule 13a-15(b) under the Exchange Act, Hudson Pacific Properties, L.P. carried out an evaluation, under the supervision and with the participation of management, including the Chief Executive Officer and Chief Financial Officer of Hudson Pacific Properties, Inc. (the sole general partner of Hudson Pacific Properties, L.P.), of the effectiveness of the design and operation of the disclosure controls and procedures as of the end of the period covered by this report.

Based on the foregoing, the Chief Executive Officer and Chief Financial Officer of Hudson Pacific Properties, Inc. (the sole general partner of Hudson Pacific Properties, L.P.) concluded, as of that time, that Hudson Pacific Properties, L.P.'s disclosure controls and procedures were effective in providing a reasonable level of assurance that information Hudson Pacific Properties, L.P. is required to disclose in reports that Hudson Pacific Properties, L.P. files under the Exchange Act is processed, recorded, summarized and reported within the time periods specified in the SEC's rules and forms and that such information is accumulated and communicated to management, including the Chief Executive Officer and Chief Financial Officer of Hudson Pacific Properties, Inc. (the sole general partner of Hudson Pacific Properties, L.P.), as appropriate, to allow for timely decisions regarding required disclosure.

Changes in Internal Control Over Financial Reporting (Hudson Pacific Properties, Inc.)

There have been no changes that occurred during the fourth quarter of the year covered by this report in Hudson Pacific Properties, Inc.'s internal control over financial reporting identified in connection with the evaluation referenced above that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Changes in Internal Control Over Financial Reporting (Hudson Pacific Properties, L.P.)

There have been no changes that occurred during the fourth quarter of the year covered by this report in Hudson Pacific Properties, L.P.'s internal control over financial reporting identified in connection with the evaluation referenced above that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Management's Annual Report on Internal Control over Financial Reporting (Hudson Pacific Properties, Inc.)

Management is responsible for establishing and maintaining adequate internal control over financial reporting, as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act.

Hudson Pacific Properties, Inc.'s system of internal control is designed to provide reasonable assurance regarding the reliability of financial reporting and preparation of Hudson Pacific Properties, Inc.'s financial statements for external reporting purposes in accordance with GAAP. Hudson Pacific Properties, Inc.'s management, including the Chief Executive Officer and Chief Financial Officer, assessed the effectiveness of Hudson Pacific Properties, Inc.'s internal control over financial reporting as of December 31, 2021. In conducting its assessment, management used the criteria issued by the Committee of Sponsoring Organizations of the Treadway Commission on Internal Control-Integrated Framework (2013 Framework). Based on this assessment, management concluded that, as of December 31, 2021, Hudson Pacific Properties, Inc.'s internal control over financial reporting was effective based on those criteria.

Management, including the Chief Executive Officer and Chief Financial Officer of Hudson Pacific Properties, Inc., does not expect that Hudson Pacific Properties, Inc.'s disclosure controls and procedures, or Hudson Pacific Properties, Inc.'s internal controls will prevent all errors and fraud. A control system, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Further, the design of a control system must reflect the fact that there are resource constraints and the benefit of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, have been detected.

Management has excluded Zio and Star Waggon from its assessment of internal control over financial reporting as of December 31, 2021 because they were acquired by Hudson Pacific Properties, Inc. in business combinations on August 16, 2021 and August 31, 2021, respectively. Total assets and revenues of Zio and Star Waggon represent 3% and 2%, respectively, of the related consolidated financial statements for the year ended, December 31, 2021.

Management's Annual Report on Internal Control over Financial Reporting (Hudson Pacific Properties, L.P.)

Management is responsible for establishing and maintaining adequate internal control over financial reporting, as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act.

Hudson Pacific Properties, L.P.'s system of internal control is designed to provide reasonable assurance regarding the reliability of financial reporting and preparation of Hudson Pacific Properties, L.P.'s financial statements for external reporting purposes in accordance with GAAP. Hudson Pacific Properties, L.P.'s management, including the Chief Executive Officer and Chief Financial Officer of Hudson Pacific Properties, Inc. (the sole general partner of Hudson Pacific Properties, L.P.), assessed the effectiveness of Hudson Pacific Properties, L.P.'s internal control over financial reporting as of December 31, 2021. In conducting its assessment, management used the criteria issued by the Committee of Sponsoring Organizations of the Treadway Commission on Internal Control-Integrated Framework (2013 Framework). Based on this assessment, management concluded that, as of December 31, 2021, Hudson Pacific Properties, L.P.'s internal control over financial reporting was effective based on those criteria.

Management, including the Chief Executive Officer and Chief Financial Officer of Hudson Pacific Properties, Inc. (the sole general partner of Hudson Pacific Properties, L.P.), does not expect that Hudson Pacific Properties, L.P.'s disclosure controls and procedures, or Hudson Pacific Properties, L.P.'s internal controls will prevent all errors and fraud. A control system, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Further, the design of a control system must reflect the fact that there are resource constraints and the benefit of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, have been detected.

Management has excluded Zio and Star Waggon from its assessment of internal control over financial reporting as of December 31, 2021 because they were acquired by Hudson Pacific Properties, Inc. in business combinations on August 16, 2021

and August 31, 2021, respectively. Total assets and revenues of Zio and Star Waggon represent 3% and 2%, respectively, of the related consolidated financial statements for the year ended, December 31, 2021.

Attestation Report of the Registered Accounting Firm (Hudson Pacific Properties, Inc.)

The effectiveness of Hudson Pacific Properties, Inc.'s internal control over financial reporting as of December 31, 2021, has been audited by Ernst & Young LLP, the independent registered public accounting firm that audited the consolidated financial statements included in this annual report, as stated in their report appearing on page F-2, which expresses an unqualified opinion on the effectiveness of Hudson Pacific Properties, Inc.'s internal control over financial reporting as of December 31, 2021.

ITEM 9B. Other Information

Not applicable.

ITEM 9C. Disclosure Regarding Foreign Jurisdictions that Prevent Inspections

Not applicable.

PART III

ITEM 10. Directors, Executive Officers and Corporate Governance

The information required by Item 10 is incorporated by reference from our definitive proxy statement for our annual stockholders' meeting presently scheduled to be held in May 2022. We intend to disclose any amendment to, or waiver from, our code of ethics within four business days following the date of the amendment or waiver.

ITEM 11. Executive Compensation

The information required by Item 11 is incorporated by reference from our definitive proxy statement for our annual stockholders' meeting presently scheduled to be held in May 2022.

ITEM 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters

The information required by Item 12 is incorporated by reference from our definitive proxy statement for our annual stockholders' meeting presently scheduled to be held in May 2022.

ITEM 13. Certain Relationships and Related Transactions, and Director Independence

The information required by Item 13 is incorporated by reference from our definitive proxy statement for our annual stockholders' meeting presently scheduled to be held in May 2022.

ITEM 14. Principal Accountant Fees and Services

The information required by Item 14 is incorporated by reference from our definitive proxy statement for our annual stockholders' meeting presently scheduled to be held in May 2022.

PART IV

ITEM 15. Exhibits, Financial Statement Schedules

(a)(1) and (2) *Financial Statements and Schedules*

The following consolidated financial information is included as a separate section of this Annual Report on Form 10-K:

FINANCIAL STATEMENTS OF HUDSON PACIFIC PROPERTIES, INC.	
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All other schedules are omitted since the required information is not present in amounts sufficient to require submission of the schedule or because the information required is included in the financial statements and notes thereto.

(3) *Exhibits*

Exhibit No.	Description	Incorporated by Reference			
		Form	File No.	Exhibit No.	Filing Date
3.1	Articles of Amendment and Restatement of Hudson Pacific Properties, Inc.	S-11/A	333-164916	3.1	May 12, 2010
3.2	Form of Articles Supplementary of Hudson Pacific Properties, Inc.	S-11/A	333-170751	3.3	December 6, 2010
3.3	Second Amended and Restated Bylaws of Hudson Pacific Properties, Inc.	8-K	001-34789	3.1	January 12, 2015
3.4	Fifth Amended and Restated Agreement of Limited Partnership of Hudson Pacific Properties, L.P. dated as of November 16, 2021.	8-K	001-34789	3.2	November 16, 2021
3.5	Certificate of Limited Partnership of Hudson Pacific Properties, L.P.	10-Q	001-34789	3.4	November 4, 2016
3.6	Articles Supplementary designating the Series C Preferred Stock of Hudson Pacific Properties, Inc.	8-K	001-34789	3.1	November 16, 2021
4.1	Form of Certificate of Common Stock of Hudson Pacific Properties, Inc.	S-11/A	333-164916	4.1	June 14, 2010
4.2	Indenture, dated October 2, 2017, among Hudson Pacific Properties, L.P., and U.S. Bank National Association	8-K	001-34789	4.1	October 2, 2017
4.3	Supplemental Indenture No. 1, dated October 2, 2017, among Hudson Pacific Properties, L.P., Hudson Pacific Properties, Inc. and U.S. Bank National Association	8-K	001-34789	4.2	October 2, 2017
4.4	Supplemental Indenture No. 2, dated as of February 27, 2019, among Hudson Pacific Properties, L.P., as issuer, Hudson Pacific Properties, Inc., as guarantor, and U.S. Bank National Association, as trustee, including the form of 4.650% Senior Notes due 2029 and the guarantee.	10-Q	001-34789	10.1	May 7, 2019

Exhibit No.	Description	Incorporated by Reference			
		Form	File No.	Exhibit No.	Filing Date
4.5	Supplemental Indenture No. 3, dated as of October 3, 2019, among Hudson Pacific Properties, L.P., as issuer, Hudson Pacific Properties, Inc., as guarantor, and U.S. Bank National Association, as trustee, including the form of 3.250% Senior Notes due 2030 and the guarantee.	8-K	001-34789	4.2	October 3, 2019
4.6	Description of Registrant's Securities Registered Pursuant to Section 12 of the Securities Exchange Act of 1934.				
10.1	Registration Rights Agreement among Hudson Pacific Properties, Inc. and the persons named therein.	S-11	333-170751	10.2	November 22, 2010
10.2	Indemnification Agreement, dated June 29, 2010, by and between Hudson Pacific Properties, Inc. and Victor J. Coleman.	S-11	333-170751	10.3	November 22, 2010
10.3	Indemnification Agreement, dated June 29, 2010, by and between Hudson Pacific Properties, Inc. and Mark T. Lammas.	S-11	333-170751	10.5	November 22, 2010
10.4	Indemnification Agreement, dated June 29, 2010, by and between Hudson Pacific Properties, Inc. and Christopher Barton.	S-11	333-170751	10.6	November 22, 2010
10.5	Indemnification Agreement, dated June 29, 2010, by and between Hudson Pacific Properties, Inc. and Dale Shimoda.	S-11	333-170751	10.7	November 22, 2010
10.6	Indemnification Agreement, dated June 29, 2010, by and between Hudson Pacific Properties, Inc. and Theodore R. Antenucci.	S-11	333-170751	10.8	November 22, 2010
10.7	Indemnification Agreement, dated June 29, 2010, by and between Hudson Pacific Properties, Inc. and Richard B. Fried.	S-11	333-170751	10.10	November 22, 2010
10.8	Indemnification Agreement, dated June 29, 2010, by and between Hudson Pacific Properties, Inc. and Jonathan M. Glaser.	S-11	333-170751	10.11	November 22, 2010
10.9	Indemnification Agreement, dated June 29, 2010, by and between Hudson Pacific Properties, Inc. and Mark D. Linehan.	S-11	333-170751	10.12	November 22, 2010
10.10	Indemnification Agreement, dated June 29, 2010, by and between Hudson Pacific Properties, Inc. and Robert M. Moran, Jr.	S-11	333-170751	10.13	November 22, 2010
10.11	Indemnification Agreement, dated June 29, 2010, by and between Hudson Pacific Properties, Inc. and Barry A. Porter.	S-11	333-170751	10.14	November 22, 2010
10.12	Restricted Stock Award Grant Notice and Restricted Stock Award Agreement.*	S-11/A	333-164916	10.5	June 14, 2010
10.13	Hudson Pacific Properties, Inc. Director Stock Plan.*	S-11/A	333-170751	10.17	December 6, 2010
10.14	Contribution Agreement by and among Victor J. Coleman, Howard S. Stern, Hudson Pacific Properties, L.P. and Hudson Pacific Properties, Inc., dated as of February 15, 2010.	S-11/A	333-164916	10.11	April 9, 2010
10.15	Contribution Agreement by and among SGS investors, LLC, HFOP Investors, LLC, Soma Square Investors, LLC, Hudson Pacific Properties, L.P. and Hudson Pacific Properties, Inc., dated as of February 15, 2010.	S-11/A	333-164916	10.12	April 9, 2010
10.16	Contribution Agreement by and among TMG-Flynn SOMA, LLC, Hudson Pacific Properties, L.P. and Hudson Pacific Properties, Inc., dated as of February 15, 2010.	S-11/A	333-164916	10.13	April 9, 2010
10.17	Contribution Agreement by and among Glenborough Fund XIV, L.P., Glenborough Acquisition, LLC, Hudson Pacific Properties, L.P. and Hudson Pacific Properties, Inc. dated as of February 15, 2010.	S-11/A	333-164916	10.14	April 9, 2010
10.18	Representation, Warranty and Indemnity Agreement by and among Hudson Pacific Properties, Inc., Hudson Pacific Properties, L.P. and the persons named therein as nominees of TMG-Flynn SOMA, LLC, dated as of February 15, 2010.	S-11/A	333-164916	10.16	April 9, 2010
10.19	Representation, Warranty and Indemnity Agreement by and among Hudson Pacific Properties, Inc. Hudson Pacific Properties, L.P., and the persons named therein as nominees of Glenborough Fund XIV, L.P. dated as of February 15, 2010.	S-11/A	333-164916	10.17	April 9, 2010
10.20	Tax Protection Agreement between Hudson Pacific Properties, L.P. and the persons named therein, dated June 29, 2010.	8-K	001-34789	10.3	July 1, 2010
10.21	Agreement of Purchase and Sale and Joint Escrow Instructions between Del Amo Fashion Center Operating Company and Hudson Capital, LLC dated as of May 18, 2010.	S-11/A	333-164916	10.20	June 11, 2010
10.22	Conditional Consent Agreement between GLB Encino, LLC, as Borrower, and SunAmerica Life Insurance Company, as Lender, dated as of June 10, 2010.	S-11/A	333-164916	10.24	June 22, 2010
10.23	Amended and Restated Deed of Trust, Security Agreement, Fixture Filing, Financing Statement and Assignment of Leases and Rents between GLB Encino, LLC, as Trustor, SunAmerica Life Insurance Company, as Beneficiary, and First American Title Insurance Company, as Trustee, dated as of January 26, 2007.	S-11/A	333-164916	10.25	June 22, 2010
10.24	Amended and Restated Promissory Note by GLB Encino, as Maker, to SunAmerica Life Insurance Company, as Holder, dated as of January 26, 2007.	S-11/A	333-164916	10.26	June 22, 2010
10.25	Approval Letter from Wells Fargo, as Master Servicer, and CWC Capital Asset Management, LLC, as Special Servicer to Hudson Capital LLC, dated as of June 8, 2010.	S-11/A	333-164916	10.27	June 22, 2010
10.26	Loan and Security Agreement between Glenborough Tierrasanta, LLC, as Borrower, and German American Capital Corporation, as Lender, dated as of November 28, 2006.	S-11/A	333-164916	10.28	June 22, 2010

Exhibit No.	Description	Incorporated by Reference			
		Form	File No.	Exhibit No.	Filing Date
10.27	Note by Glenborough Tierrasanta, LLC, as Borrower, in favor of German American Capital Corporation, as Lender, dated as of November 28, 2006.	S-11/A	333-164916	10.29	June 22, 2010
10.28	Reaffirmation, Consent to Transfer and Substitution of Indemnitor, by and among Glenborough Tierrasanta, LLC, Morgan Stanley Real Estate Fund V U.S., L.P., MSP Real Estate Fund V, L.P., Morgan Stanley Real Estate Investors, V U.S., L.P., Morgan Stanley Real Estate Fund V Special U.S., L.P., MSP Co-Investment Partnership V, L.P., MSP Co-Investment Partnership V, L.P., Glenborough Fund XIV, L.P., Hudson Pacific Properties, L.P., and US Bank National Association, dated June 29, 2010.	8-K	001-34789	10.5	July 1, 2010
10.29	First Amendment to Purchase and Sale Agreement, dated October 1, 2010, by and between ECI Washington LLC and Hudson Pacific Properties, L.P.	S-11/A	333-170751	10.45	December 6, 2010
10.30	Contract for Sale dated as of December 15, 2010 by and between Hudson 1455 Market, LLC and Bank of America, National Association.	8-K	001-34789	10.1	December 21, 2010
10.31	Contribution Agreement by and between BCSP IV U.S. Investments, L.P. and Hudson Pacific Properties, L.P., dated as of December 15, 2010.	S-11	333-173487	10.48	April 14, 2011
10.32	Limited Liability Company Agreement of Rincon Center JV LLC by and between Rincon Center Equity LLC and Hudson Rincon, LLC, dated as of December 16, 2010.	S-11	333-173487	10.49	April 14, 2011
10.33	First Amendment to Registration Rights Agreement by and among Hudson Pacific Properties, Inc., Farallon Capital Partners, L.P., Farallon Capital Institutional Partners, L.P. and Farallon Capital Institutional Partners III, L.P., dated May 3, 2011.	8-K	001-34789	4.1	May 4, 2011
10.34	Loan Agreement by and between Hudson Rincon Center, LLC, as Borrower, and JPMorgan Chase Bank, National Association, as Lender, dated April 29, 2011.	8-K	001-34789	10.1	May 4, 2011
10.35	Equity Distribution Agreement, dated November 16, 2012, by and among Hudson Pacific Properties, Inc., Hudson Pacific Properties, LP, and Barclays Capital Inc.	8-K	001-34789	1.1	November 16, 2012
10.36	Equity Distribution Agreement, dated November 16, 2012, by and among Hudson Pacific Properties, Inc., Hudson Pacific Properties, LP, and Merrill Lynch, Pierce, Fenner & Smith Incorporated	8-K	001-34789	1.2	November 16, 2012
10.37	Equity Distribution Agreement, dated November 16, 2012, by and among Hudson Pacific Properties, Inc., Hudson Pacific Properties, LP, and Keybank Capital Markets Inc.	8-K	001-34789	1.3	November 16, 2012
10.38	Equity Distribution Agreement, dated November 16, 2012, by and among Hudson Pacific Properties, Inc., Hudson Pacific Properties, LP, and Wells Fargo Securities, LLC	8-K	001-34789	1.4	November 16, 2012
10.39	Form of 2012 Outperformance Award Agreement.*	8-K	001-34789	10.1	January 6, 2012
10.40	Form of 2013 Outperformance Award Agreement.*	8-K	001-34789	10.1	January 7, 2013
10.41	Purchase Agreement between 1220 Howell LLC, a Delaware limited liability company, King & Dearborn LLC, a Delaware limited liability company, and Northview Corporate Center LLC, a Delaware limited liability company, as Sellers, and Hudson Pacific Properties, L.P., a Maryland limited partnership, as Buyer.	8-K	001-34789	10.1	July 1, 2013
10.42	First Modification and Additional Advance Agreement by and among Wells Fargo Bank, N.A., as Lender, and Sunset Bronson Entertainment Properties, LLC, and Sunset Gower Entertainment Properties, LLC as Borrower.	10-Q	001-34789	10.66	November 7, 2013
10.43	Supplemental Federal Income Tax Considerations.	8-K	001-34789	99.1	November 22, 2013
10.44	Form of 2014 Outperformance Award Agreement.*	8-K	001-34789	10.1	January 3, 2014
10.45	Addendum to Outperformance Agreement.*	10-K	001-34789	10.70	March 3, 2014
10.46	Amendment to Equity Distribution Agreement, dated June 1, 2021, by and among Hudson Pacific Properties, Inc., Hudson Pacific Properties, LP, and Barclays Capital Inc.	8-K	001-34789	1.5	June 1, 2021
10.47	Amendment to Equity Distribution Agreement, dated June 1, 2021, by and among Hudson Pacific Properties, Inc., Hudson Pacific Properties, LP, and BofA Securities, Inc.	8-K	001-34789	1.6	June 1, 2021
10.48	Amendment to Equity Distribution Agreement, dated June 1, 2021, by and among Hudson Pacific Properties, Inc., Hudson Pacific Properties, LP, and Keybank Capital Markets Inc.	8-K	001-34789	1.7	June 1, 2021
10.49	Amendment to Equity Distribution Agreement, dated June 1, 2021, by and among Hudson Pacific Properties, Inc., Hudson Pacific Properties, LP, and Wells Fargo Securities, LLC	8-K	001-34789	1.8	June 1, 2021
10.50	Bridge Commitment Letter, dated as of December 6, 2014, by and among the operating partnership, Wells Fargo Bank, National Association, Wells Fargo Securities, LLC, Bank of America, N.A., Merrill Lynch, Pierce, Fenner & Smith Incorporated, Goldman Sachs Bank USA.	8-K	001-34789	10.1	December 11, 2014
10.51	Backstop Commitment Letter, dated as of December 6, 2014, by and among the operating partnership, Wells Fargo Bank, National Association and Wells Fargo Securities, LLC.	8-K	001-34789	10.2	December 11, 2014
10.52	Form of 2015 Outperformance Award Agreement.*	8-K	001-34789	10.1	January 2, 2015
10.53	First Amended and Restated Limited Partnership Agreement of Hudson 1455 Market, L.P.	8-K	001-34789	10.1	January 12, 2015

Exhibit No.	Description	Incorporated by Reference			
		Form	File No.	Exhibit No.	Filing Date
10.54	Indemnification Agreement, dated December 15, 2014, by and between Hudson Pacific Properties, Inc. and Robert L. Harris II.	10-K	001-34789	10.84	March 2, 2015
10.55	Hudson Pacific Properties, Inc. and Hudson Pacific Properties, L.P. 2010 Incentive Award Plan (2012 Outperformance program) Restricted Stock Unit Award Agreement.*	8-K	001-34789	10.1	March 12, 2015
10.56	Form of Addendum to 2014 Outperformance Award Agreement.*	8-K	001-34789	10.2	March 12, 2015
10.57	Hudson Pacific Properties, Inc. Revised Non-Employee Director Compensation Program.	10-Q	001-34789	10.91	August 10, 2015
10.58	Loan Agreement dated as of October 9, 2015 between Hudson Element LA, LLC, as Borrower and Cantor Commercial Real Estate Lending, L.P. and Goldman Sachs Mortgage Company, collectively, as Lender.	10-Q	001-34789	10.93	November 6, 2015
10.59	Note Purchase Agreement, dated as of November 16, 2015, by and among Hudson Pacific Properties, L.P. and the purchasers named therein.	8-K	001-34789	10.2	November 20, 2015
10.60	Amended and Restated Employment Agreement between Hudson Pacific Properties, Inc. and Victor J. Coleman, dated January 1, 2016.*	8-K	001-34789	10.2	December 21, 2015
10.61	Amended and Restated Employment Agreement between Hudson Pacific Properties, Inc. and Mark T. Lammass, dated January 1, 2016.*	8-K	001-34789	10.3	December 21, 2015
10.62	Amended and Restated Employment Agreement between Hudson Pacific Properties, Inc. and Christopher Barton, dated January 1, 2016.*	8-K	001-34789	10.4	December 21, 2015
10.63	Amended and Restated Employment Agreement between Hudson Pacific Properties, Inc. and Alex Vouvalides, dated January 1, 2016.*	8-K	001-34789	10.5	December 21, 2015
10.64	Form of Restricted Stock Unit Award Grant Notice and Restricted Stock Unit Award Agreement.*	8-K	001-34789	10.6	December 21, 2015
10.65	Employment Agreement between Hudson Pacific Properties, Inc. and Joshua Hatfield*	10-K	001-34789	10.95	February 26, 2016
10.66	Form of Restricted Stock Unit Grant Notice and Restricted Stock Unit Award Agreement (2013 Outperformance Program)*	10-K	001-34789	10.96	February 26, 2016
10.67	Form of 2016 Outperformance Award Agreement (REIT Shares)*	8-K	001-34789	10.1	March 21, 2016
10.68	Form of 2016 Outperformance Program OPP Unit Agreement (LTIP Units)*	8-K	001-34789	10.2	March 21, 2016
10.69	Note Purchase Agreement, dated as of July 6, 2016, by and among Hudson Pacific Properties, L.P. and the purchasers named therein	10-Q	001-34789	10.8	August 4, 2016
10.70	Form of 2017 Outperformance Award Agreement (REIT Shares)*	8-K	001-34789	10.1	February 10, 2017
10.71	Form of 2017 Outperformance Award Agreement (LTIP Units)*	8-K	001-34789	10.2	February 10, 2017
10.72	Amended and Restated Hudson Pacific Properties, Inc. and Hudson Pacific Properties, L.P. 2010 Incentive Award Plan*	8-K	001-34789	10.1	May 25, 2017
10.73	Indemnification Agreement, dated August 16, 2017, by and between Hudson Pacific Properties, Inc. and Andrea Wong	10-Q	001-34789	10.2	November 6, 2017
10.74	Form of 2018 Outperformance Award Agreement (REIT Shares)*	10-K	001-34789	10.72	February 16, 2018
10.75	Form of 2018 Outperformance Award Agreement (LTIP Units)*	10-K	001-34789	10.73	February 16, 2018
10.76	Form of Amendment to Outperformance Award Agreement*	10-Q	001-34789	10.1	August 2, 2018
10.77	Form of Time-Based LTIP Unit Agreement*	8-K	001-34789	10.1	December 14, 2018
10.78	Form of 2019 Outperformance Award Agreement (REIT Shares)*	10-K	001-34789	10.75	February 19, 2019
10.79	Form of 2019 Outperformance Award Agreement (LTIP Units)*	10-K	001-34789	10.76	February 19, 2019
10.80	Indemnification Agreement, dated March 14, 2019, by and between Hudson Pacific Properties, Inc. and Christy Haubegger*	10-Q	001-34789	10.2	May 7, 2019
10.81	Form of Performance-Based LTIP Unit Agreement.*	10-K	001-34789	10.78	February 24, 2020
10.82	Amended and Restated Employment Agreement between Hudson Pacific Properties, Inc. and Victor J. Coleman, dated January 1, 2020.*	10-K	001-34789	10.79	February 24, 2020
10.83	Amended and Restated Employment Agreement between Hudson Pacific Properties, Inc. and Mark T. Lammass, dated January 1, 2020.*	10-K	001-34789	10.80	February 24, 2020
10.84	Amended and Restated Employment Agreement between Hudson Pacific Properties, Inc. and Alexander Vouvalides, dated January 1, 2020.*	10-K	001-34789	10.81	February 24, 2020
10.85	Amended and Restated Employment Agreement between Hudson Pacific Properties, Inc. and Christopher J. Barton, dated January 1, 2020.*	10-K	001-34789	10.82	February 24, 2020
10.86	Amended and Restated Employment Agreement between Hudson Pacific Properties, Inc. and Joshua Hatfield, dated January 1, 2020.*	10-K	001-34789	10.83	February 24, 2020
10.87	Employment Agreement between Hudson Pacific Properties, Inc. and Harout Diramerian, dated January 1, 2020.*	10-K	001-34789	10.84	February 24, 2020
10.88	Indemnification Agreement, dated January 1, 2020, by and between Hudson Pacific Properties, Inc. and Harout Diramerian.	10-K	001-34789	10.85	February 24, 2020

Exhibit No.	Description	Incorporated by Reference			
		Form	File No.	Exhibit No.	Filing Date
10.89	Note Purchase Agreement, dated as of November 16, 2015, by and among Hudson Pacific Properties, L.P. and the purchasers named therein, as amended by that certain First Amendment, dated as of November 7, 2019.	10-K	001-34789	10.88	February 24, 2020
10.90	Note Purchase Agreement, dated as of July 6, 2016, by and among Hudson Pacific Properties, L.P. and the purchasers named therein, as amended by that certain First Amendment, dated as of November 7, 2019.	10-K	001-34789	10.89	February 24, 2020
10.91	Fourth Amended and Restated Credit Agreement, dated as of December 21, 2021, by and among Hudson Pacific Properties, L.P., as borrower, each of the lenders party thereto, Wells Fargo Bank, National Association, as administrative agent	8-K	001-34789	10.1	December 21, 2021
10.92	Transition Agreement, dated as of February 8, 2021 between Alexander Vouvalides, Hudson Pacific Properties, Inc. and Hudson Pacific Properties, L.P.	8-K	001-34789	10.1	February 12, 2021
10.93	Transition Agreement, dated as of February 8, 2021 between Joshua Hatfield, Hudson Pacific Properties, Inc. and Hudson Pacific Properties, L.P.	8-K	001-34789	10.2	February 12, 2021
10.94	Indemnification Agreement, dated January 1, 2021, by and between Hudson Pacific Properties, Inc. and Karen Brodtkin.	10-K	001-34789	10.92	February 22, 2021
10.95	Form of Performance-Based LTIP Unit Agreement.*	10-K	001-34789	10.93	February 22, 2021
10.96	Employment Agreement between Hudson Pacific Properties, Inc. and Steven Jaffe, dated January 1, 2020.*+				
10.97	Indemnification Agreement, dated January 1, 2020, by and between Hudson Pacific Properties, Inc. and Steven Jaffe.+				
10.98	Employment Agreement between Hudson Pacific Properties, Inc. and Arthur Suazo, dated January 1, 2020.*+				
10.99	Indemnification Agreement, dated January 1, 2020, by and between Hudson Pacific Properties, Inc. and Arthur Suazo.+				
21.1	Subsidiaries of Hudson Pacific Properties, Inc.				
23.1	Consent of Independent Registered Public Accounting Firm+				
31.1	Certification of Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 for Hudson Pacific Properties, Inc.+				
31.2	Certification of Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 for Hudson Pacific Properties, Inc.+				
31.3	Certification of Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 for Hudson Pacific Properties, L.P.+				
31.4	Certification of Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 Hudson Pacific Properties, L.P.+				
32.1	Certifications by Chief Executive Officer and Chief Financial Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 for Hudson Pacific Properties, Inc.+				
32.2	Certifications by Chief Executive Officer and Chief Financial Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 for Hudson Pacific Properties, L.P.+				
99.1	Certificate of Correction	8-K	001-34789	99.1	January 23, 2012
101	The following financial information from Hudson Pacific Properties, Inc.'s Annual Report on Form 10-K for the year ended December 31, 2021 formatted in iXBRL (Inline eXtensible Business Reporting Language): (i) Consolidated Balance Sheets, (ii) Consolidated Statements of Operations, (iii) Consolidated Statements of Comprehensive Income (Loss), (iv) Consolidated Statements of Equity, (v) Consolidated Statements of Capital, (vi) Consolidated Statements of Cash Flows and (vii) Notes to Consolidated Financial Statements**				
104	Cover Page Interactive Data File (formatted in Inline XBRL and contained in Exhibit 101)				
*	Denotes a management contract or compensatory plan or arrangement.				
**	Pursuant to Rule 406T of Regulation S-T, the interactive data files on Exhibit 101 hereto are deemed not filed or part of a registration statement or prospectus for purposes of Section 11 or 12 of the Securities Act of 1933, as amended, are deemed not filed for purposes of Section 18 of the Securities and Exchange Act of 1934, as amended, and otherwise are not subject to liability under those sections.				
+	Filed herewith.				

ITEM 16. Form 10-K Summary

Not Applicable.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, Hudson Pacific Properties, Inc. has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

HUDSON PACIFIC PROPERTIES, INC.

February 18, 2022

/s/ VICTOR J. COLEMAN

VICTOR J. COLEMAN

Chief Executive Officer (Principal Executive Officer)

POWER OF ATTORNEY

KNOW ALL PERSONS BY THESE PRESENTS, that each person whose signature appears below does hereby constitute and appoint Victor J. Coleman and Mark T. Lammas, and each of them singly, our true and lawful attorneys with full power to them, and each of them singly, to sign for us and in our names in the capacities indicated below, the Form 10-K filed herewith and any and all amendments to said Form 10-K, and generally to do all such things in our names and in our capacities as officers and directors to enable Hudson Pacific Properties, Inc. to comply with the provisions of the Securities Exchange Act of 1934, as amended, and all requirements of the Securities and Exchange Commission in connection therewith, hereby ratifying and confirming our signatures as they may be signed by our said attorneys, or any of them, to said Form 10-K and any and all amendments thereto.

Pursuant to the requirements of the Securities Exchange Act of 1934 this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

Signature	Title	Date
/s/ VICTOR J. COLEMAN Victor J. Coleman	Chief Executive Officer and Chairman of the Board of Directors (Principal Executive Officer)	February 18, 2022
/s/ HAROUT K. DIRAMERIAN Harout K. Diramerian	Chief Financial Officer (Principal Financial Officer)	February 18, 2022
/s/ THEODORE R. ANTENUCCI Theodore R. Antenucci	Director	February 18, 2022
/s/ KAREN BRODKIN Karen Brodtkin	Director	February 18, 2022
/s/ RICHARD B. FRIED Richard B. Fried	Director	February 18, 2022
/s/ JONATHAN M. GLASER Jonathan M. Glaser	Director	February 18, 2022
/s/ ROBERT L. HARRIS II Robert L. Harris II	Director	February 18, 2022
/s/ CHRISTY HAUBEGGER Christy Haubegger	Director	February 18, 2022
/s/ MARK D. LINEHAN Mark D. Linehan	Director	February 18, 2022
/s/ BARRY A. PORTER Barry A. Porter	Director	February 18, 2022
/s/ ANDREA L. WONG Andrea L. Wong	Director	February 18, 2022

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, Hudson Pacific Properties, L.P. has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

HUDSON PACIFIC PROPERTIES, L.P.

February 18, 2022

/s/ VICTOR J. COLEMAN

VICTOR J. COLEMAN

Chief Executive Officer (Principal Executive Officer)

POWER OF ATTORNEY

KNOW ALL PERSONS BY THESE PRESENTS, that each person whose signature appears below does hereby constitute and appoint Victor J. Coleman and Mark T. Lammas, and each of them singly, our true and lawful attorneys with full power to them, and each of them singly, to sign for us and in our names in the capacities indicated below, the Form 10-K filed herewith and any and all amendments to said Form 10-K, and generally to do all such things in our names and in our capacities as officers and directors to enable Hudson Pacific Properties, Inc. as sole general partner and on behalf of Hudson Pacific Properties, L.P., to comply with the provisions of the Securities Exchange Act of 1934, as amended, and all requirements of the Securities and Exchange Commission in connection therewith, hereby ratifying and confirming our signatures as they may be signed by our said attorneys, or any of them, to said Form 10-K and any and all amendments thereto.

Pursuant to the requirements of the Securities Exchange Act of 1934 this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

Signature	Title	Date
/s/ VICTOR J. COLEMAN Victor J. Coleman	Chief Executive Officer and Chairman of the Board of Directors (Principal Executive Officer)	February 18, 2022
/s/ HAROUT K. DIRAMERIAN Harout K. Diramerian	Chief Financial Officer (Principal Financial Officer)	February 18, 2022
/s/ THEODORE R. ANTENUCCI Theodore R. Antenucci	Director	February 18, 2022
/s/ KAREN BRODKIN Karen Brodtkin	Director	February 18, 2022
/s/ RICHARD B. FRIED Richard B. Fried	Director	February 18, 2022
/s/ JONATHAN M. GLASER Jonathan M. Glaser	Director	February 18, 2022
/s/ ROBERT L. HARRIS II Robert L. Harris II	Director	February 18, 2022
/s/ CHRISTY HAUBEGGER Christy Haubegger	Director	February 18, 2022
/s/ MARK D. LINEHAN Mark D. Linehan	Director	February 18, 2022
/s/ BARRY A. PORTER Barry A. Porter	Director	February 18, 2022
/s/ ANDREA L. WONG Andrea L. Wong	Director	February 18, 2022

Report of Management on Internal Control over Financial Reporting

The management of Hudson Pacific Properties, Inc. is responsible for establishing and maintaining adequate internal control over financial reporting, as defined in Rules 13a-15(f) and 15d-15(f) under the Securities Exchange Act of 1934.

Our system of internal control is designed to provide reasonable assurance regarding the reliability of financial reporting and preparation of our financial statements for external reporting purposes in accordance with United States generally accepted accounting principles. Our management, including the undersigned Chief Executive Officer and Chief Financial Officer, assessed the effectiveness of our internal control over financial reporting as of December 31, 2021. In conducting its assessment, management used the criteria issued by the Committee of Sponsoring Organizations of the Treadway Commission on Internal Control—Integrated Framework (2013 Framework). Based on this assessment, management concluded that, as of December 31, 2021, our internal control over financial reporting was effective based on those criteria.

Management, including our Chief Executive Officer and Chief Financial Officer, does not expect that our disclosure controls and procedures, or our internal controls will prevent all error and fraud. A control system, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Further, the design of a control system must reflect the fact that there are resource constraints and the benefit of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, have been detected.

The effectiveness of our internal control over financial reporting as of December 31, 2021, has been audited by Ernst & Young LLP, the independent registered public accounting firm that audited the consolidated financial statements included in this annual report, as stated in their report appearing on page F-2, which expresses an unqualified opinion on the effectiveness of our internal control over financial reporting as of December 31, 2021.

/S/ VICTOR J. COLEMAN

Victor J. Coleman
Chief Executive Officer and
Chairman of the Board of Directors

/S/ HAROUT K. DIRAMERIAN

Harout K. Diramerian
Chief Financial Officer

Report of Independent Registered Public Accounting Firm

To the Shareholders and the Board of Directors of Hudson Pacific Properties, Inc.

Opinion on Internal Control Over Financial Reporting

We have audited Hudson Pacific Properties, Inc.'s internal control over financial reporting as of December 31, 2021, based on criteria established in Internal Control—Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework) (the COSO criteria). In our opinion, Hudson Pacific Properties, Inc. (the Company) maintained, in all material respects, effective internal control over financial reporting as of December 31, 2021, based on the COSO criteria.

As indicated in the accompanying Report of Management on Internal Control over Financial Reporting, management's assessment of and conclusion on the effectiveness of internal control over financial reporting did not include the internal controls of Zio Entertainment Network, LLC and Star Waggon, LLC, which are included in the 2021 consolidated financial statements of the Company and constituted 3% of total assets as of December 31, 2021 and 2% of revenues for the year then ended. Our audit of internal control over financial reporting of the Company also did not include an evaluation of the internal control over financial reporting of Zio Entertainment Network, LLC and Star Waggon, LLC.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated balance sheets of the Company as of December 31, 2021 and 2020, the related consolidated statements of operations, comprehensive income (loss), equity and cash flows for each of the three years in the period ended December 31, 2021, and the related notes and financial statement schedule listed in the Index at Item 15(a) and our report dated February 18, 2022 expressed an unqualified opinion thereon.

Basis for Opinion

The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting included in the accompanying Report of Management on Internal Control over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects.

Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Definition and Limitations of Internal Control Over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ Ernst & Young LLP

Los Angeles, California
February 18, 2022

Report of Independent Registered Public Accounting Firm

To the Shareholders and the Board of Directors of Hudson Pacific Properties, Inc.

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of Hudson Pacific Properties, Inc. (the “Company”) as of December 31, 2021 and 2020, the related consolidated statements of operations, comprehensive income (loss), equity and cash flows for each of the three years in the period ended December 31, 2021, and the related notes and financial statement schedule listed in the Index at Item 15(a) (collectively referred to as the “consolidated financial statements”). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company at December 31, 2021 and 2020, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2021, in conformity with U.S. generally accepted accounting principles.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company’s internal control over financial reporting as of December 31, 2021, based on criteria established in Internal Control-Integrated framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 Framework) and our report dated February 18, 2022 expressed an unqualified opinion thereon.

Basis for Opinion

These financial statements are the responsibility of the Company’s management. Our responsibility is to express an opinion on the Company’s financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matter

The critical audit matter communicated below is a matter arising from the current period audit of the financial statements that was communicated or required to be communicated to the audit committee and that: (1) relates to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective or complex judgments. The communication of the critical audit matter does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Purchase price accounting

Description of the Matter

During the year ended December 31, 2021, the Company acquired 100% of the equity interests in Zio Entertainment Network, LLC and Star Waggon, LLC for an aggregate purchase price of \$232.4 million. The transactions were accounted for as business combinations. As discussed in Note 2 to the consolidated financial statements, in a business combination, the Company estimates the fair value of the identifiable assets and liabilities of the acquired entity on the acquisition date, and the difference between the fair value of the consideration transferred for the acquisition and the fair value of the net assets acquired is recorded as goodwill. Acquisition-related expenses arising from the transaction are expensed as incurred. Auditing the Company's purchase price accounting was complex due to the significant estimation required by management in determining the fair value of acquired assets and assumed liabilities. In particular, significant estimation was used in management's selection of assumptions for customer retention rate and future revenues attributable to existing customers due to the judgmental nature of the inputs, including unobservable inputs. Furthermore, the selected assumptions for customer retention rates and future revenues attributable to existing customers are sensitive in affecting the measurement of the fair value of acquired customer relationship intangibles. Amortization of customer relationship intangibles is recorded in depreciation and amortization expense over the asset's related useful life.

How We Addressed the Matter in Our Audit

We obtained an understanding, evaluated the design and tested the operating effectiveness of the Company's controls over management's purchase price accounting, including controls over the Company's review of the assumptions underlying the purchase price allocation, the cash flow projections, and the accuracy of the underlying data used. Our testing of the Company's purchase price accounting included, among other procedures, assessing the valuation methods and significant assumptions used by management in developing the fair value estimates of the assets acquired and liabilities assumed. For example, we identified significant assumptions within the models by performing sensitivity analyses to determine if a reasonable variation in the assumption would materially affect the measurement of the related acquired asset. For the assumptions for customer retention rate and future revenues attributable to existing customers, we evaluated the reasonableness of management's selected assumptions by comparing to independently identified external market data sources and searching for contrary or corroborating evidence within other sources of internal information. We involved our valuation specialists in verifying the appropriateness of management's valuation methods and models. We also evaluated the completeness and accuracy of the underlying data supporting management's purchase price accounting, tested the incorporation of the significant assumptions in the purchase price accounting, and recalculated the models' results for clerical accuracy.

/s/ Ernst & Young LLP

We have served as the Company's auditor since 2009.

Los Angeles, California
February 18, 2022

HUDSON PACIFIC PROPERTIES, INC.
CONSOLIDATED BALANCE SHEETS
(in thousands, except share data)

	December 31, 2021	December 31, 2020
ASSETS		
Investment in real estate, at cost	\$ 8,361,477	\$ 8,215,017
Accumulated depreciation and amortization	(1,283,774)	(1,102,748)
Investment in real estate, net	7,077,703	7,112,269
Non-real estate property, plant and equipment, net	58,469	8,444
Cash and cash equivalents	96,555	113,686
Restricted cash	100,321	35,854
Accounts receivable, net	25,339	22,105
Straight-line rent receivables, net	240,306	225,685
Deferred leasing costs and intangible assets, net	341,444	285,836
U.S. Government securities	129,321	135,115
Operating lease right-of-use asset	287,041	264,880
Prepaid expenses and other assets, net	119,000	55,469
Investment in unconsolidated real estate entities	154,731	82,105
Goodwill	109,439	8,754
Assets associated with real estate held for sale	250,520	—
TOTAL ASSETS	\$ 8,990,189	\$ 8,350,202
LIABILITIES AND EQUITY		
Liabilities		
Unsecured and secured debt, net	\$ 3,733,903	\$ 3,399,492
In-substance defeased debt	128,212	131,707
Joint venture partner debt	66,136	66,136
Accounts payable, accrued liabilities and other	300,959	235,860
Operating lease liability	293,596	270,014
Intangible liabilities, net	42,290	49,144
Security deposits and prepaid rent	84,939	92,180
Liabilities associated with real estate held for sale	3,898	—
Total liabilities	4,653,933	4,244,533
Redeemable preferred units of the operating partnership	9,815	9,815
Redeemable non-controlling interest in consolidated real estate entities	129,449	127,874
Equity		
Hudson Pacific Properties, Inc. stockholders' equity:		
Preferred stock, \$0.01 par value, 18,400,000 and 10,000,000 authorized at December 31, 2021 and 2020, respectively; 4.750% series C cumulative redeemable preferred stock; \$25.00 per share liquidation preference, 17,000,000 and no shares outstanding at December 31, 2021 and 2020, respectively	425,000	—
Common stock, \$0.01 par value, 481,600,000 and 490,000,000 authorized, 151,124,543 and 151,401,365 shares outstanding at December 31, 2021 and 2020, respectively	1,511	1,514
Additional paid-in capital	3,317,072	3,469,758
Accumulated other comprehensive loss	(1,761)	(8,133)
Total Hudson Pacific Properties, Inc. stockholders' equity	3,741,822	3,463,139
Non-controlling interest—members in consolidated real estate entities	402,971	467,009
Non-controlling interest—units in the operating partnership	52,199	37,832
Total equity	4,196,992	3,967,980
TOTAL LIABILITIES AND EQUITY	\$ 8,990,189	\$ 8,350,202

The accompanying notes are an integral part of these consolidated financial statements.

HUDSON PACIFIC PROPERTIES, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS
(in thousands, except share data)

	Year Ended December 31,		
	2021	2020	2019
REVENUES			
Office			
Rental	\$ 782,736	\$ 721,286	\$ 708,564
Service and other revenues	12,634	14,633	25,171
Total office revenues	795,370	735,919	733,735
Studio			
Rental	49,985	48,756	51,340
Service and other revenues	51,480	20,290	33,107
Total studio revenues	101,465	69,046	84,447
Total revenues	896,835	804,965	818,182
OPERATING EXPENSES			
Office operating expenses	280,334	262,199	256,209
Studio operating expenses	55,513	37,580	45,313
General and administrative	71,346	77,882	71,947
Depreciation and amortization	343,614	299,682	282,088
Total operating expenses	750,807	677,343	655,557
OTHER INCOME (EXPENSE)			
Income (loss) from unconsolidated real estate entities	1,822	736	(747)
Fee income	3,221	2,815	1,459
Interest expense	(121,939)	(113,823)	(105,101)
Interest income	3,794	4,089	4,044
Management services reimbursement income—unconsolidated real estate entities	1,132	—	—
Management services expense—unconsolidated real estate entities	(1,132)	—	—
Transaction-related expenses	(8,911)	(440)	(667)
Unrealized gain (loss) on non-real estate investments	16,571	(2,463)	—
Gains on sale of real estate	—	—	47,100
Impairment loss	(2,762)	—	(52,201)
Loss on extinguishment of debt	(6,259)	(2,654)	(744)
Other (expense) income	(2,553)	548	78
Total other expense	(117,016)	(111,192)	(106,779)
Net income	29,012	16,430	55,846
Net income attributable to Series A preferred units	(612)	(612)	(612)
Net income attributable to Series C preferred shares	(2,281)	—	—
Net income attributable to participating securities	(1,090)	(1,041)	(692)
Net income attributable to non-controlling interest in consolidated real estate entities	(21,806)	(18,955)	(13,352)
Net loss attributable to redeemable non-controlling interest in consolidated real estate entities	2,902	4,571	1,994
Net income attributable to non-controlling interest in the operating partnership	(61)	(10)	(459)
NET INCOME ATTRIBUTABLE TO COMMON STOCKHOLDERS	\$ 6,064	\$ 383	42,725
BASIC AND DILUTED PER SHARE AMOUNTS			
Net income attributable to common stockholders—basic	\$ 0.04	\$ 0.00	\$ 0.28
Net income attributable to common stockholders—diluted	\$ 0.04	\$ 0.00	\$ 0.28
Weighted average shares of common stock outstanding—basic	151,618,282	153,126,027	154,404,427
Weighted average shares of common stock outstanding—diluted	151,943,360	153,169,025	156,602,408

The accompanying notes are an integral part of these consolidated financial statements.

HUDSON PACIFIC PROPERTIES, INC.
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)
(in thousands)

	Year Ended December 31,		
	2021	2020	2019
Net income	\$ 29,012	\$ 16,430	\$ 55,846
Currency translation adjustments	(1,064)	1,394	1,845
Net gains (losses) on derivative instruments:			
Unrealized gains (losses)	171	(14,471)	(14,533)
Reclassification adjustment for realized losses (gains)	7,360	5,444	(5,490)
Total net gains (losses) on derivative instruments:	7,531	(9,027)	(20,023)
Total other comprehensive income (loss)	6,467	(7,633)	(18,178)
Comprehensive income	35,479	8,797	37,668
Comprehensive income attributable to Series A preferred units	(612)	(612)	(612)
Comprehensive income attributable to Series C preferred units	(2,281)	—	—
Comprehensive income attributable to participating securities	(1,090)	(1,041)	(692)
Comprehensive income attributable to non-controlling interest in consolidated real estate entities	(21,806)	(18,955)	(13,352)
Comprehensive loss attributable to redeemable non-controlling interest in consolidated real estate entities	2,902	4,571	1,994
Comprehensive (income) loss attributable to non-controlling interest in the operating partnership	(156)	51	(343)
COMPREHENSIVE INCOME (LOSS) ATTRIBUTABLE TO COMMON STOCKHOLDERS	\$ 12,436	\$ (7,189)	\$ 24,663

The accompanying notes are an integral part of these consolidated financial statements.

HUDSON PACIFIC PROPERTIES, INC.
CONSOLIDATED STATEMENTS OF EQUITY
(in thousands, except share data)

	Hudson Pacific Properties, Inc. Stockholders' Equity						Non-controlling Interest		
	Series C Cumulative Redeemable Preferred Stock	Shares of Common Stock	Stock Amount	Additional Paid-in Capital	(Accumulated Deficit) Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Units in the Operating Partnership	Members in Consolidated Real Estate Entities	Total Equity
Balance, December 31, 2018	\$ —	154,371,538	\$ 1,543	\$ 3,524,502	\$ —	\$ 17,501	\$ 18,338	\$ 268,246	\$ 3,830,130
Cumulative adjustment related to adoption of ASC 842	—	—	—	—	(2,105)	—	—	—	(2,105)
Distributions	—	—	—	—	—	—	—	(12,111)	(12,111)
Issuance of unrestricted stock	—	554,237	5	(5)	—	—	—	—	—
Shares withheld to satisfy tax withholding obligations	—	(234,723)	(2)	(7,682)	—	—	—	—	(7,684)
Declared dividend	—	—	—	(114,283)	(41,312)	—	(2,230)	—	(157,825)
Amortization of stock-based compensation	—	—	—	13,276	—	—	7,156	—	20,432
Net income	—	—	—	—	43,417	—	459	13,352	57,228
Other comprehensive loss	—	—	—	—	—	(18,062)	(116)	—	(18,178)
Redemption of common units in the operating partnership	—	—	—	—	—	—	(525)	—	(525)
Balance, December 31, 2019	—	154,691,052	1,546	3,415,808	—	(561)	23,082	269,487	3,709,362
Contributions	—	—	—	—	—	—	—	138,124	138,124
Sale of non-controlling interest	—	—	—	300,104	—	—	—	67,038	367,142
Distributions	—	—	—	—	—	—	—	(26,595)	(26,595)
Transaction costs	—	—	—	(16,047)	—	—	—	—	(16,047)
Issuance of unrestricted stock	—	420,970	5	(5)	—	—	—	—	—
Shares withheld to satisfy tax withholding obligations	—	(225,314)	(2)	(7,580)	—	—	—	—	(7,582)
Repurchase of common stock	—	(3,485,343)	(35)	(80,178)	—	—	—	—	(80,213)
Declared dividend	—	—	—	(151,772)	(1,424)	—	(1,800)	—	(154,996)
Amortization of stock-based compensation	—	—	—	9,428	—	—	16,601	—	26,029
Net income	—	—	—	—	1,424	—	10	18,955	20,389
Other comprehensive loss	—	—	—	—	—	(7,572)	(61)	—	(7,633)
Balance, December 31, 2020	—	151,401,365	1,514	3,469,758	—	(8,133)	37,832	467,009	3,967,980
Contributions	—	—	—	—	—	—	—	24,718	24,718
Distributions	—	—	—	—	—	—	—	(110,562)	(110,562)
Proceeds from sale of common stock, net of underwriters discount and transaction costs	—	1,526,163	15	44,805	—	—	—	—	44,820
Transaction costs	—	—	—	(243)	—	—	—	—	(243)
Issuance of unrestricted stock	—	222,781	2	(2)	—	—	—	—	—
Issuance of Series C cumulative redeemable preferred stock	425,000	—	—	(11,993)	—	—	—	—	413,007
Shares withheld to satisfy tax withholding obligations	—	(90,843)	(1)	(2,205)	—	—	—	—	(2,206)
Repurchase of common stock	—	(1,934,923)	(19)	(46,118)	—	—	—	—	(46,137)
Declared dividend	(2,281)	—	—	(145,158)	(7,154)	—	(2,248)	—	(156,841)
Amortization of stock-based compensation	—	—	—	8,228	—	—	16,459	—	24,687
Net income	2,281	—	—	—	7,154	—	61	21,806	31,302
Other comprehensive income	—	—	—	—	—	6,372	95	—	6,467
Balance, December 31, 2021	\$ 425,000	151,124,543	\$ 1,511	\$ 3,317,072	\$ —	\$ (1,761)	\$ 52,199	\$ 402,971	\$ 4,196,992

The accompanying notes are an integral part of these consolidated financial statements.

HUDSON PACIFIC PROPERTIES, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(in thousands)

	Year Ended December 31,		
	2021	2020	2019
CASH FLOWS FROM OPERATING ACTIVITIES			
Net income	\$ 29,012	\$ 16,430	\$ 55,846
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and amortization	343,614	299,682	282,088
Non-cash portion of interest expense	10,463	6,885	5,514
Amortization of stock-based compensation	21,163	22,723	19,481
(Income) loss from unconsolidated real estate entities	(1,822)	(736)	747
Unrealized (gain) loss on non-real estate investment	(16,571)	2,463	—
Straight-line rents	(21,895)	(30,357)	(52,959)
Straight-line rent expenses	1,421	1,462	1,463
Amortization of above- and below-market leases, net	(11,415)	(9,635)	(12,836)
Amortization of above- and below-market ground lease, net	2,367	2,352	2,460
Amortization of lease incentive costs	1,885	1,915	1,771
Distribution of income from unconsolidated entities	1,916	—	—
Impairment loss	2,762	—	52,201
Gains on sale of real estate	—	—	(47,100)
Loss on extinguishment of debt	6,259	2,654	744
Change in operating assets and liabilities:			
Accounts receivable	3,523	(9,098)	699
Deferred leasing costs and lease intangibles	(19,831)	(13,276)	(46,645)
Prepaid expenses and other assets	(32,669)	(9,117)	(11,165)
Accounts payable, accrued liabilities and other	(38)	11,693	18,202
Security deposits and prepaid rent	(5,281)	5,992	17,500
Net cash provided by operating activities	314,863	302,032	288,011
CASH FLOWS FROM INVESTING ACTIVITIES			
Additions to investment property	(338,629)	(402,283)	(385,751)
Property acquisitions	(118,907)	(593,945)	—
Acquisitions of businesses	(209,854)	—	—
Maturities of U.S. Government securities	5,778	5,656	6,226
Proceeds from sales of real estate	—	—	147,824
Contributions to non-real estate investments	(12,397)	(3,404)	—
Distributions from non-real estate investments	53	1,238	—
Proceeds from sale of non-real estate investment	—	1,042	—
Distributions from unconsolidated real estate entities	1,654	1,608	290
Contributions to unconsolidated real estate entities	(75,585)	(16,756)	(64,498)
Additions to non-real estate property, plant and equipment	(6,321)	—	—
Deposits for property acquisitions	—	—	(20,500)
Net cash used in investing activities	(754,208)	(1,006,844)	(316,409)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from unsecured and secured debt	1,450,500	1,736,914	1,215,647
Payments of unsecured and secured debt	(1,117,903)	(1,150,097)	(1,010,569)
Payments of in-substance defeased debt	(3,494)	(3,323)	(3,193)
Proceeds from sale of common stock	44,974	—	—
Proceeds from issuance of Series C cumulative redeemable preferred stock	413,007	—	—
Transaction costs	(397)	(16,047)	—
Repurchase of common stock	(46,137)	(80,213)	—
Repurchase of operating partnership units	—	—	(525)
Dividends paid to common stock and unitholders	(154,560)	(154,996)	(157,825)
Dividends paid to Series A preferred unitholders	(612)	(612)	(612)
Contributions from redeemable non-controlling members in consolidated real estate entities	4,493	7,201	14,128
Distributions to redeemable non-controlling members in consolidated real estate entities	(16)	(16)	(15)
Contributions from non-controlling members in consolidated real estate entities	24,718	138,124	—
Distributions to non-controlling members in consolidated real estate entities	(110,562)	(26,595)	(12,111)
Proceeds from sale of non-controlling interest	—	367,500	—
Payments to satisfy tax withholding obligations	(2,206)	(7,582)	(7,684)
Payment of loan costs	(15,124)	(14,164)	(18,776)
Net cash provided by financing activities	486,681	796,094	18,465
Net increase (decrease) in cash and cash equivalents and restricted cash	47,336	91,282	(9,933)
Cash and cash equivalents and restricted cash—beginning of period	149,540	58,258	68,191
CASH AND CASH EQUIVALENTS AND RESTRICTED CASH—END OF PERIOD	\$ 196,876	\$ 149,540	\$ 58,258

The accompanying notes are an integral part of these consolidated financial statements.

Report of Independent Registered Public Accounting Firm

To the Partners of Hudson Pacific Properties, L.P.

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of Hudson Pacific Properties, L.P. as of December 31, 2021 and 2020, the related consolidated statements of operations, comprehensive income (loss), capital and cash flows for each of the three years in the period ended December 31, 2021, and the related notes and financial statement schedule listed in the Index at Item 15(a) (collectively referred to as the “consolidated financial statements”). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Operating Partnership at December 31, 2021 and 2020, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2021, in conformity with U.S. generally accepted accounting principles.

Basis for Opinion

These financial statements are the responsibility of the Operating Partnership’s management. Our responsibility is to express an opinion on the Operating Partnership’s financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Operating Partnership in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Operating Partnership is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Operating Partnership’s internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matter

The critical audit matter communicated below is a matter arising from the current period audit of the financial statements that was communicated or required to be communicated to the audit committee and that: (1) relates to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of the critical audit matter does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Purchase price accounting

Description of the Matter

During the year ended December 31, 2021, the Operating Partnership acquired 100% of the equity interests in Zio Entertainment Network, LLC and Star Waggon, LLC for an aggregate purchase price of \$232.4 million. The transactions were accounted for as business combinations. As discussed in Note 2 to the consolidated financial statements, in a business combination, the Operating Partnership estimates the fair value of the identifiable assets and liabilities of the acquired entity on the acquisition date, and the difference between the fair value of the consideration transferred for the acquisition and the fair value of the net assets acquired is recorded as goodwill. Acquisition-related expenses arising from the transaction are expensed as incurred. Auditing the Operating Partnership's purchase price accounting was complex due to the significant estimation required by management in determining the fair value of acquired assets and assumed liabilities. In particular, significant estimation was used in management's selection of assumptions for customer retention rate and future revenues attributable to existing customers due to the judgmental nature of the inputs, including unobservable inputs. Furthermore, the selected assumptions for customer retention rates and future revenues attributable to existing customers are sensitive in affecting the measurement of the fair value of acquired customer relationship intangibles. Amortization of customer relationship intangibles is recorded in depreciation and amortization expense over the asset's related useful life.

How We Addressed the Matter in Our Audit

We obtained an understanding, evaluated the design and tested the operating effectiveness of the Operating Partnership's controls over management's purchase price accounting, including controls over the Operating Partnership's review of the assumptions underlying the purchase price allocation, the cash flow projections, and the accuracy of the underlying data used.

Our testing of the Operating Partnership's purchase price accounting included, among other procedures, assessing the valuation methods and significant assumptions used by management in developing the fair value estimates of the assets acquired and liabilities assumed. For example, we identified significant assumptions within the models by performing sensitivity analyses to determine if a reasonable variation in the assumption would materially affect the measurement of the related acquired asset or assumed liability. For the assumptions for customer retention rate and future revenues attributable to existing customers, we evaluated the reasonableness of management's selected assumptions by comparing to independently identified external market data sources and searching for contrary or corroborating evidence within other sources of internal information. We involved our valuation specialists in verifying the appropriateness of management's valuation methods and models. We also evaluated the completeness and accuracy of the underlying data supporting management's purchase price accounting, tested the incorporation of the significant assumptions in the purchase price accounting, and recalculated the models' results for clerical accuracy.

/s/ Ernst & Young LLP

We have served as the Operating Partnership's auditor since 2015.

Los Angeles, California
February 18, 2022

HUDSON PACIFIC PROPERTIES, L.P.
CONSOLIDATED BALANCE SHEETS
(in thousands, except share data)

	December 31, 2021	December 31, 2020
ASSETS		
Investment in real estate, at cost	\$ 8,361,477	\$ 8,215,017
Accumulated depreciation and amortization	(1,283,774)	(1,102,748)
Investment in real estate, net	7,077,703	7,112,269
Non-real estate property, plant and equipment, net	58,469	8,444
Cash and cash equivalents	96,555	113,686
Restricted cash	100,321	35,854
Accounts receivable, net	25,339	22,105
Straight-line rent receivables, net	240,306	225,685
Deferred leasing costs and intangible assets, net	341,444	285,836
U.S. Government securities	129,321	135,115
Operating lease right-of-use asset	287,041	264,880
Prepaid expenses and other assets, net	119,000	55,469
Investment in unconsolidated real estate entities	154,731	82,105
Goodwill	109,439	8,754
Assets associated with real estate held for sale	250,520	—
TOTAL ASSETS	\$ 8,990,189	\$ 8,350,202
LIABILITIES AND CAPITAL		
Liabilities		
Unsecured and secured debt, net	\$ 3,733,903	\$ 3,399,492
In-substance defeased debt	128,212	131,707
Joint venture partner debt	66,136	66,136
Accounts payable, accrued liabilities and other	300,959	235,860
Operating lease liability	293,596	270,014
Intangible liabilities, net	42,290	49,144
Security deposits and prepaid rent	84,939	92,180
Liabilities associated with real estate held for sale	3,898	—
Total liabilities	4,653,933	4,244,533
Capital		
Redeemable preferred units of the operating partnership	9,815	9,815
Redeemable non-controlling interest in consolidated real estate entities	129,449	127,874
Hudson Pacific Properties, L.P. partners' capital:		
4.750% series C cumulative redeemable preferred units, \$25.00 per unit liquidation preference, 17,000,000 and no units outstanding at December 31, 2021 and 2020, respectively	425,000	—
Common units, 152,967,441 and 152,722,448 outstanding at December 31, 2021 and 2020, respectively.	3,370,800	3,509,217
Accumulated other comprehensive loss	(1,779)	(8,246)
Total Hudson Pacific Properties, L.P. partners' capital	3,794,021	3,500,971
Non-controlling interest—members in consolidated real estate entities	402,971	467,009
Total capital	4,196,992	3,967,980
TOTAL LIABILITIES AND CAPITAL	\$ 8,990,189	\$ 8,350,202

The accompanying notes are an integral part of these consolidated financial statements.

HUDSON PACIFIC PROPERTIES, L.P.
CONSOLIDATED STATEMENTS OF OPERATIONS
(in thousands, except share data)

	Year Ended December 31,		
	2021	2020	2019
REVENUES			
Office			
Rental	\$ 782,736	\$ 721,286	\$ 708,564
Service and other revenues	12,634	14,633	25,171
Total office revenues	795,370	735,919	733,735
Studio			
Rental	49,985	48,756	51,340
Service and other revenues	51,480	20,290	33,107
Total studio revenues	101,465	69,046	84,447
Total revenues	896,835	804,965	818,182
OPERATING EXPENSES			
Office operating expenses	280,334	262,199	256,209
Studio operating expenses	55,513	37,580	45,313
General and administrative	71,346	77,882	71,947
Depreciation and amortization	343,614	299,682	282,088
Total operating expenses	750,807	677,343	655,557
OTHER INCOME (EXPENSE)			
Income (loss) from unconsolidated real estate entities	1,822	736	(747)
Fee income	3,221	2,815	1,459
Interest expense	(121,939)	(113,823)	(105,101)
Interest income	3,794	4,089	4,044
Management services reimbursement income—unconsolidated real estate entities	1,132	—	—
Management services expense—unconsolidated real estate entities	(1,132)	—	—
Transaction-related expenses	(8,911)	(440)	(667)
Unrealized gain (loss) on non-real estate investments	16,571	(2,463)	—
Gains on sale of real estate	—	—	47,100
Impairment loss	(2,762)	—	(52,201)
Loss on extinguishment of debt	(6,259)	(2,654)	(744)
Other (expense) income	(2,553)	548	78
Total other expense	(117,016)	(111,192)	(106,779)
Net income	29,012	16,430	55,846
Net income attributable to non-controlling interest in consolidated real estate entities	(21,806)	(18,955)	(13,352)
Net loss attributable to redeemable non-controlling interest in consolidated real estate entities	2,902	4,571	1994
Net income attributable to Hudson Pacific Properties, L.P.	10,108	2,046	44,488
Net income attributable to Series A preferred units	(612)	(612)	(612)
Net income attributable to Series C preferred units	(2,281)	—	—
Net income attributable to participating securities	(1,090)	(1,041)	(922)
NET INCOME AVAILABLE TO COMMON UNITHOLDERS	\$ 6,125	\$ 393	\$ 42,954
BASIC AND DILUTED PER UNIT AMOUNTS			
Net income attributable to common unitholders—basic	\$ 0.04	\$ 0.00	\$ 0.28
Net income attributable to common unitholders—diluted	\$ 0.04	\$ 0.00	\$ 0.28
Weighted average shares of common units outstanding—basic	153,007,287	154,040,775	155,094,997
Weighted average shares of common units outstanding—diluted	153,332,365	154,083,773	156,112,602

The accompanying notes are an integral part of these consolidated financial statements.

HUDSON PACIFIC PROPERTIES, L.P.
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)
(in thousands)

	Year Ended December 31,		
	2021	2020	2019
Net income	\$ 29,012	\$ 16,430	\$ 55,846
Currency translation adjustments	(1,064)	1,394	1,845
Net gains (losses) on derivative instruments:			
Unrealized gains (losses)	171	(14,471)	(14,533)
Reclassification adjustment for realized losses (gains)	7,360	5,444	(5,490)
Total net gains (losses) on derivative instruments:	7,531	(9,027)	(20,023)
Total other comprehensive income (loss)	6,467	(7,633)	(18,178)
Comprehensive income	35,479	8,797	37,668
Comprehensive income attributable to Series A preferred units	(612)	(612)	(612)
Comprehensive income attributable to Series C preferred units	(2,281)	—	—
Comprehensive income attributable to participating securities	(1,090)	(1,041)	(922)
Comprehensive income attributable to non-controlling interest in consolidated real estate entities	(21,806)	(18,955)	(13,352)
Comprehensive loss attributable to redeemable non-controlling interest in consolidated real estate entities	2,902	4,571	1,994
COMPREHENSIVE INCOME (LOSS) ATTRIBUTABLE TO PARTNERS' CAPITAL	\$ 12,592	\$ (7,240)	\$ 24,776

The accompanying notes are an integral part of these consolidated financial statements.

HUDSON PACIFIC PROPERTIES, L.P.
CONSOLIDATED STATEMENTS OF CAPITAL
(in thousands, except share data)

	Partners' Capital					Non-controlling Interest— Members in Consolidated Real Estate Entities	Total Capital
	Preferred Units	Number of Common Units	Common Units	Accumulated Other Comprehensive Income (Loss)	Total Partners' Capital		
Balance, December 31, 2018	\$ —	154,940,583	\$ 3,544,319	\$ 17,565	\$ 3,561,884	\$ 268,246	\$ 3,830,130
Cumulative adjustment related to adoption of ASC 842	—	—	(2,105)	—	(2,105)	—	(2,105)
Distributions	—	—	—	—	—	(12,111)	(12,111)
Issuance of unrestricted units	—	915,126	—	—	—	—	—
Units withheld to satisfy tax withholding obligations	—	(234,723)	(7,684)	—	(7,684)	—	(7,684)
Declared distributions	—	—	(157,825)	—	(157,825)	—	(157,825)
Amortization of unit-based compensation	—	—	20,432	—	20,432	—	20,432
Net income	—	—	43,876	—	43,876	13,352	57,228
Other comprehensive loss	—	—	—	(18,178)	(18,178)	—	(18,178)
Redemption of common units	—	(18,076)	(525)	—	(525)	—	(525)
Balance, December 31, 2019	—	155,602,910	3,440,488	(613)	3,439,875	269,487	3,709,362
Contributions	—	—	—	—	—	138,124	138,124
Sale of non-controlling interest	—	—	300,104	—	300,104	67,038	367,142
Distributions	—	—	—	—	—	(26,595)	(26,595)
Transaction costs	—	—	(16,047)	—	(16,047)	—	(16,047)
Issuance of unrestricted units	—	830,195	—	—	—	—	—
Units withheld to satisfy tax withholding obligations	—	(225,314)	(7,582)	—	(7,582)	—	(7,582)
Repurchase of common units	—	(3,485,343)	(80,213)	—	(80,213)	—	(80,213)
Declared distributions	—	—	(154,996)	—	(154,996)	—	(154,996)
Amortization of unit-based compensation	—	—	26,029	—	26,029	—	26,029
Net income	—	—	1,434	—	1,434	18,955	20,389
Other comprehensive loss	—	—	—	(7,633)	(7,633)	—	(7,633)
Balance, December 31, 2020	—	152,722,448	3,509,217	(8,246)	3,500,971	467,009	3,967,980
Contributions	—	—	—	—	—	24,718	24,718
Distributions	—	—	—	—	—	(110,562)	(110,562)
Proceeds from sale of common stock, net of underwriters discount and transaction costs	—	1,526,163	44,820	—	44,820	—	44,820
Transaction costs	—	—	(243)	—	(243)	—	(243)
Issuance of unrestricted units	—	744,596	—	—	—	—	—
Issuance of Series C cumulative redeemable preferred units	425,000	—	(11,993)	—	413,007	—	413,007
Units withheld to satisfy tax withholding obligations	—	(90,843)	(2,206)	—	(2,206)	—	(2,206)
Repurchase of common units	—	(1,934,923)	(46,137)	—	(46,137)	—	(46,137)
Declared distributions	(2,281)	—	(154,560)	—	(156,841)	—	(156,841)
Amortization of unit-based compensation	—	—	24,687	—	24,687	—	24,687
Net income	2,281	—	7,215	—	9,496	21,806	31,302
Other comprehensive income	—	—	—	6,467	6,467	—	6,467
Balance, December 31, 2021	\$ 425,000	152,967,441	\$ 3,370,800	\$ (1,779)	\$ 3,794,021	\$ 402,971	\$ 4,196,992

The accompanying notes are an integral part of these consolidated financial statements.

HUDSON PACIFIC PROPERTIES, L.P.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(in thousands)

	Year Ended December 31,		
	2021	2020	2019
CASH FLOWS FROM OPERATING ACTIVITIES			
Net income	\$ 29,012	\$ 16,430	\$ 55,846
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and amortization	343,614	299,682	282,088
Non-cash portion of interest expense	10,463	6,885	5,514
Amortization of unit-based compensation	21,163	22,723	19,481
(Income) loss from unconsolidated real estate entities	(1,822)	(736)	747
Unrealized (gain) loss on non-real estate investment	(16,571)	2,463	—
Straight-line rents	(21,895)	(30,357)	(52,959)
Straight-line rent expenses	1,421	1,462	1,463
Amortization of above- and below-market leases, net	(11,415)	(9,635)	(12,836)
Amortization of above- and below-market ground lease, net	2,367	2,352	2,460
Amortization of lease incentive costs	1,885	1,915	1,771
Distribution of income from unconsolidated entities	1,916	—	—
Impairment loss	2,762	—	52,201
Gains on sale of real estate	—	—	(47,100)
Loss on extinguishment of debt	6,259	2,654	744
Change in operating assets and liabilities:			
Accounts receivable	3,523	(9,098)	699
Deferred leasing costs and lease intangibles	(19,831)	(13,276)	(46,645)
Prepaid expenses and other assets	(32,669)	(9,117)	(11,165)
Accounts payable, accrued liabilities and other	(38)	11,693	18,202
Security deposits and prepaid rent	(5,281)	5,992	17,500
Net cash provided by operating activities	314,863	302,032	288,011
CASH FLOWS FROM INVESTING ACTIVITIES			
Additions to investment property	(338,629)	(402,283)	(385,751)
Property acquisitions	(118,907)	(593,945)	—
Acquisition of businesses	(209,854)	—	—
Maturities of U.S. Government securities	5,778	5,656	6,226
Proceeds from sales of real estate	—	—	147,824
Contributions to non-real estate investments	(12,397)	(3,404)	—
Distributions from non-real estate investments	53	1,238	—
Proceeds from sale of non-real estate investment	—	1,042	—
Distributions from unconsolidated real estate entities	1,654	1,608	290
Contributions to unconsolidated real estate entities	(75,585)	(16,756)	(64,498)
Additions to non-real estate property, plant and equipment	(6,321)	—	—
Deposits for property acquisitions	—	—	(20,500)
Net cash used in investing activities	(754,208)	(1,006,844)	(316,409)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from unsecured and secured debt	1,450,500	1,736,914	1,215,647
Payments of unsecured and secured debt	(1,117,903)	(1,150,097)	(1,010,569)
Payments of in-substance defeased debt	(3,494)	(3,323)	(3,193)
Proceeds from sale of common stock	44,974	—	—
Proceeds from issuance of Series C preferred stock	413,007	—	—
Transaction costs	(397)	(16,047)	—
Repurchase of common units	(46,137)	(80,213)	—
Repurchase of operating partnership units	—	—	(525)
Distributions paid to common stock and unitholders	(154,560)	(154,996)	(157,825)
Dividends paid to Series A preferred unitholders	(612)	(612)	(612)
Contributions from redeemable non-controlling members in consolidated real estate entities	4,493	7,201	14,128
Distributions to redeemable non-controlling members in consolidated real estate entities	(16)	(16)	(15)
Contributions from non-controlling members in consolidated real estate entities	24,718	138,124	—
Distributions to non-controlling members in consolidated real estate entities	(110,562)	(26,595)	(12,111)
Proceeds from sale of non-controlling interest	—	367,500	—
Payments to satisfy tax withholding obligations	(2,206)	(7,582)	(7,684)
Payment of loan costs	(15,124)	(14,164)	(18,776)
Net cash provided by financing activities	486,681	796,094	18,465
Net increase (decrease) in cash and cash equivalents and restricted cash	47,336	91,282	(9,933)
Cash and cash equivalents and restricted cash—beginning of period	149,540	58,258	68,191
CASH AND CASH EQUIVALENTS AND RESTRICTED CASH—END OF PERIOD	\$ 196,876	\$ 149,540	\$ 58,258

The accompanying notes are an integral part of these consolidated financial statements.

Hudson Pacific Properties, Inc. and Hudson Pacific Properties, L.P.
Notes to Consolidated Financial Statements
(Tabular amounts in thousands, except square footage and share/unit data)

1. Organization

Hudson Pacific Properties, Inc. is a Maryland corporation formed on November 9, 2009 as a fully integrated, self-administered and self-managed real estate investment trust ("REIT"). Through its controlling interest in the operating partnership and its subsidiaries, Hudson Pacific Properties, Inc. owns, manages, leases, acquires and develops real estate, consisting primarily of office and studio properties. Unless otherwise indicated or unless the context requires otherwise, all references in these financial statements to "the Company" refer to Hudson Pacific Properties, Inc. together with its consolidated subsidiaries, including Hudson Pacific Properties, L.P. Unless otherwise indicated or unless the context requires otherwise, all references to "our operating partnership" or "the operating partnership" refer to Hudson Pacific Properties, L.P. together with its consolidated subsidiaries.

The Company's portfolio consists of properties located throughout Northern and Southern California, the Pacific Northwest, Western Canada and Greater London, United Kingdom. The following table summarizes the Company's portfolio as of December 31, 2021:

Segments	Number of Properties	Square Feet (unaudited)
Consolidated portfolio		
Office	53	14,268,741
Studio	3	1,224,403
Land	6	2,504,406
Total consolidated portfolio	62	17,997,550
Unconsolidated portfolio⁽¹⁾		
Office	1	1,500,290
Studio ⁽²⁾	1	241,000
Land ⁽³⁾	2	450,000
Total unconsolidated portfolio	4	2,191,290
TOTAL⁽⁴⁾	66	20,188,840

1. The Company owns 20% of the unconsolidated joint venture entity which owns the Bentall Centre property, 50% of the unconsolidated joint venture entity that owns the Sunset Glenoaks Studios and 35% of the unconsolidated joint venture entity that owns the Sunset Waltham Cross Studios development. The square footage shown above represents 100% of the properties. See Notes 2 and 6 for details.
2. Includes Sunset Glenoaks Studios.
3. Includes land for the Burrard Exchange at Bentall Centre and Sunset Waltham Cross Studios developments. Square footage for Sunset Waltham Cross Studios is yet to be determined.
4. Includes repositioning, redevelopment and development properties.

Concentrations

As of December 31, 2021, the Company's office properties were located in Northern and Southern California, the Pacific Northwest and Western Canada. The Company's studio properties were located in Hollywood in Southern California. 77.6% of the Company's consolidated and unconsolidated properties were located in California, which exposes the Company to greater economic risks than if it owned a more geographically dispersed portfolio.

A significant portion of the Company's rental revenue is derived from tenants in the technology and media and entertainment industries. As of December 31, 2021, approximately 30.7% and 17.7% of consolidated and unconsolidated rentable square feet were related to the tenants in the technology and media and entertainment industries, respectively.

As of December 31, 2021, the Company's 15 largest tenants represented approximately 38.7% of consolidated and unconsolidated rentable square feet and no single tenant accounted for more than 10%.

As of December 31, 2021, Google, Inc. represented 12.6% of the Company's rental revenues for the office segment and no single tenant in the Company's studio segment had rental revenues representing more than 10% of the segment's total revenue.

Hudson Pacific Properties, Inc. and Hudson Pacific Properties, L.P.
Notes to Consolidated Financial Statements—(Continued)
(Tables in thousands, except square footage and share data)

2. Summary of Significant Accounting Policies

Basis of Presentation

The accompanying consolidated financial statements of the Company and the operating partnership are prepared in accordance with generally accepted accounting principles in the United States (“GAAP”). Any references to the number of properties, acres and square footage are unaudited and outside the scope of the Company’s independent registered public accounting firm’s audit of the Company’s financial statements in accordance with the standards of the United States Public Company Accounting Oversight Board (“PCAOB”).

For comparison purposes, the Company has reclassified goodwill of \$8.8 million and non-real estate property, plant and equipment of \$8.4 million from prepaid expenses and other assets to goodwill and non-real estate property, plant and equipment, net, respectively, on the Consolidated Balance Sheet as of December 31, 2020 to conform to the presentation as of December 31, 2021. The Company has reclassified a loss on extinguishment of debt of \$2.7 million and \$0.7 million from interest expense to loss on extinguishment of debt on the Consolidated Statements of Operations for the years ended December 31, 2020 and 2019, respectively, to conform to the presentation for the year ended December 31, 2021. The Company has also reclassified the same amounts from non-cash portion of interest expense to loss on extinguishment of debt on the Statements of Cash Flows for the years ended December 31, 2020 and 2019.

Principles of Consolidation

The consolidated financial statements of the Company include the accounts of the Company, the operating partnership and all wholly-owned and controlled subsidiaries. The consolidated financial statements of the operating partnership include the accounts of the operating partnership and all wholly-owned and controlled subsidiaries. All intercompany balances and transactions have been eliminated in the consolidated financial statements.

Under the consolidation guidance, the Company first evaluates an entity using the variable interest model, then the voting model. The Company ultimately consolidates all entities that the Company controls through either majority ownership or voting rights, including all variable interest entities (“VIEs”) of which the Company is considered the primary beneficiary. The Company accounts for all other unconsolidated joint ventures using the equity method of accounting. In addition, the Company continually evaluates each legal entity that is not wholly-owned for reconsideration based on changing circumstances.

VIEs are defined as entities in which equity investors do not have:

- the characteristics of a controlling financial interest;
- sufficient equity at risk for the entity to finance its activities without additional subordinated financial support from other parties; and/or
- the entity is structured with non-substantive voting rights.

The entity that consolidates a VIE is known as its primary beneficiary and is generally the entity with both the power to direct the activities that most significantly affect the VIE’s economic performance and the right to receive benefits from the VIE or the obligation to absorb losses of the VIE that could be significant to the VIE. As of December 31, 2021, the Company has determined that its operating partnership and 18 joint ventures met the definition of a VIE. 12 of these joint ventures are consolidated and six are unconsolidated.

Hudson Pacific Properties, Inc. and Hudson Pacific Properties, L.P.
Notes to Consolidated Financial Statements—(Continued)
(Tables in thousands, except square footage and share data)

Consolidated Joint Ventures

As of December 31, 2021, the operating partnership has determined that 12 of its joint ventures met the definition of a VIE and are consolidated:

Entity	Property	Ownership Interest
Hudson 1455 Market, L.P.	1455 Market	55.0 %
Hudson 1099 Stewart, L.P.	Hill7	55.0 %
HPP-MAC WSP, LLC	One Westside and 10850 Pico	75.0 %
Hudson One Ferry REIT, L.P.	Ferry Building	55.0 %
Sunset Bronson Entertainment Properties, LLC	Sunset Bronson Studios, ICON, CUE	51.0 %
Sunset Gower Entertainment Properties, LLC	Sunset Gower Studios	51.0 %
Sunset Las Palmas Entertainment Properties, LLC	Sunset Las Palmas Studios, Harlow	51.0 %
Sunset Services Holdings, LLC	None ⁽¹⁾	51.0 %
Sunset Studios Holdings, LLC	EPIC	51.0 %
Hudson Media and Entertainment Management, LLC	None ⁽²⁾	51.0 %
Hudson 6040 Sunset, LLC	6040 Sunset	51.0 %
Hudson 1918 Eighth, L.P.	1918 Eighth	55.0 %

1. Sunset Services Holdings, LLC wholly owns Services Holdings, LLC, which owns 100% interests in Sunset Bronson Services, LLC, Sunset Gower Services, LLC and Sunset Las Palmas Services, LLC, which provide services to the respective entertainment properties above.
2. Hudson Media and Entertainment Management, LLC manages the following properties: Sunset Gower Studios, Sunset Bronson Studios, Sunset Las Palmas Studios, 6040 Sunset, ICON, CUE, EPIC and Harlow (collectively “Hollywood Media Portfolio”).

On November 22, 2020, the Company entered into a joint venture agreement with CPPIB US RE-3, Inc., a subsidiary of Canada Pension Plan Investment Board (“CPPIB”), to form Hudson 1918 Eighth, L.P. On December 18, 2020, the joint venture purchased the 1918 Eighth property through a wholly-owned subsidiary. The Company owns 55% of the joint venture. As of December 31, 2021, the Company has determined that this joint venture met the definition of a VIE and is consolidated.

On July 30, 2020, funds affiliated with Blackstone Property Partners (“Blackstone”) acquired a 49% interest in the Hollywood Media Portfolio. The Company retained a 51% ownership stake and remains responsible for day-to-day operations, leasing and development. As of December 31, 2021, the Company has determined that the entities included in the Hollywood Media Portfolio and the related entities met the definition of a VIE and are consolidated.

As of December 31, 2021 and 2020, the Company has determined that its operating partnership met the definition of a VIE and is consolidated.

Substantially all of the assets and liabilities of the Company are related to the operating partnership VIE. The assets and credit of certain VIEs can only be used to satisfy those VIEs’ own contractual obligations, and the VIEs’ creditors have no recourse to the general credit of the Company.

Unconsolidated Joint Ventures

As of December 31, 2021, the Company has determined it is not the primary beneficiary of six of its joint ventures that are VIEs. Due to its significant influence over the unconsolidated entities, the Company accounts for them using the equity method of accounting. Under the equity method, the Company initially records the investment at cost and subsequently adjusts for equity in earnings or losses and cash contributions and distributions.

On July 29, 2021, the Company purchased, through a joint venture entity with Kane Holdco S.A.R.L., an affiliate of Blackstone, the land site for the Sunset Waltham Cross Studios development. The Company owns 35% of the ownership interest in the joint venture entity. The Company also owns 35% of the ownership interest in the joint venture entities formed to serve as the general partner and management services company for the property-owning joint venture entity.

On December 24, 2020, the Company purchased, through a joint venture entity with BPP Twilight Sun Valley REIT LLC, an affiliate of Blackstone, the land site for the Sunset Glenoaks Studios development. The Company owns 50% of the ownership interest in the joint venture entity and serves as the operating member.

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The Company's net equity investment in its unconsolidated joint ventures is reflected within investment in unconsolidated real estate entities on the Consolidated Balance Sheets. The Company's share of net income or loss from the joint ventures is included within income (loss) from unconsolidated real estate entities on the Consolidated Statements of Operations. The Company uses the cumulative earnings approach for determining cash flow presentation of distributions from unconsolidated joint ventures. Under this approach, distributions up to the amount of cumulative equity in earnings recognized are classified as cash inflows from operating activities, and those in excess of that amount are classified as cash inflows from investing activities. Refer to Note 6 for further details regarding our investments in unconsolidated joint ventures.

Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of commitments and contingencies at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. On an ongoing basis, the Company evaluates its estimates, including those related to acquiring, developing and assessing the carrying values of its real estate properties, the fair value measurement of contingent consideration, assets acquired and liabilities assumed in business combination transactions, determining the incremental borrowing rate used in the present value calculations of its new or modified operating lessee agreements, its accrued liabilities, and the valuation of performance-based equity compensation awards. The Company bases its estimates on historical experience, current market conditions, and various other assumptions that are believed to be reasonable under the circumstances. Actual results could materially differ from these estimates.

Acquisitions

The Company evaluates each acquisition to determine if the integrated set of assets and activities acquired meets the definition of a business and needs to be accounted for as a business combination in accordance with ASC 805, *Business Combinations*. An integrated set of assets and activities would fail to qualify as a business if either (i) substantially all of the fair value of the gross assets acquired is concentrated in either a single identifiable asset or a group of similar identifiable assets or (ii) the integrated set of assets and activities is lacking, at a minimum, an input and a substantive process that together significantly contribute to the ability to create outputs (i.e., revenue generated before and after the transaction).

Acquisitions of real estate will generally not meet the definition of a business because substantially all of the fair value is concentrated in a single identifiable asset or group of similar identifiable assets (i.e., land, buildings and improvements and related intangible assets or liabilities) or because the acquisition does not include a substantive process in the form of an acquired workforce or an acquired contract that cannot be replaced without significant cost, effort or delay.

When the Company acquires properties that are considered asset acquisitions, the purchase price is allocated based on relative fair value of the assets acquired and liabilities assumed. There is no measurement period concept for asset acquisitions, with the purchase price accounting being final in the period of acquisition. Additionally, acquisition-related expenses associated with asset acquisitions are capitalized as part of the purchase price.

The Company assesses fair value based on Level 2 and Level 3 inputs within the fair value framework, which includes estimated cash flow projections that utilize appropriate discount, capitalization rates, renewal probability and available market information, which includes market rental rate and market rent growth rates. Estimates of future cash flows are based on a number of factors, including historical operating results, known and anticipated trends, and market and economic conditions.

The fair value of tangible assets of an acquired property considers the value of the property as if it were vacant. The fair values of acquired "above- and below-" market leases are based on the estimated cash flow projections utilizing discount rates that reflect the risks associated with the leases acquired. The amount recorded is based on the present value of the difference between (i) the contractual amounts to be paid pursuant to each in-place lease and (ii) management's estimate of fair market lease rates for each in-place lease, measured over a period equal to the remaining term of the lease for above-market leases and the initial term plus the extended below-market term for any leases with below-market renewal options. Other intangible assets acquired include amounts for in-place lease values that are based on the Company's evaluation of the specific characteristics of each tenant's lease. Factors considered include estimates of carrying costs during hypothetical expected lease-up periods, market conditions and costs to execute similar leases. In estimating carrying costs, the Company includes estimates of lost rents at market rates during the hypothetical expected lease-up periods, which are dependent on local market conditions. In estimating costs to execute similar leases, the Company considers commissions, legal and other leasing-related costs. The fair value of debt assumed is based on the estimated cash flow projections utilizing interest rates available for the issuance of debt with similar terms and remaining maturities.

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Business Combinations

From time to time, we may enter into business combinations. In accordance with ASC 805, *Business Combinations*, the Company applies the acquisition method for acquisitions that meet the definition of a business combination. Under the acquisition method, the Company estimates the fair value of the identifiable assets and liabilities of the acquired entity on the acquisition date. Acquired intangible assets are valued using different methods under the income approach, including the excess earnings method for customer relationships, the relief-from-royalty method for trade names, and the lost profits method for non-compete agreements. Acquired property, plant and equipment is valued using the cost approach, including consideration of reproduction or replacement costs, economic depreciation and obsolescence. We measure goodwill as the excess of consideration transferred over the net of the acquisition date fair values of the identifiable assets acquired and liabilities assumed. Goodwill is assigned to each reporting unit that is expected to benefit from the synergies of the business combination. Acquisition-related expenses and transaction costs associated with business combinations are expensed in the period incurred which is included in the transaction-related expenses line item of the Consolidated Statements of Operations.

The acquisition method of accounting requires us to make significant estimates and assumptions regarding the fair value of the identifiable assets and liabilities of the acquired entity on the acquisition date. The Company estimates the fair value using observable inputs classified as Level 2 and unobservable inputs classified as Level 3 of the fair value hierarchy. Significant estimates and assumptions include subjective and/or complex judgments regarding items such as revenue growth rates, long-term growth rates, discount rates, customer retention rates, and other factors, including estimating future cash flows that we expect to generate from the acquired assets.

The acquisition method of accounting also requires us to refine these estimates over a measurement period not to exceed one year to reflect new information obtained about facts and circumstances that existed as of the acquisition date that, if known, would have affected the measurement of the amounts recognized as of that date. If we are required to adjust provisional amounts that we have recorded for the fair values of assets and liabilities in connection with acquisitions, these adjustments could have a material impact on our financial condition and results of operations. If the subsequent actual results and updated projections of the underlying business activity change compared with the assumptions and projections used to develop these values, we could record future impairment charges.

Investment in Real Estate Properties

Cost Capitalization

The Company capitalizes costs associated with development and redevelopment activities, capital improvements, tenant improvements and leasing activity. Costs associated with development and redevelopment that are capitalized include interest, property taxes, insurance and other costs directly related and essential to the acquisition, development or construction of a real estate project. Indirect development costs, including salaries and benefits, office rent, and associated costs for those individuals directly responsible for and who spend their time on development activities are also capitalized and allocated to the projects to which they relate. Construction and development costs are capitalized while substantial activities are ongoing to prepare an asset for its intended use. The Company considers a construction project as substantially complete and held available for occupancy upon the completion of tenant improvements but no later than one year after cessation of major construction activity. Costs incurred after a project is substantially complete and ready for its intended use, or after development activities have ceased, are expensed as they are incurred. Costs previously capitalized that related to abandoned acquisitions or developments are charged to earnings. Expenditures for repairs and maintenance are expensed as they are incurred.

The Company recognized the following capitalized costs associated with development and redevelopment activities:

	Year Ended December 31,		
	2021	2020	2019
Capitalized personnel costs	\$ 16,728	\$ 15,843	\$ 9,218
Capitalized interest	\$ 22,595	\$ 19,509	\$ 16,258

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Operating Properties

The properties are generally carried at cost, less accumulated depreciation and amortization. The Company computes depreciation and amortization using the straight-line method over the estimated useful lives of the assets as represented in the table below:

Asset Description	Estimated Useful Life (Years)
Building and improvements	Shorter of the ground lease term or 39
Land improvements	15
Furniture and fixtures	5 to 7
Tenant improvements	Shorter of the estimated useful life or the lease term

The Company amortizes above- and below-market lease intangibles over the remaining non-cancellable lease terms and bargain renewal periods, if applicable. The in-place lease intangibles are amortized over the remaining non-cancellable lease term. When tenants vacate prior to the expiration of lease, the amortization of intangible assets and liabilities is accelerated. The Company amortizes above- and below-market ground lease intangibles over the remaining non-cancellable lease terms.

Held for Sale

The Company classifies properties as held for sale when certain criteria set forth in ASC 360, *Property, Plant, and Equipment*, are met. These criteria include (i) whether the Company is committed to a plan to sell, (ii) whether the asset or disposal group is available for immediate sale, (iii) whether an active program to locate a buyer and other actions required to complete the plan to sell have been initiated, (iv) whether the sale of the asset or disposal group is probable (i.e., likely to occur) and the transfer is expected to qualify for recognition as a completed sale within one year, (v) whether the long-lived asset or disposal group is being actively marketed for sale at a price that is reasonable in relation to its current fair value, (vi) whether actions necessary to complete the plan indicate that it is unlikely significant changes to the plan will be made or that the plan will be withdrawn. At the time a property is classified as held for sale, the Company reclassifies its assets and liabilities to held for sale on the Consolidated Balance Sheets for all periods presented and ceases recognizing depreciation expense.

Properties held for sale are reported at the lower of their carrying value or their estimated fair value, less estimated costs to sell. The estimated fair value is generally based on a purchase and sale agreement, letter of intent, or a broker estimated value of the property. The Company will recognize an impairment loss on real estate assets held for sale when the carrying value is greater than the fair value, which is based on the estimated sales price of the property, which is classified within Level 2 of the fair value hierarchy.

The Company assesses the carrying value of real estate assets and related intangibles whenever events or changes in circumstances indicate that the carrying amount of an asset or asset group may not be recoverable in accordance with GAAP. Impairment losses are recorded on real estate assets held for investment when indicators of impairment are present and the future undiscounted cash flows estimated to be generated by those assets are less than the assets' carrying amount. The Company recognizes impairment losses to the extent the carrying amount exceeds the fair value, based Level 2 inputs.

According to ASC 205, *Presentation of Financial Statements*, the Company does not present the operating results in net loss from discontinued operations for disposals if they do not represent a strategic shift in the Company's business. There were no discontinued operations for the years ended December 31, 2021, 2020 and 2019.

Impairment of Long-Lived Assets

The Company assesses the carrying value of real estate assets and related intangibles for impairment on a quarterly basis and whenever events or changes in circumstances indicate that the carrying amount of an asset or asset group may not be recoverable in accordance with GAAP. Impairment losses are recorded on real estate assets held for investment when indicators of impairment are present and the future undiscounted cash flows estimated to be generated by those assets are less than the assets' carrying amount. The Company recognizes impairment losses to the extent the carrying amount exceeds the fair value of the properties based on Level 1 or Level 2 inputs, less estimated costs to sell.

During the year ended December 31, 2021, the Company recorded \$2.8 million of impairment charges related to its Del Amo office property due to a reduction in management's intended hold period from a long-term hold period to a short-term hold period, which resulted in an estimated fair value of the property that was less than its carrying value. The estimated fair value of \$17.4 million was based on the estimated sales price of the property, which is classified within Level 2 of the fair value hierarchy.

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During the year ended December 31, 2020, the Company recorded no impairment charges. During the year ended December 31, 2019, the Company recorded \$52.2 million of impairment charges related to the sold Campus Center office property. The estimated fair value of \$70.3 million was based on the sales price of the property, which is classified within Level 2 of the fair value hierarchy.

Goodwill and Acquired Intangible Assets

Goodwill is an unidentifiable intangible asset and is recognized as a residual, generally measured as the excess of consideration transferred in a business combination over the identifiable assets acquired and liabilities assumed. Goodwill is assigned to reporting units that are expected to benefit from the synergies of the business combination.

The Company tests its goodwill and indefinite-lived intangible assets for impairment at least annually, or more frequently if events or changes in circumstances indicate that the asset may be impaired. Goodwill is tested for impairment at the reporting unit to which it is assigned, which can be an operating segment or one level below an operating segment. The Company has three operating segments: the management entity, Office, and Studio. The management entity and the Office operating segments are each a reporting unit. Within the Studio operating segment, there are two reporting units: Studio Properties and Studio Services, the latter of which consists of the Zio and Star Waggon businesses acquired in the year ended December 31, 2021. The assessment of goodwill for impairment may initially be performed based on qualitative factors to determine if it is more likely than not that the fair value of the reporting unit is less than its carrying value, including goodwill. If so, a quantitative assessment is performed, and to the extent the carrying value of the reporting unit exceeds its fair value, impairment is recognized for the excess up to the amount of goodwill assigned to the reporting unit. Alternatively, the Company may bypass a qualitative assessment and proceed directly to a quantitative assessment.

A qualitative assessment considers various factors such as macroeconomic, industry and market conditions to the extent they affect the earnings performance of the reporting unit, changes in business strategy and/or management of the reporting unit, changes in composition or mix of revenues and/or cost structure of the reporting unit, financial performance and business prospects of the reporting unit, among other factors.

In a quantitative assessment, significant judgment, assumptions and estimates are applied in determining the fair value of reporting units. The Company generally uses the income approach to estimate fair value by discounting the projected net cash flows of the reporting unit, and may corroborate with market-based data where available and appropriate. Projection of future cash flows is based upon various factors, including, but not limited to, our strategic plans in regard to our business and operations, internal forecasts, terminal year residual revenue multiples, operating profit margins, pricing of similar businesses and comparable transactions where applicable, and risk-adjusted discount rates to present value future cash flows. Given the level of sensitivity in the inputs, a change in the value of any one input, in isolation or in combination, could significantly affect the overall estimation of fair value of the reporting unit. No impairment indicators have been identified during the years ended December 31, 2021, 2020 and 2019.

Intangible assets with finite lives are amortized over their estimated useful lives using the straight-line method, which reflects the pattern in which the assets are consumed. The estimated useful lives for acquired intangible assets range from five to seven years. The Company assesses its intangible assets with finite lives for impairment when indicators of impairment are identified.

Cash, Cash Equivalents and Restricted Cash

Cash and cash equivalents are defined as cash on hand and in banks, plus all short-term investments with a maturity of three months or less when purchased. Restricted cash primarily consists of amounts held by lenders to fund reserves such as capital improvements, taxes, insurance, debt service and operating expenditures.

The Company maintains some of its cash in bank deposit accounts that, at times, may exceed the federally insured limit. No losses have been experienced related to such accounts.

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The following table provides a reconciliation of cash and cash equivalents and restricted cash at the beginning and end of the periods presented:

	December 31,		
	2021	2020	2019
BEGINNING OF THE PERIOD			
Cash and cash equivalents	\$ 113,686	\$ 46,224	\$ 53,740
Restricted cash	35,854	12,034	14,451
TOTAL	\$ 149,540	\$ 58,258	\$ 68,191
END OF THE PERIOD			
Cash and cash equivalents	\$ 96,555	\$ 113,686	\$ 46,224
Restricted cash	100,321	35,854	12,034
TOTAL	\$ 196,876	\$ 149,540	\$ 58,258

Receivables

The Company accounts for receivables related to rental revenues according to ASC 842, *Leases* (“ASC 842”). The guidance requires the Company to assess, at lease commencement and subsequently, collectability of future lease payments from its tenants. If the Company determines collectability is not probable, it recognizes an adjustment to lower income from rentals. For amounts deemed probable of collection, the Company may also record an allowance under other authoritative GAAP based on the evaluation of individual receivables, including specific credit enhancements and other relevant factors.

Accounts Receivable, net

As of December 31, 2021, accounts receivable was \$25.5 million and there was a \$0.2 million allowance for doubtful accounts. As of December 31, 2020, accounts receivable was \$22.1 million and there was no allowance for doubtful accounts.

Straight-line Rent Receivables, net

As of December 31, 2021, straight-line rent receivables was \$240.3 million and there was a no allowance for doubtful accounts. As of December 31, 2020, straight-line rent receivables was \$226.0 million and there was \$0.3 million allowance for doubtful accounts.

U.S. Government Securities

The Company holds U.S. Government securities related to assumed debt held by a trust subsidiary. These securities are considered held to maturity investments and are carried at amortized cost on the Consolidated Balance Sheets. The Company has both the intent and ability to hold to maturity.

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Prepaid Expenses and Other Assets, net

The following table represents the Company's prepaid expenses and other assets, net as of:

	December 31, 2021	December 31, 2020
Interest rate cap derivative asset	\$ 368	\$ 5
Non-real estate investments	31,447	4,088
Stock purchase warrant	1,664	—
Deposits and pre-development costs for future acquisitions	47,605	28,488
Deferred financing costs, net	7,750	1,216
Prepaid insurance	5,442	5,100
Prepaid property tax	2,192	2,138
Inventory	1,578	—
Other	20,954	14,434
PREPAID EXPENSES AND OTHER ASSETS, NET	\$ 119,000	\$ 55,469

Non-Real Estate Investments

The Company measures its investments in common stock and convertible preferred stock at fair value based on Level 1 and Level 2 inputs, respectively. The Company measures its investments in funds that do not have a readily determinable fair value using the Net Asset Value ("NAV") practical expedient and uses NAV reported without adjustment unless it is aware of information indicating the NAV reported does not accurately reflect the fair value of the investment. Changes in the fair value of these non-real estate investments are included in unrealized gain (loss) on non-real estate investments on the Consolidated Statements of Operations. The Company recognized a net unrealized gain of \$14.9 million for the year ended December 31, 2021 and a net unrealized loss of \$0.9 million for the year ended December 31, 2020 due to the observable changes in fair value. Over the life of the investments, the Company recognized a net unrealized gain of \$14.0 million due to the observable changes in fair value.

Stock Purchase Warrant

The Company holds an investment in a stock purchase warrant that gives the Company the right to purchase a fixed number of shares of common stock of a non-real estate investee. The warrant meets the definition of a derivative and is measured at fair value based on Level 2 inputs. Changes in the fair value of the derivative asset are included in unrealized gain (loss) on non-real estate investments on the Consolidated Statements of Operations. The Company recognized an unrealized gain of \$1.7 million due to the change in the fair value of the stock purchase warrant during the year ended December 31, 2021. No gain or loss was recognized related to the change in the fair value of the stock purchase warrant during the year ended December 31, 2020.

Lease Accounting

The Company accounts for its leases under ASC 842, which requires companies to identify lease and non-lease components of a lease agreement. Lease components relate to the right to use the leased asset whereas non-lease components relate to payments for goods or services that are transferred separately from the right to use the underlying asset.

For lessors, the guidance provides for a practical expedient, by class of underlying asset, to elect a combined single lease component presentation if (i) the timing and pattern of the transfer of the combined single lease component is the same, and (ii) the related lease component, if accounted for separately, would be classified as an operating lease. The practical expedient was elected only for the Company's leases related to the office properties. For the Company's studio properties, the timing and pattern of the transfer of the lease components and non-lease components for studio properties are not the same and therefore the Company did not elect this practical expedient for the Company's studio properties. The standalone selling price related to the studio non-lease components is readily available and does not require estimates.

Lessee Accounting

The Company determines if an arrangement is a lease at inception. The Company's operating lease agreements relate to ground leases and facility leases and are reflected in operating lease right-of-use ("ROU") assets and operating lease liabilities on the Consolidated Balance Sheets. For leases with a term of 12 months or less, the Company made an accounting policy election by

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class of underlying asset, not to recognize ROU assets and lease liabilities. The Company recognizes lease expense for such leases generally on a straight-line basis over the lease term.

ROU assets represent the Company's right to use an underlying asset for the lease term and lease liabilities represent its obligation to make lease payments arising from the lease. ROU assets and liabilities are recognized at the commencement date based on the present value of lease payments over the lease term. Variable lease payments are excluded from the ROU assets and lease liabilities and are recognized in the period in which the obligation for those payments is incurred. As the Company's leases do not provide an implicit rate, the Company determines its incremental borrowing rate based on the information available at commencement date, or the date of the ASC 842 adoption, in determining the present value of lease payments. The weighted average incremental borrowing rate used to calculate the ROU assets and liabilities was 5.5%. ROU assets also include any lease payments made and exclude lease incentives. Many of the Company's lessee agreements include options to extend the lease, which the Company does not include in its minimum lease terms unless the option is reasonably certain to be exercised. Rental expense for lease payments related to operating leases is recognized on a straight-line basis over the lease term. The weighted average remaining lease term was 29 years as of December 31, 2021.

Lessor Accounting

The presentation of revenues on the Consolidated Statements of Operations reflects a single lease component that combines rental, tenant recoveries and other tenant-related revenues for the office portfolio, with the election of the lessor practical expedient. For the Company's rentals at the studio properties, total lease consideration is allocated to lease and non-lease components on a relative standalone basis. The recognition of revenues related to lease components is governed by ASC 842, while revenue related to non-lease components is subject to ASC 606, *Revenue from Contracts with Customers* ("ASC 606").

The Company adopted ASC 842 on January 1, 2019 using the modified retrospective transition approach that must be applied for leases that exist or are entered into after January 1, 2019. ASC 842 defines initial direct costs as only the incremental costs of signing a lease. Internal direct compensation costs and external legal fees related to the execution of successful lease agreements that no longer meet the definition of initial direct costs under ASC 842 are accounted for as office operating expense or studio operating expense in the Company's Consolidated Statements of Operations. As a result of the adoption, the Company recognized \$1.8 million as a cumulative adjustment to accumulated deficit for costs associated with leases that had not commenced as of January 1, 2019 that were previously capitalized and no longer met the definition of initial direct costs in accordance with ASC 842. The Company recognized \$0.3 million as cumulative adjustments to accumulated deficit related to other transition adjustments.

Revenue Recognition

The Company has compiled an inventory of its sources of revenues and has identified the following material revenue streams: (i) rental revenues (ii) tenant recoveries and other tenant-related revenues (iii) ancillary revenues (iv) other revenues (v) sale of real estate (vi) management fee income and (vii) management services reimbursement income.

Revenue Stream	Components	Financial Statement Location
Rental revenues	Office, stage and storage rentals	Office and studio segments: rental
Tenant recoveries and other tenant-related revenues	Reimbursement of real estate taxes, insurance, repairs and maintenance, other operating expenses and must-take parking revenues	Office segment: rental Studio segment: rental and service revenues and other
Ancillary revenues	Revenues derived from tenants' use of power, HVAC and telecommunications (i.e., telephone and internet) and lighting, equipment and vehicle rentals	Studio segment: service revenues and other
Other revenues	Parking revenue that is not associated with lease agreements and other	Office and studio segments: service revenues and other
Sale of real estate	Gains on sales derived from cash consideration less cost basis	Gains on sale of real estate
Management fee income	Income derived from management services provided to unconsolidated joint venture entities	Fee income
Management services reimbursement income	Reimbursement of costs incurred by the Company in the management of unconsolidated joint venture entities	Management services reimbursement income—unconsolidated real estate entities

The Company recognizes rental revenue from tenants on a straight-line basis over the lease term when collectability is probable and the tenant has taken possession of or controls the physical use of the leased asset. If the lease provides for tenant improvements, the Company determines whether the tenant improvements, for accounting purposes, are owned by the tenant or the

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Company. When the Company is the owner of the tenant improvements, the tenant is not considered to have taken physical possession or have control of the physical use of the leased asset until the tenant improvements are substantially completed. When the tenant is the owner of the tenant improvements, any tenant improvement allowance that is funded is treated as a lease incentive and amortized as a reduction of revenue over the lease term. Tenant improvement ownership is determined based on various factors including, but not limited to:

- whether the lease stipulates how and on what a tenant improvement allowance may be spent;
- whether the tenant or landlord retains legal title to the improvements at the end of the lease term;
- whether the tenant improvements are unique to the tenant or general-purpose in nature; and
- whether the tenant improvements are expected to have any residual value at the end of the lease.

The Company recognizes tenant recoveries related to reimbursement of real estate taxes, insurance, repairs and maintenance and other operating expenses as revenue in the period during which the applicable expenses are incurred. The reimbursements are recognized and presented gross, as the Company is generally the primary obligor with respect to purchasing goods and services from third-party suppliers, has discretion in selecting the supplier and bears the associated credit risk.

Other tenant-related revenues include parking stipulated in lease agreements as must-take parking rentals. These revenues are recognized over the term of the lease.

Ancillary revenues, other revenues, management fee income and management services reimbursement income are accounted for under ASC 606. These revenues have single performance obligations and are recognized at the point in time when services are rendered.

The following table summarizes the Company's revenue streams that are accounted for under ASC 606:

	Year Ended December 31,			
	2021	2020	2019	
Ancillary revenues	\$ 46,984	\$ 16,781	\$ 27,951	
Other revenues	\$ 15,168	\$ 16,582	\$ 28,066	
Studio-related tenant recoveries	\$ 1,962	\$ 1,560	\$ 2,261	
Management fee income	\$ 3,221	\$ 2,815	\$ 1,459	
Management services reimbursement income	\$ 1,132	\$ —	\$ —	

The following table summarizes the Company's receivables that are accounted for under ASC 606:

	December 31, 2021	December 31, 2020
Ancillary revenues	\$ 7,381	\$ 1,700
Other revenues	\$ 1,078	\$ 1,058
Studio-related tenant recoveries	\$ —	\$ —

In regards to sales of real estate, the Company applies certain recognition and measurement principles in accordance with ASC 606. The Company is required to evaluate the sales of real estate based on transfer of control. If a real estate sale contract includes ongoing involvement with the sold property by the seller, the seller must evaluate each promised good or service under the contract to determine whether it represents a performance obligation, constitutes a guarantee or prevents the transfer of control. The timing and pattern of revenue recognition might change as it relates to gains on sale of real estate if the sale includes continued involvement that represents a separate performance obligation.

Deferred Financing Costs and Debt Discount/Premium

Deferred financing costs are amortized over the contractual loan term into interest expense on the Consolidated Statements of Operations. Deferred financing costs, and related amortization, related to the unsecured revolving credit facility and undrawn term loans are presented within prepaid expenses and other assets, net on the Consolidated Balance Sheets. All other deferred financing costs and related amortization are included within the respective debt line items on the Consolidated Balance Sheets.

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Debt discounts and premiums are amortized over the contractual loan term into interest expense on the Consolidated Statements of Operations. The amortization of discounts is recorded as additional interest expense and the accretion of premiums is recorded as a reduction to interest expense.

Derivative Instruments

The Company manages interest rate risk associated with borrowings by entering into derivative instruments. The Company recognizes all derivative instruments on the Consolidated Balance Sheets on a gross basis at fair value. Derivative instruments are adjusted to fair value at the balance sheet date. The change in the fair value of derivatives designated as cash flow hedges is recorded in accumulated other comprehensive income (loss) and is subsequently reclassified into earnings in the period that the hedged forecasted transaction affects earnings. The change in the fair value derivatives not designated as hedges is recorded within earnings immediately.

Stock-Based Compensation

Compensation cost of restricted stock, restricted stock units and performance units under the Company's equity incentive award plans are accounted for under ASC 718, *Compensation-Stock Compensation* ("ASC 718"). The Company accounts for forfeitures of awards as they occur. Share-based payments granted to non-employees are accounted for in the same manner as share-based payments granted to employees.

Income Taxes

In general, the Company's property-owning subsidiaries are limited liability companies and are treated as pass-through entities or disregarded entities (or, in the case of the entities that own the 1455 Market, Hill7, Ferry Building and 1918 Eighth properties, REITs) for federal income tax purposes. In the case of the Bentall Centre property and the Sunset Waltham Cross Studios development, the Company owns its interest in the properties through non-U.S. entities treated as TRSs for federal income tax purposes. Accordingly, no provision has been made for federal income taxes in the accompanying consolidated financial statements for the activities of these entities.

The Company has elected to be taxed as a REIT under the Internal Revenue Code of 1986, as amended (the "Code"), commencing with its taxable year ended December 31, 2010. The Company believes that it has operated in a manner that has allowed the Company to qualify as a REIT for federal income tax purposes commencing with such taxable year, and the Company intends to continue operating in such manner. To qualify as a REIT, the Company is required to distribute at least 90% of its REIT taxable income, excluding net capital gains, to the Company's stockholders and to meet the various other requirements imposed by the Code relating to such matters as operating results, asset holdings, distribution levels and diversity of stock ownership.

Provided that it continues to qualify for taxation as a REIT, the Company is generally not subject to corporate level income tax on the earnings distributed currently to its stockholders. If the Company were to fail to qualify as a REIT in any taxable year, and were unable to avail itself of certain savings provisions set forth in the Code, all of its taxable income would be subject to federal corporate income tax. Unless entitled to relief under specific statutory provisions, the Company would be ineligible to elect to be treated as a REIT for the four taxable years following the year for which the Company loses its qualification. It is not possible to state whether in all circumstances the Company would be entitled to this statutory relief.

The Company may acquire direct or indirect interests in one or more Subsidiary REITs. A Subsidiary REIT is subject to the various REIT qualification requirements and other limitations described herein that are applicable to the Company. If a subsidiary REIT were to fail to qualify as a REIT, then (i) that Subsidiary REIT would become subject to federal income tax, (ii) shares in such REIT would cease to be qualifying assets for purposes of the asset tests applicable to REITs and (iii) it is possible that the Company would fail certain of the asset tests applicable to REITs, in which event the Company would fail to qualify as a REIT unless the Company could avail itself of certain relief provisions.

The Company believes that its operating partnership is properly treated as a partnership for federal income tax purposes. As a partnership, the Company's operating partnership is not subject to federal income tax on its income. Instead, each of its partners, including the Company, is allocated, and may be required to pay tax with respect to, its share of the operating partnership's income. As such, no provision for federal income taxes has been included for the operating partnership.

The Company has elected, together with certain of the Company's subsidiaries, to treat such subsidiaries as taxable REIT subsidiaries ("TRSs") for federal income tax purposes. Certain activities that the Company may undertake, such as non-customary

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services for the Company's tenants and holding assets that the Company cannot hold directly, will be conducted by a TRS. A TRS is subject to federal and, where applicable, state income taxes on its net income. The Company's TRSs did not have significant tax provisions or deferred income tax items for 2021, 2020 or 2019.

The Company is subject to the statutory requirements of the states in which it conducts business.

The Company periodically evaluates its tax positions to determine whether it is more likely than not that such positions would be sustained upon examination by a tax authority for all open tax years, as defined by the statute of limitations, based on their technical merits. As of December 31, 2021, the Company has not established a liability for uncertain tax positions.

The Company and certain of its TRSs file income tax returns with the U.S. federal government and various state and local jurisdictions. The Company and its TRSs are no longer subject to tax examinations by tax authorities for years prior to 2017. The Company has assessed its tax positions for all open years, which as of December 31, 2021 included 2018 to 2020 for Federal purposes and 2017 to 2020 for state purposes, and concluded that there are no material uncertainties to be recognized.

Fair Value of Assets and Liabilities

The Company measures certain financial instruments at fair value on a recurring basis while certain financial instruments and balances are measured at fair value on a non-recurring basis (e.g., carrying value of impaired real estate and long-lived assets). Fair value is defined as the price that would be received upon the sale of an asset or paid to transfer a liability in an orderly transaction between market participants on the measurement date. Fair value measurements are classified and disclosed in one of the following three categories:

- Level 1: unadjusted quoted prices in active markets that are accessible at the measurement date for identical assets or liabilities;
- Level 2: quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active, and model-derived valuations in which significant inputs and significant value drivers are observable in active markets; and
- Level 3: prices or valuation techniques where little or no market data is available that requires inputs that are both significant to the fair value measurement and unobservable.

When available, the Company utilizes quoted market prices from an independent third party source to determine fair value and classifies such items in Level 1 or Level 2. When the Company determines the market for a financial instrument owned by the Company to be illiquid or when market transactions for similar instruments do not appear orderly, the Company uses several valuation sources (including internal valuations, discounted cash flow analysis and quoted market prices) and establishes a fair value by assigning weights to the various valuation sources.

Changes in assumptions or estimation methodologies can have a material effect on these estimated fair values. In this regard, the derived fair value estimates cannot be substantiated by comparison to independent markets and, in many cases, may not be realized in an immediate settlement of the instrument.

3. Business Combinations

On August 16, 2021 and August 31, 2021 (each an "Acquisition Date" individually, and collectively, the "Acquisition Dates"), the Company acquired 100% of the equity interests in Zio and Star Waggon, respectively. The acquired businesses provide transportation and logistics services to studio productions and their acquisition will expand the Company's service offerings for its studio platform.

The following table summarizes the Acquisition Date fair value of the consideration transferred in connection with the acquisitions:

	Zio	Star Waggon
Cash	\$ 117,198	\$ 92,656
Contingent consideration	22,543	—
Total consideration	\$ 139,741	\$ 92,656

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The terms of the Zio securities purchase agreement require the Company to pay up to \$35.0 million of additional consideration to the business's former shareholders, subject to certain performance thresholds being met. The Company is in the process of estimating the future cash flows related to the arrangement for the purpose of determining the final Acquisition Date fair value of the contingent consideration. Therefore, the preliminary measurement of \$22.5 million is subject to change.

The following table summarizes the estimated fair values of the assets acquired and liabilities assumed at the respective Acquisition Dates. The Company is in the process of obtaining third-party valuations of certain intangible assets; thus, the provisional measurements of intangible assets and goodwill are subject to change:

	Zio	Star Waggon
Cash and cash equivalents	\$ 1,084	\$ 300
Accounts receivable	3,001	4,185
Prepaid expenses and other assets	1,509	1,605
Non-real estate property, plant and equipment	23,399	25,000
Intangible assets	41,670	33,480
Total assets acquired	70,663	64,570
Accounts payable, accrued liabilities and other	\$ 1,498	\$ 1,913
Intangible liabilities	—	110
Total liabilities assumed	1,498	2,023
Net identifiable assets acquired	\$ 69,165	\$ 62,547
Goodwill	70,576	30,109
NET ASSETS ACQUIRED	\$ 139,741	\$ 92,656

Of the \$41.7 million of intangible assets acquired as part of the Zio acquisition, \$8.5 million was provisionally assigned to the registered trade name, which is not subject to amortization. The remaining \$33.2 million of acquired intangible assets includes customer relationships of \$30.0 million (seven-year useful life) and non-compete agreements of \$3.0 million (five-year weighted-average useful life). The definite-lived intangible assets are subject to a weighted-average useful life of approximately seven years.

Of the \$33.5 million of intangible assets acquired as part of the Star Waggon acquisition, \$8.6 million was provisionally assigned to the registered trade name, which is not subject to amortization. The remaining \$24.9 million of acquired intangible assets includes customer relationships valued at \$22.5 million (seven-year useful life) and non-compete agreements valued at \$2.3 million (five-year weighted-average useful life). The definite-lived intangible assets are subject to a weighted-average useful life of approximately seven years.

Goodwill of \$70.6 million and \$30.1 million for the Zio and Star Waggon acquisitions, respectively, was recognized on the respective Acquisition Dates. The goodwill recognized is attributable to the expected synergies and the assembled workforce of Zio and Star Waggon. The goodwill has been allocated to the studio services reporting unit. Goodwill is deductible for tax purposes and as a result, deferred taxes have been recorded. As of December 31, 2021, there were no changes in the recognized amounts of goodwill resulting from the acquisitions.

The Company recognized acquisition-related costs of \$3.4 million and \$2.4 million as current period expense for the Zio and Star Waggon acquisitions, respectively. These costs are included in transaction-related expenses on the Consolidated Statement of Operations.

The amounts of revenue and net income of Zio and Star Waggon included in the Company's Consolidated Statements of Operations from each respective Acquisition Date to December 31, 2021 are as follows:

	Zio	Star Waggon
Revenue	\$ 11,419	\$ 9,651
Income from Operations	\$ 2,395	\$ 2,947

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The following represents the pro forma Consolidated Statements of Operations as if the results of operations of Zio and Star Waggon had been included in the consolidated results of the Company for the years ended December 31, 2021 and 2020:

	Year Ended December 31, 2021	Year Ended December 31, 2020
Revenue	\$ 933,229	\$ 830,463
Income from Operations	\$ 38,884	\$ 8,159

The amounts have been calculated after applying the Company's accounting policies and adjusting the results of Zio and Star Waggon to reflect the additional depreciation and amortization that would have been charged assuming the fair value adjustments to property, plant and equipment and intangible assets had been applied on January 1, 2020.

4. Investment in Real Estate

The following table summarizes the Company's investment in real estate, at cost as of:

	December 31, 2021	December 31, 2020
Land	\$ 1,313,385	\$ 1,351,888
Building and improvements	6,241,254	5,840,819
Tenant improvements	786,991	728,111
Furniture and fixtures	14,020	12,250
Property under development	5,827	281,949
INVESTMENT IN REAL ESTATE, AT COST	\$ 8,361,477	\$ 8,215,017

Acquisitions of Real Estate

On December 23, 2021, the Company purchased the 197,136 square-foot 5th & Bell office property located in Seattle, Washington. The purchase price before certain credits, prorations and closing costs was \$118.9 million. The acquisition did not meet the definition of a business and was therefore accounted for as an asset acquisition. For asset acquisitions, the purchase price includes capitalized acquisition costs.

The following table represents the Company's final purchase price accounting for the 5th & Bell acquisition:

TOTAL CONSIDERATION	\$ 118,907
Allocation of consideration	
Investment in real estate	\$ 102,939
Deferred leasing costs and in-place lease intangibles ⁽¹⁾	10,443
Below-market ground leases ⁽¹⁾	10,844
Below-market leases ⁽¹⁾	(5,319)
TOTAL	\$ 118,907

1. Represents weighted-average amortization period of 9.4 years (before any renewal or extension options).

On December 18, 2020, the Company purchased, pursuant to a joint venture agreement with a subsidiary of CPPIB, the 668,209 square-foot 1918 Eighth office property located in Seattle, Washington. The purchase price before certain credits, prorations and closing costs was \$625.0 million. The Company owns 55% of the ownership interest in this consolidated joint venture. The acquisition did not meet the definition of a business and was therefore accounted for as an asset acquisition. For asset acquisitions, the purchase price includes capitalized acquisition costs.

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The following table represents the Company's final purchase price accounting for the 1918 Eighth acquisition:

TOTAL CONSIDERATION	\$	593,945
Allocation of consideration		
Investment in real estate	\$	584,250
Deferred leasing costs and in-place lease intangibles ⁽¹⁾		37,563
Above-market leases ⁽²⁾		335
Below-market leases ⁽³⁾		(28,203)
TOTAL	\$	593,945

1. Represents weighted-average amortization period of 9.1 years (before any renewal or extension options).
2. Represents weighted-average amortization period of 7.8 years (before any renewal or extension options).
3. Represents weighted-average amortization period of 9.3 years (before any renewal or extension options).

Studio Joint Venture

On July 30, 2020, funds affiliated with Blackstone acquired a 49% interest in the Hollywood Media Portfolio, a 2.2 million-square-foot collection of studio and office properties with a gross portfolio valuation of \$1.65 billion before closing credits, prorations and costs, resulting in cash proceeds to the Company of \$808.5 million. The transaction included Sunset Gower, Sunset Bronson and Sunset Las Palmas Studios, as well as 6040 Sunset, ICON, CUE, EPIC and Harlow, along with 1.1 million square feet of development rights associated with Sunset Gower and Sunset Las Palmas Studios. The Company retained a 51% ownership stake in the Hollywood Media Portfolio.

Impairment of Long-Lived Assets

During the year ended December 31, 2021, the Company recorded \$2.8 million of impairment charges related to its Del Amo office property due to a reduction in management's intended hold period from a long-term hold period to a short-term hold period, which resulted in an estimated fair value of the property that was less than its carrying value. The estimated fair value of \$17.4 million was based on the estimated sales price of the property, which is classified within Level 2 of the fair value hierarchy.

The Company did not recognize impairment charges during the year ended December 31, 2020.

During the year ended December 31, 2019, the Company recorded \$52.2 million of impairment charges related to the Campus Center office property that was held for sale at March 31, 2019 and was subsequently sold. The Company's estimated fair value was based on the sale price (Level 2 input).

Dispositions of Real Estate

The Company did not complete any dispositions related to consolidated entities during the years ended December 31, 2021 and 2020. The following table summarizes information on dispositions completed during the year ended December 31, 2019:

Property	Segment	Date of Disposition	Square Feet	Sales Price ⁽¹⁾ (in millions)
Campus Center Office	Office	7/24/2019	471,580	\$ 70.3
Campus Center Land	Office	7/30/2019	946,350	78.1
TOTAL DISPOSITIONS IN 2019			1,417,930	\$ 148.4

1. Represents gross sales price before certain credits, prorations and closing costs.

These properties were considered non-strategic to the Company's portfolio. The disposition of these properties resulted in gains of \$47.1 million for the year ended December 31, 2019. This amount is included in the gains on sale of real estate line item in the Consolidated Statements of Operations.

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Held for Sale

The Company had four properties classified as held for sale as of December 31, 2021. The properties were identified as non-strategic assets to the Company's portfolio and are included in the Company's office segment. The following table summarizes information on properties held for sale as of December 31, 2021:

Property	Segment	Submarket	Square Feet
Northview Center	Office	Lynnwood	179,985
Skyway Landing	Office	Redwood Shores	246,997
Del Amo	Office	Hollywood	205,189
6922 Hollywood	Office	Torrance	113,000
TOTAL HELD FOR SALE IN 2021			745,171

The following table summarizes the components of assets and liabilities associated with real estate held for sale as of December 31, 2021:

	Northview Center	Skyway Landing	Del Amo	6922 Hollywood
ASSETS				
Investment in real estate, net	\$ 40,338	\$ 89,873	\$ 15,213	\$ 91,353
Accounts receivable, net	95	142	—	103
Straight-line rent receivables, net	901	1,659	—	4,714
Deferred leasing costs and intangible assets, net	751	450	2,742	1,999
Prepaid expenses and other assets, net	—	—	—	187
ASSETS ASSOCIATED WITH REAL ESTATE HELD FOR SALE	\$ 42,085	\$ 92,124	\$ 17,955	\$ 98,356
LIABILITIES				
Accounts payable, accrued liabilities and other	\$ 184	\$ 273	\$ 12	\$ 1,372
Intangible liabilities, net	—	—	—	96
Security deposits and prepaid rent	395	1,205	—	360
LIABILITIES ASSOCIATED WITH REAL ESTATE HELD FOR SALE	\$ 579	\$ 1,478	\$ 12	\$ 1,828

As of December 31, 2020, the Company had no properties that met the criteria to be classified as held for sale.

5. Non-Real Estate Property, Plant and Equipment, net

The following table summarizes the Company's non-real estate property, plant and equipment, net as of:

	December 31, 2021	December 31, 2020
Trailers	\$ 35,181	\$ —
Leasehold improvements	15,267	14,046
Trucks and other vehicles	12,204	—
Furniture, fixtures and equipment	4,592	3,331
Other equipment	4,605	—
Non-real estate property, plant and equipment, at cost	71,849	17,377
Accumulated depreciation	(13,380)	(8,933)
NON-REAL ESTATE PROPERTY, PLANT AND EQUIPMENT, NET	\$ 58,469	\$ 8,444

Non-real estate property, plant and equipment is carried at cost less accumulated depreciation. The Company computes depreciation using the straight-line method over the estimated useful lives of the assets, which range from five to 20 years. The Company evaluates its non-real estate property, plant and equipment, net for impairment using the same accounting model that it

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applies to its real estate assets and related intangibles. See Note 4 for details. The Company did not recognize any impairment charges for non-real estate property, plant and equipment during the years ended December 31, 2021 and 2020.

6. Investment in Unconsolidated Real Estate Entities

On July 29, 2021, the Company purchased 35% of the ownership interest in the joint venture that owns the Sunset Waltham Cross Studios development. The Company also owns 35% of the ownership interest in the joint venture entities formed to serve as the general partner and management services company for the property-owning joint venture entity. The joint venture entities' functional currency is the local currency, or the pound sterling. The maximum exposure related to this unconsolidated joint venture is limited to the Company's investment.

On December 24, 2020, the Company purchased 50% of the ownership interests in the joint venture that owns the Sunset Glenoaks Studios development in Los Angeles, California. The Company serves as the operating member. The maximum exposure related to this unconsolidated joint venture is limited to the Company's investment.

On June 5, 2019, the Company purchased, through a joint venture with Blackstone 1 LP, the 20% ownership interest in the Bentall Centre office property and retail complex in Vancouver, Canada. The Company serves as the operating partner. Bentall Centre's functional currency is the local currency, or Canadian dollars. The Company has exposure to risks related to foreign currency fluctuations. The assets and liabilities are translated into U.S. dollars at the exchange rate in effect as of the financial statement date. Income statement accounts of our foreign subsidiaries are translated using the monthly-average exchange rate for the periods presented. Gains or losses resulting from the translation are classified in accumulated other comprehensive (loss) income as a separate component of total equity and are excluded from net income. The maximum exposure related to this unconsolidated joint venture is limited to our investment and \$103.6 million of debt which the Company has guaranteed.

The Company holds ownership interests in other immaterial joint ventures in the total of \$0.1 million and \$0.4 million as of December 31, 2021 and 2020, respectively.

The table below presents the combined and condensed balance sheets for the Company's unconsolidated joint ventures:

	December 31, 2021	December 31, 2020
ASSETS		
Investment in real estate, net	\$ 1,048,593	\$ 855,639
Other assets	57,232	51,118
TOTAL ASSETS	1,105,825	906,757
LIABILITIES		
Secured debt, net	516,153	495,771
Other liabilities	40,307	52,828
TOTAL LIABILITIES	556,460	548,599
Company's capital ⁽¹⁾	148,914	80,778
Partner's capital	400,451	277,380
TOTAL CAPITAL	549,365	358,158
TOTAL LIABILITIES AND CAPITAL	\$ 1,105,825	\$ 906,757

1. To the extent the Company's cost basis is different from the basis reflected at the joint venture level, the basis is amortized over the life of the related asset and is included in the income (loss) from unconsolidated real estate entities line item on the Consolidated Statements of Operations.

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Notes to Consolidated Financial Statements—(Continued)
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The table below presents the combined and condensed statements of operations for the Company's unconsolidated joint ventures:

	Year Ended December 31,		June 5, 2019 through
	2021	2020	December 31, 2019
TOTAL REVENUES	\$ 80,901	\$ 69,592	\$ 41,687
TOTAL EXPENSES	(70,934)	(65,983)	(46,434)
NET INCOME (LOSS)	<u>\$ 9,967</u>	<u>\$ 3,609</u>	<u>\$ (4,747)</u>

7. Deferred Leasing Costs and Intangible Assets, net and Intangible Liabilities, net

The following summarizes the Company's deferred leasing costs and intangibles as of:

	December 31, 2021	December 31, 2020
Deferred leasing costs and in-place lease intangibles	\$ 331,149	\$ 352,903
Accumulated amortization	(126,423)	(127,180)
Deferred leasing costs and in-place lease intangibles, net	204,726	225,723
Below-market ground leases	79,562	72,916
Accumulated amortization	(15,233)	(13,831)
Below-market ground leases, net	64,329	59,085
Above-market leases	1,334	2,802
Accumulated amortization	(782)	(1,774)
Above-market leases, net	552	1,028
Customer relationships	52,500	—
Accumulated amortization	(2,684)	—
Customer relationships, net	49,816	—
Non-competition agreements	5,300	—
Accumulated amortization	(379)	—
Non-competition agreements, net	4,921	—
Trade name	17,100	—
DEFERRED LEASING COSTS AND INTANGIBLE ASSETS, NET	\$ 341,444	\$ 285,836
Below-market leases	\$ 75,827	\$ 98,365
Accumulated amortization	(34,326)	(50,054)
Below-market leases, net	41,501	48,311
Above-market ground leases	1,095	1,095
Accumulated amortization	(306)	(262)
Above-market ground leases, net	789	833
INTANGIBLE LIABILITIES, NET	\$ 42,290	\$ 49,144

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The Company recognized the following amortization related to deferred leasing costs and intangibles:

	For the Year Ended December 31,		
	2021	2020	2019
Deferred leasing costs and in-place lease intangibles ⁽¹⁾	\$ (45,128)	\$ (41,334)	\$ (45,177)
Below-market ground leases ⁽²⁾	\$ (2,410)	\$ (2,395)	\$ (2,503)
Above-market leases ⁽³⁾	\$ (617)	\$ (874)	\$ (1,240)
Customer relationships ⁽⁴⁾	\$ (2,684)	\$ —	\$ —
Non-competition agreements ⁽⁴⁾	\$ (379)	\$ —	\$ —
Below-market leases ⁽³⁾	\$ 12,032	\$ 10,509	\$ 14,076
Above-market ground leases ⁽²⁾	\$ 43	\$ 43	\$ 43

1. Amortization is recorded in depreciation and amortization expenses and for lease incentive costs in office rental revenues in the Consolidated Statements of Operations.
2. Amortization is recorded in office operating expenses in the Consolidated Statements of Operations.
3. Amortization is recorded in office rental revenues in the Consolidated Statements of Operations.
4. Amortization is recorded in depreciation and amortization expenses on the Consolidated Statements of Operations.

The following table provides information regarding the Company's estimated amortization of deferred leasing costs and intangibles as of December 31, 2021:

For the Year Ended December 31,	Deferred Leasing Costs and In-place Lease Intangibles	Below-market Ground Leases	Above-market Leases	Customer relationships	Non-competition agreements	Below-market Leases	Above-market Ground Leases
2022	\$ (37,302)	\$ (3,009)	\$ (106)	\$ (7,500)	\$ (1,060)	\$ 5,005	\$ 43
2023	(31,203)	(3,009)	(78)	(7,500)	(1,060)	3,548	43
2024	(24,583)	(3,009)	(58)	(7,500)	(1,060)	2,369	43
2025	(18,747)	(3,009)	(48)	(7,500)	(1,060)	1,407	43
2026	(16,074)	(3,009)	(43)	(7,500)	(681)	1,232	43
Thereafter	(76,817)	(49,284)	(219)	(12,316)	—	27,940	574
TOTAL	\$ (204,726)	\$ (64,329)	\$ (552)	\$ (49,816)	\$ (4,921)	\$ 41,501	\$ 789

8. Goodwill

The following table summarizes changes in the carrying amount of goodwill during the year ended December 31, 2021:

Balance as of December 31, 2020	\$ 8,754
Acquisitions	100,685
Balance as of December 31, 2021	<u>\$ 109,439</u>

1. The measurement of acquired goodwill is provisional and subject to change upon completion of the final purchase accounting. See Note 3 for details.

No goodwill impairment indicators have been identified during the years ended December 31, 2021, 2020 and 2019.

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9. Debt

The following table sets forth information with respect to our outstanding indebtedness:

	December 31, 2021	December 31, 2020	Interest Rate ⁽¹⁾	Contractual Maturity Date
UNSECURED AND SECURED DEBT				
Unsecured debt				
Unsecured revolving credit facility ⁽²⁾⁽³⁾	\$ 125,000	\$ —	LIBOR + 1.05% to 1.50%	12/21/2025 ⁽⁴⁾
Series A notes ⁽⁵⁾	110,000	110,000	4.34%	1/2/2023
Series B notes ⁽⁵⁾	259,000	259,000	4.69%	12/16/2025
Series C notes ⁽⁵⁾	56,000	56,000	4.79%	12/16/2027
Series D notes ⁽⁶⁾	150,000	150,000	3.98%	7/6/2026
Series E notes ⁽⁷⁾	50,000	50,000	3.66%	9/15/2023
3.95% Registered senior notes	400,000	400,000	3.95%	11/1/2027
4.65% Registered senior notes	500,000	500,000	4.65%	4/1/2029
3.25% Registered senior notes	400,000	400,000	3.25%	1/15/2030
Total unsecured debt	2,050,000	1,925,000		
Secured debt				
Hollywood Media Portfolio	1,100,000	900,000	LIBOR + 1.17%	8/9/2023
Acquired Hollywood Media Portfolio debt	(209,814)	(107,814)	LIBOR + 1.55%	8/9/2023
Hollywood Media Portfolio, net ⁽⁸⁾⁽⁹⁾	890,186	792,186		
10950 Washington ⁽¹⁰⁾	—	25,717	5.32%	N/A
One Westside and 10850 Pico ⁽¹¹⁾	241,388	106,073	LIBOR + 1.70%	12/18/2023 ⁽⁴⁾
Element LA	168,000	168,000	4.59%	11/6/2025
1918 Eighth ⁽¹²⁾	314,300	314,300	LIBOR + 1.30%	12/18/2025
Hill7 ⁽¹³⁾	101,000	101,000	3.38%	11/6/2028
Total secured debt	1,714,874	1,507,276		
Total unsecured and secured debt	3,764,874	3,432,276		
Unamortized deferred financing costs/loan discounts ⁽¹⁴⁾	(30,971)	(32,784)		
TOTAL UNSECURED AND SECURED DEBT, NET	\$ 3,733,903	\$ 3,399,492		
IN-SUBSTANCE DEFEASED DEBT⁽¹⁵⁾				
	\$ 128,212	\$ 131,707	4.47%	10/1/2022
JOINT VENTURE PARTNER DEBT ⁽¹⁶⁾				
	\$ 66,136	\$ 66,136	4.50%	10/9/2028

- Interest rate with respect to indebtedness is calculated on the basis of a 360-day year for the actual days elapsed. Interest rates are as of December 31, 2021, which may be different than the interest rates as of December 31, 2020 for corresponding indebtedness.
- The annual facility fee rate is 0.15% or 0.30% based on the operating partnership's leverage ratio. The Company has an option to make an irrevocable election to change the interest rate depending on the Company's credit rating or a specified base rate plus an applicable margin. As of December 31, 2021, no such election had been made and the unsecured revolving credit facility bore interest at LIBOR + 1.20%.
- The Company has a total capacity of \$1.0 billion available under its unsecured revolving credit facility, up to \$250.0 million of which can be used for borrowings in pounds sterling or Canadian dollars.
- The maturity date may be extended twice for an additional six-month term each.
- The notes pay interest semi-annually on the 16th day of June and December in each year until maturity.
- The notes pay interest semi-annually on the 6th day of January and July in each year until maturity.
- The notes pay interest semi-annually on the 15th day of March and September in each year until maturity.
- The Company owns 51% of the ownership interest in the consolidated joint venture that owns the Hollywood Media Portfolio. The joint venture holds a \$1.1 billion mortgage loan secured by the Hollywood Media Portfolio, which has an initial term of two years from the first payment date with three one-year extension options, subject to certain requirements. The effective interest rate on the loan is LIBOR + 1.17% until August 9, 2022, at which time the effective interest rate will decrease to LIBOR + 0.99%. The Company purchased bonds comprising the loan in the amount of \$209.8 million.
- The interest rate on a portion of the outstanding loan balance has been effectively fixed through the use of interest rate swaps under the first payments approach. As of December 31, 2021, the LIBOR component of the interest rate was fixed at 1.76% with respect to \$350.0 million and 1.43% with respect to \$125.0 million of the loan secured by the Hollywood Media Portfolio, respectively.
- Monthly debt service includes debt amortization payments based on a 30-year amortization schedule with a balloon payment at maturity.

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Notes to Consolidated Financial Statements—(Continued)
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11. The Company has the ability to draw up to \$414.6 million under the construction loan secured by the One Westside and 10850 Pico properties.
12. The Company owns 55% of the ownership interest in the consolidated joint venture that owns the 1918 Eighth property. The full amount of the loan is shown. This loan is interest-only through its term.
13. The Company owns 55% of the ownership interest in the consolidated joint venture that owns the Hill7 property. The full amount of the loan is shown. This loan bears interest only at 3.38% until November 6, 2026, at which time the interest rate will increase and monthly debt service will include principal payments with a balloon payment at maturity.
14. Excludes deferred financing costs related to establishing the Company's unsecured revolving credit facility, which are reflected in prepaid expenses and other assets, net on the Consolidated Balance Sheets. See Note 2 for details.
15. The Company owns 75% of the ownership interest in the joint venture that owns the One Westside and 10850 Pico properties. The full amount of the loan is shown. Monthly debt service includes debt amortization payments based on a 10-year amortization schedule with a balloon payment at maturity.
16. This amount relates to debt attributable to Allianz U.S. Private REIT LP ("Allianz"), the Company's partner in the joint venture that owns the Ferry Building property. The maturity date may be extended twice for an additional two-year term each.

Current Year Activity

During the year ended December 31, 2021, the outstanding borrowings on the unsecured revolving credit facility increased by \$125.0 million, net of draws. The Company generally uses the unsecured revolving credit facility to finance the acquisition of properties and businesses, to provide funds for tenant improvements and capital expenditures and to provide for working capital and other corporate purposes.

During the year ended December 31, 2021, the Company paid off the mortgage loan secured by its 10950 Washington property that was originally due on March 11, 2022.

In December 2021, the operating partnership entered into the Amended and Restated Credit Agreement with various financial institutions. The Amended and Restated Credit Agreement modified the operating partnership's unsecured revolving credit facility as discussed under the Credit Facility section below.

In November 2021, the consolidated joint venture that owns the 1918 Eighth property amended its \$314.3 million loan secured by the property. The refinancing resulted in a reduction of the interest rate from LIBOR + 1.70% to LIBOR + 1.30%.

In August 2021, the consolidated joint venture that owns the Hollywood Media Portfolio refinanced its previous \$900.0 million loan secured by the Hollywood Media Portfolio, which bore interest at a rate of LIBOR + 2.15%, with a \$1.1 billion mortgage loan secured by the Hollywood Media Portfolio with an interest rate of LIBOR + 1.17%. In August 2021, the Company also purchased bonds comprising the loan in the amount of \$209.8 million and concurrently redeemed bonds comprising the previous loan in the amount of \$107.8 million. The refinancing resulted in a \$6.3 million loss on extinguishment of debt recognized on the Consolidated Statements of Operations.

Indebtedness

The Company presents its financial statements on a consolidated basis. Notwithstanding such presentation, except to the extent expressly indicated, the Company's separate property-owning subsidiaries are not obligors of or under the debt of their respective affiliates and each property-owning subsidiary's separate liabilities do not constitute obligations of its respective affiliates.

Loan agreements include events of default that the Company believes are usual for loans and transactions of this type. As of the date of this filing, there have been no events of default associated with the Company's loans.

The following table provides information regarding the Company's future minimum principal payments due on the Company's debt (before the impact of extension options, if applicable) as of December 31, 2021:

For the Year Ended December 31,	Unsecured and Secured Debt	In-Substance Defeased Debt	Joint Venture Partner Debt
2022	\$ —	\$ 128,212	\$ —
2023	1,291,574	—	—
2024	—	—	—
2025	866,300	—	—
2026	150,000	—	—
Thereafter	1,457,000	—	66,136
TOTAL	\$ 3,764,874	\$ 128,212	\$ 66,136

Hudson Pacific Properties, Inc. and Hudson Pacific Properties, L.P.
Notes to Consolidated Financial Statements—(Continued)
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Unsecured Debt

Credit Facility

The Amended and Restated Credit Agreement increased the operating partnership's unsecured revolving credit facility capacity to \$1.0 billion and extended its maturity date to December 21, 2025 with two six-month extension options. Subject to the satisfaction of certain conditions and lender commitments, the operating partnership may increase the commitments held under the Amended and Restated Credit Agreement up to a total of \$2.0 billion either in the form of an increase to an existing unsecured revolving credit facility or a new loan, including a term loan.

The operating partnership continues to be the borrower under its credit facility agreement, and the Company and all subsidiaries that own unencumbered properties will continue to provide guarantees unless the Company obtains and maintains a credit rating of at least BBB- from S&P or Baa3 from Moody's, in which case such guarantees are not required except under limited circumstances. In October 2019, Moody's Investors Service upgraded the Company's long-term corporate credit rating from Baa3 to Baa2, with a stable outlook.

Note Purchase Agreements

The operating partnership may prepay at any time all or, from time to time, any part of the note purchase agreements in an amount not less than 5% of the aggregate principal amount of any series of note purchase agreements then outstanding in the case of a partial prepayment, at 100% of the principal amount so prepaid plus a make-whole premium.

The operating partnership's obligations under note purchase agreements are fully and unconditionally guaranteed by the Company. Subsidiaries of the Company will also issue unconditional guarantees upon the occurrence of certain conditions, including such subsidiaries providing guarantees under the Amended and Restated Credit Agreement, by and among the operating partnership, the financial institutions party thereto, and Wells Fargo Bank, National Association as administrative agent.

Debt Covenants

The operating partnership's ability to borrow under its unsecured loan arrangements remains subject to ongoing compliance with financial and other covenants as defined in the respective agreements. Certain financial covenant ratios are subject to change in the occurrence of material acquisitions as defined in the respective agreements. Other covenants include certain limitations on dividend payouts and distributions, limits on certain types of investments outside of the operating partnership's primary business and other customary affirmative and negative covenants.

The following table summarizes existing covenants and their covenant levels as of December 31, 2021 related to our unsecured revolving credit facility, term loans and note purchase agreements, when considering the most restrictive terms:

Covenant Ratio	Covenant Level	Actual Performance
Total liabilities to total asset value	≤ 60%	38.7%
Unsecured indebtedness to unencumbered asset value	≤ 60%	35.2%
Adjusted EBITDA to fixed charges	≥ 1.5x	3.7x
Secured indebtedness to total asset value	≤ 45%	18.3%
Unencumbered NOI to unsecured interest expense	≥ 2.0x	3.6x

The following table summarizes existing covenants and their covenant levels related to our registered senior notes as of December 31, 2021:

Covenant Ratio⁽¹⁾	Covenant Level	Actual Performance
Debt to total assets	≤ 60%	42.4%
Total unencumbered assets to unsecured debt	≥ 150%	280.0%
Consolidated income available for debt service to annual debt service charge	≥ 1.5x	4.5x
Secured debt to total assets	≤ 45%	19.9%

1. The covenant and actual performance metrics above represent terms and definitions reflected in the indentures governing the 3.25% Senior Notes, 3.95%

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Notes to Consolidated Financial Statements—(Continued)
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Senior Notes and 4.65% Senior Notes.

The operating partnership was in compliance with its financial covenants as of December 31, 2021.

Repayment Guarantees

Although the rest of the operating partnership's loans are secured and non-recourse, the operating partnership provides limited customary secured debt guarantees for items such as voluntary bankruptcy, fraud, misapplication of payments and environmental liabilities.

The Company guarantees the operating partnership's unsecured debt.

Interest Expense

The following table represents a reconciliation from gross interest expense to the interest expense on the Consolidated Statements of Operations:

	Year Ended December 31,		
	2021	2020	2019
Gross interest expense ⁽¹⁾	\$ 134,071	\$ 126,447	\$ 115,845
Capitalized interest	(22,595)	(19,509)	(16,258)
Amortization of deferred financing costs and loan discount, net	10,463	6,885	5,514
INTEREST EXPENSE	\$ 121,939	\$ 113,823	\$ 105,101

1. Includes interest on the Company's debt and hedging activities.

10. Derivatives

The Company enters into derivatives in order to hedge interest rate risk.

The Company had three interest rate swaps with aggregate notional amounts of \$0.5 billion as of December 31, 2021 and four interest rate swaps with aggregate notional amounts of \$0.5 billion as of December 31, 2020. These derivatives were designated as effective cash flow hedges for accounting purposes. The derivative assets are recorded in prepaid expenses and other assets and derivative liabilities are recorded in accounts payable, accrued liabilities and other on the Consolidated Balance Sheets.

The Company had one interest rate cap contract with an aggregate notional amount \$1.1 billion of December 31, 2021 and one interest rate cap contract with an aggregate notional amount of \$0.9 billion as of and December 31, 2020. The interest rate caps are not designated under hedge accounting and are accounted for under mark-to-market accounting.

The Company has agreements with its derivative counterparties that contain a provision where the Company could be declared in default on its derivative obligations if repayment of the underlying indebtedness is accelerated by the lender due to the Company's default on the indebtedness.

The Company's derivatives are classified as Level 2 and their fair values are derived from estimated values obtained from observable market data for similar instruments.

Hudson Pacific Properties, Inc. and Hudson Pacific Properties, L.P.
Notes to Consolidated Financial Statements—(Continued)
(Tables in thousands, except square footage and share data)

The fair market value of derivatives is presented on a gross basis on the Consolidated Balance Sheets. The following table summarizes the Company's derivative instruments as of December 31, 2021 and December 31, 2020:

Underlying Debt Instrument	Number of Derivatives	Notional Amount	Effective Date	Maturity Date	Interest Rate Range ⁽¹⁾		Fair Value (Liabilities)/Assets	
					Low	High	2021	2020
Interest rate swaps								
Hollywood Media Portfolio ⁽²⁾	2	350,000	April 2015	April 2022	2.96 %	3.46 %	(1,413)	(7,112)
Hollywood Media Portfolio ⁽²⁾	1	125,000	June 2016	November 2022	2.63 %	3.13 %	(1,122)	(2,994)
Interest rate cap					Strike rate			
Hollywood Media Portfolio ⁽³⁾	1	\$ 900,000	July 2020	Terminated August 2021	3.50%		\$ —	\$ 5
Hollywood Media Portfolio ⁽³⁾	1	\$ 1,100,000	August 2021	August 2023	3.50%		\$ 368	\$ —
TOTAL							\$ (2,167)	\$ (10,101)

1. The rate is based on the fixed rate from the swap and the spread based on the operating partnership's leverage ratio.
2. The swaps were designated under the first payments approach within hedge accounting, where the Company elected to designate a cash flow (LIBOR-based interest payments) instead of a specific piece of debt.
3. The Hollywood Media Portfolio debt was refinanced during the year ended December 31, 2021 with the loan amount being increased to \$1.1 billion. Concurrently with the refinance, the interest rate cap associated with the original \$900.0 million loan was early-terminated and replaced with an interest rate cap with a notional amount of \$1.1 billion and a maturity in August 2023.

The Company reclassifies unrealized gains and losses related to cash flow hedges into earnings in the same period during which the hedged forecasted transaction affects earnings. As of December 31, 2021, the Company expects \$2.6 million of unrealized loss included in accumulated other comprehensive income will be reclassified as an increase to interest expense in the next 12 months.

11. U.S. Government Securities

The Company has U.S. Government securities of \$129.3 million and \$135.1 million as of December 31, 2021 and December 31, 2020, respectively. The acquisition of the One Westside and 10850 Pico properties in 2018 included the assumption of debt that was, in substance, defeased through the purchase of U.S. Government-backed securities. The securities are investments held to maturity and are carried at amortized cost on the Consolidated Balance Sheets. The Company has both the intent and ability to hold to maturity. As of December 31, 2021, the Company incurred \$1.6 million of gross unrealized gains and no gross unrealized losses related to the U.S. Government securities.

The following table summarizes the carrying value and fair value of the Company's securities by the contractual maturity date as of December 31, 2021:

	Carrying Value	Fair Value
Due in 1 year	\$ 129,321	\$ 130,910
TOTAL	\$ 129,321	\$ 130,910

12. Future Minimum Rents and Lease Payments

The Company's properties are leased to tenants under operating leases with initial term expiration dates ranging from 2022 to 2040.

Hudson Pacific Properties, Inc. and Hudson Pacific Properties, L.P.
Notes to Consolidated Financial Statements—(Continued)
(Tables in thousands, except square footage and share data)

The following table summarizes the future minimum base rents (excluding tenant reimbursements for operating expenses and termination fees related to tenants exercising early termination options) for properties as of December 31, 2021:

Year Ended	Non-cancellable	Subject to Early Termination Options	Total⁽¹⁾
2022	\$ 639,339	\$ 5,512	\$ 644,851
2023	603,242	4,701	607,943
2024	538,909	9,111	548,020
2025	396,862	44,591	441,453
2026	338,190	54,485	392,675
Thereafter	1,300,088	186,923	1,487,011
TOTAL	\$ 3,816,630	\$ 305,323	\$ 4,121,953

1. Excludes rents under leases at the Company's studio properties with terms of one year or less.

Operating Lease Agreements

The Company is party to long-term non-cancellable operating lease agreements in which it is a lessee, consisting of 14 ground leases, three facility leases and two office leases as of December 31, 2021. The Company's operating lease obligations have expiration dates ranging from 2023 through 2067, including extension options which the Company is reasonably certain to exercise. Certain leases provide for variable rental payments based on third-party appraisals of fair market land value, CPI adjustments or a percentage of annual gross income. There are no notable restrictions or covenants imposed by the leases, nor guarantees of residual value.

As of December 31, 2021, the present value of the remaining contractual payments of \$628.7 million under the Company's operating lease agreements was \$293.6 million. The corresponding operating lease right-of-use assets amounted to \$287.0 million.

The following table provides information regarding the Company's future minimum lease payments for its operating leases (including the impact of the extension options which the Company is reasonably certain to exercise) as of December 31, 2021:

For the Year Ended December 31,	Lease Payments⁽¹⁾
2022	\$ 21,191
2023	20,994
2024	20,977
2025	21,004
2026	20,685
Thereafter	523,877
Total operating lease payments	628,728
Less: interest portion	(335,132)
PRESENT VALUE OF OPERATING LEASE LIABILITY	\$ 293,596

1. Future minimum lease payments for operating leases denominated in Canadian dollars are translated to U.S. dollars using the exchange rate in effect as of the financial statement date.

The following table summarizes rental expense for operating leases:

	For the Year Ended December 31,		
	2021	2020	2019
Variable rental expense	\$ 10,405	\$ 8,944	\$ 9,193
Minimum rental expense	\$ 21,482	\$ 19,964	\$ 19,900

Hudson Pacific Properties, Inc. and Hudson Pacific Properties, L.P.
Notes to Consolidated Financial Statements—(Continued)
(Tables in thousands, except square footage and share data)

13. Fair Value of Financial Instruments

The Company's financial assets and liabilities measured and reported at fair value on a recurring basis include the following as of:

	December 31, 2021				December 31, 2020			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Interest rate cap derivative asset ⁽¹⁾	\$ —	\$ 368	\$ —	\$ 368	\$ —	\$ 5	\$ —	\$ 5
Interest rate swap derivative liabilities ⁽²⁾	\$ —	\$ (2,535)	\$ —	\$ (2,535)	\$ —	\$ (10,106)	\$ —	\$ (10,106)
Non-real estate investments measured at fair value ⁽¹⁾	\$ 1,915	\$ 1,568	\$ —	\$ 3,483	\$ —	\$ 750	\$ —	\$ 750
Stock purchase warrant ⁽¹⁾	\$ —	\$ 1,664	\$ —	\$ 1,664	\$ —	\$ —	\$ —	\$ —
Earnout liability ⁽²⁾⁽³⁾	\$ —	\$ —	\$ 11,383	\$ 11,383	\$ —	\$ —	\$ —	\$ —
Non-real estate investments measured at NAV ⁽¹⁾⁽⁴⁾	\$ —	\$ —	\$ —	\$ 27,964	\$ —	\$ —	\$ —	\$ 3,338

1. Included in prepaid expenses and other assets, net on the Consolidated Balance Sheets.

2. Included in accounts payable, accrued liabilities and other on the Consolidated Balance Sheets.

3. Related to the acquisition of Zio. Refer to Note 3 for additional details.

4. According to the relevant accounting standards, certain investments that are measured at fair value using the NAV practical expedient have not been classified in the fair value hierarchy. The fair value amounts presented in the table are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the Consolidated Balance Sheets.

Level 1 item includes an investment in common stock of a publicly traded company which is valued on a quarterly basis using the closing stock price. Level 2 items include interest rate cap and swap which are valued on a quarterly basis using a linear regression model, as well as investments in preferred stock and warrants of a publicly traded company value which are valued on a quarterly basis using the closing stock price and the Black-Scholes model, respectively. Level 3 item includes the earnout liability which is valued on a quarterly basis using a probability-weighted discounted cash flow model. Inputs to the model include the discount rate and probability-weighted earnout payments based on a Monte Carlo simulation with one million trials. Fair value measurement using unobservable inputs is inherently uncertain, and a change in significant inputs could result in different fair values.

Other Financial Instruments

The carrying values of cash and cash equivalents, restricted cash, accounts receivable, accounts payable and accrued liabilities are reasonable estimates of fair value, using Level 1 inputs, because of the short-term nature of these instruments. The fair value of the investment in U.S. Government securities is an estimate based on Level 1 inputs. The fair values of debt are estimates based on rates currently prevailing for similar instruments of similar maturities using Level 2 inputs.

The table below represents the carrying value and fair value of the Company's investment in securities and debt as of:

	December 31, 2021		December 31, 2020	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Assets				
U.S. Government securities	\$ 129,321	\$ 130,910	\$ 135,115	\$ 140,270
Liabilities				
Unsecured debt ⁽¹⁾	\$ 2,050,000	\$ 2,154,908	\$ 1,925,000	\$ 2,072,833
Secured debt ⁽¹⁾	\$ 1,714,874	\$ 1,713,726	\$ 1,507,276	\$ 1,503,960
In-substance defeased debt	\$ 128,212	\$ 128,361	\$ 131,707	\$ 131,633
Joint venture partner debt	\$ 66,136	\$ 69,116	\$ 66,136	\$ 68,346

1. Amounts represent debt excluding net deferred financing costs.

Hudson Pacific Properties, Inc. and Hudson Pacific Properties, L.P.
Notes to Consolidated Financial Statements—(Continued)
(Tables in thousands, except square footage and share data)

14. Stock-Based Compensation

The Company's 2010 Incentive Plan permits the Company's board of directors (the "Board") to grant, among other things, restricted stock, restricted stock units, operating partnership performance units and performance-based awards. As of December 31, 2021, 7.2 million common shares were available for grant under the 2010 Plan. The calculation of shares available for grant is determined after taking into account unvested restricted stock, unvested operating partnership performance units, unvested RSUs, awards under our one-time retention performance-based awards and awards under our outstanding outperformance programs, assuming the maximum bonus pool eligible ultimately is earned and based on a stock price of \$24.71.

The Board awards restricted shares to non-employee Board members on an annual basis as part of such Board members' annual compensation and to newly elected non-employee board members in accordance with the Non-Employee Director Compensation Program. The time-based awards are generally issued in the second quarter, in conjunction with the director's election to the Board and the individual share awards vest in equal annual installments over the applicable service vesting period, which is three years. Additionally, certain non-employee Board members elect to receive operating partnership performance units in lieu of their annual cash retainer fees. These awards are generally issued in the fourth quarter and are fully-vested upon their issuance.

The Board awards time-based restricted shares or time-based operating partnership performance units to certain employees on an annual basis as part of the employees' annual compensation. These time-based awards are generally issued in the fourth quarter and vest in equal annual installments over the applicable service vesting period, which is generally three years. Additionally, certain awards are subject to a mandatory holding period upon vesting if the grantee is a named executive officer. Lastly, certain employees elect to receive operating partnership performance units in lieu of their annual cash bonus. These awards are generally issued in the fourth quarter and are fully-vested upon their issuance.

The compensation committee of our Board (the "Compensation Committee") adopted a Hudson Pacific Properties, Inc. Outperformance Program ("OPP Plan") under the 2010 Plan through 2019. To the extent an award is earned following the completion of a three-year performance period, 50% of the earned award will vest in full at the end of the three-year performance period and 50% of the earned award will be subject to a mandatory two-year holding period upon vesting. OPP Plan awards are settled in common stock and, in the case of certain executives, in operating partnership performance units.

Beginning in 2020, the Compensation Committee adopted an annual Hudson Pacific Properties, Inc. Performance Stock Unit Plan ("PSU Plan"). Under the PSU Plan, the Compensation Committee awards restricted stock units or performance units in the operating partnership to certain employees. PSU Plan grants consist of two portions. A portion of each award, the Relative Total Shareholder Return ("TSR") Performance Unit, is eligible to vest based on the achievement of the Company's TSR compared to the TSR of the SNL U.S. REIT Office Index over a three-year performance period, with the vesting percentage subject to certain percentage targets. The remaining portion of each award, the Operational Performance Unit, becomes eligible to vest based on the achievement of operational performance metrics over a one-year performance period and vests over three years. The number of Operational Performance Units that becomes eligible to vest based on the achievement of operational performance metrics may be adjusted based on the Company's achievement of absolute TSR goals over a three-year performance period by applying the applicable vesting percentages. Certain of the awards granted under the PSU Plan are subject to a two-year post-vesting restriction period, during which any awards earned may not be sold or transferred.

Time-Based Awards

The stock-based compensation is valued based on the quoted closing price of the Company's common stock on the applicable grant date and discounted for the hold restriction in accordance with ASC 718. The stock-based compensation is amortized through the final vesting period on a straight-line basis. Forfeitures of awards are recognized as they occur.

Hudson Pacific Properties, Inc. and Hudson Pacific Properties, L.P.
Notes to Consolidated Financial Statements—(Continued)
(Tables in thousands, except square footage and share data)

Performance-Based Awards

PSU Plan

The following table outlines key components of the 2021 PSU Plan:

	Operational Performance Unit	Relative TSR Performance Unit
Maximum bonus pool, in millions	\$6.7	\$6.7
Performance period	1/1/2021 to 12/31/2021	1/1/2021 to 12/31/2023

The following table outlines key components of the 2020 PSU Plan:

	Operational Performance Unit	Relative TSR Performance Unit
Maximum bonus pool, in millions	\$14.9	\$14.9
Performance period	1/1/2020 to 12/31/2020	1/1/2020 to 12/31/2022

The stock-based compensation cost of the 2021 and 2020 PSU Plans was valued in accordance with ASC 718 utilizing a Monte Carlo simulation to estimate the probability of the performance vesting conditions being satisfied. The stock-based compensation is amortized through the final vesting period under a graded vesting expense recognition schedule. Forfeitures of awards are recognized as they occur.

The per unit fair value of the 2021 and 2020 PSU awards granted was estimated on the date of grant using the following assumptions in the Monte Carlo simulation:

	2021	2020
Expected price volatility for the Company	41.00%	17.00%
Expected price volatility for the particular REIT index	31.00%	14.00%
Risk-free rate	0.17%	1.66%
Dividend yield	3.50%	2.80%

OPP Plan

An award under the OPP Plan is ultimately earned to the extent the Company outperforms a predetermined TSR goal and/or achieves goals with respect to the outperformance of its peers in a particular REIT index. The ultimate aggregate award cannot exceed the predetermined maximum bonus pool. The following table outlines key components of the 2019 OPP Plans:

	2019 OPP Plan
Maximum bonus pool, in millions	\$28.0
Performance period	1/1/2019 to 12/31/2021

The stock-based compensation costs of the OPP Plans were valued in accordance with ASC 718 utilizing a Monte Carlo simulation to estimate the probability of the performance vesting conditions being satisfied. The stock-based compensation is amortized through the final vesting period under a graded vesting expense recognition schedule. Forfeitures of awards are recognized as they occur.

Hudson Pacific Properties, Inc. and Hudson Pacific Properties, L.P.
Notes to Consolidated Financial Statements—(Continued)
(Tables in thousands, except square footage and share data)

The per unit fair value of OPP awards granted was estimated on the date of grant using the following assumptions in the Monte Carlo simulation:

	2019
Expected price volatility for the Company	22.00%
Expected price volatility for the particular REIT index	18.00%
Risk-free rate	2.57%
Dividend yield	3.00%

One-Time Retention Awards

At the end of each year in the four-year performance period and over the four-year performance period, the ultimate award is earned if the Company outperforms a predetermined TSR goal and/or achieves goals with respect to its outperformance of its peers in a particular REIT index.

The stock-based compensation costs for these awards were valued in accordance with ASC 718, utilizing a Monte Carlo simulation to estimate the probability of the performance vesting conditions being satisfied. The stock-based compensation is amortized through the final vesting period under a graded vesting expense recognition schedule. Forfeitures of awards are recognized as they occur. These awards were fully-vested as of December 31, 2019.

The per unit fair value of one-time retention awards granted was estimated on the date of grant using the following assumptions in the Monte Carlo simulation:

	Assumptions
Expected price volatility for the Company	23.00%
Expected price volatility for the particular REIT index	18.00%
Risk-free rate	1.63%
Dividend yield	3.20%

Summary of Unvested Share Activity

The following table summarizes the activity and status of all unvested stock awards:

	2021		2020		2019	
	Shares	Weighted-Average Grant-Date Fair Value	Shares	Weighted-Average Grant-Date Fair Value	Shares	Weighted-Average Grant-Date Fair Value
Unvested at January 1	442,645	\$ 27.44	459,784	\$ 33.67	703,796	\$ 32.93
Granted	276,800	23.90	404,779	24.70	247,521	35.50
Vested	(203,329)	28.33	(420,970)	31.61	(470,019)	32.88
Canceled	(8,582)	26.21	(948)	29.91	(21,514)	34.16
Unvested at December 31	507,534	\$ 25.17	442,645	\$ 27.44	459,784	\$ 33.67

The following table summarizes the activity and status of all unvested time-based restricted operating partnership performance units:

	2021		2020		2019	
	Units	Weighted-Average Grant-Date Fair Value	Units	Weighted-Average Grant-Date Fair Value	Units	Weighted-Average Grant-Date Fair Value
Unvested at January 1	771,432	\$ 27.08	608,679	\$ 32.70	318,549	\$ 28.41
Granted	355,551	24.68	571,978	23.49	481,215	35.74
Vested	(349,804)	29.85	(409,225)	30.42	(191,085)	30.37
Canceled	(95,785)	23.49	—	—	—	—
Unvested at December 31	681,394	\$ 24.91	771,432	\$ 27.08	608,679	\$ 32.70

Hudson Pacific Properties, Inc. and Hudson Pacific Properties, L.P.
Notes to Consolidated Financial Statements—(Continued)
(Tables in thousands, except square footage and share data)

Share-based Compensation Recorded

The following table presents the classification and amount recognized for stock-based compensation related to the Company's awards:

	For the Year Ended December 31,		
	2021	2020	2019
Expensed stock compensation ⁽¹⁾	\$ 21,163	\$ 22,723	\$ 19,481
Capitalized stock compensation ⁽²⁾	3,524	3,306	951
Total stock compensation⁽³⁾	\$ 24,687	\$ 26,029	\$ 20,432

1. Amounts are recorded in general and administrative expenses on the Consolidated Statements of Operations.
2. Amounts are recorded in investment in real estate, at cost on the Consolidated Balance Sheets.
3. Amounts are recorded in additional paid-in capital and non-controlling interest—units in the operating partnership on the Consolidated Balance Sheets.

As of December 31, 2021, total unrecognized compensation cost related to unvested share-based payments was \$37.5 million. It is expected to be recognized over a weighted-average period of two years.

15. Earnings Per Share

Hudson Pacific Properties, Inc.

The Company calculates basic earnings per share using the two-class method by dividing the net income available to common stockholders for the period by the weighted average number of common shares outstanding during the period. Unvested time-based restricted stock awards, unvested time-based performance unit awards and unvested restricted stock units ("RSUs") that contain non-forfeitable rights to dividends are participating securities and are included in the computation of earnings per share pursuant to the two-class method. The Company calculates diluted earnings per share using the two-class method or the treasury stock and if-converted method, whichever results in more dilution. For the year ended December 31, 2021 and 2020, both methods of calculation yielded the same diluted earnings per share amount. Diluted earnings per share reflects the potential dilution that could occur if securities or other contracts to issue common stock were exercised or converted into common stock, where such exercise or conversion would result in a lower earnings per share amount.

The following table reconciles the numerator and denominator in computing the Company's basic and diluted earnings per share for net income available to common stockholders:

	For the Year Ended December 31,		
	2021	2020	2019
Numerator:			
Basic net income available to common stockholders	\$ 6,064	\$ 383	\$ 42,725
Effect of dilutive instruments	—	—	331
Diluted net income available to common stockholders	\$ 6,064	\$ 383	\$ 43,056
Denominator:			
Basic weighted average common shares outstanding	151,618,282	153,126,027	154,404,427
Effect of dilutive instruments ⁽¹⁾	325,078	42,998	2,197,981
DILUTED WEIGHTED AVERAGE COMMON SHARES OUTSTANDING	151,943,360	153,169,025	156,602,408
Basic earnings per common share	\$ 0.04	\$ 0.00	\$ 0.28
Diluted earnings per common share	\$ 0.04	\$ 0.00	\$ 0.28

1. The Company includes unvested awards and convertible common and participating units as contingently issuable shares in the computation of diluted earnings per share once the market or performance criteria are met, assuming that the end of the reporting period is the end of the contingency period. Any anti-dilutive securities are excluded from the diluted earnings per share calculation.

Hudson Pacific Properties, Inc. and Hudson Pacific Properties, L.P.
Notes to Consolidated Financial Statements—(Continued)
(Tables in thousands, except square footage and share data)

Hudson Pacific Properties, L.P.

The operating partnership calculates basic earnings per unit using the two-class method by dividing the net income available to common unitholders for the period by the weighted average number of common units outstanding during the period. Unvested time-based restricted stock awards, unvested time-based performance unit awards and unvested RSUs that contain non-forfeitable rights to dividends are participating securities and are included in the computation of earnings per unit pursuant to the two-class method. The operating partnership calculates diluted earnings per unit using the two-class method or the treasury stock and if-converted method, whichever results in more dilution. For the year ended December 31, 2021 and 2020, both methods of calculation yielded the same diluted earnings per unit amount. Diluted earnings per unit reflects the potential dilution that could occur if securities or other contracts to issue common units were exercised or converted into common units, where such exercise or conversion would result in a lower earnings per unit amount.

The following table reconciles the numerator and denominator in computing the operating partnership's basic and diluted earnings per unit for net income available to common unitholders:

	For the Year Ended December 31,		
	2021	2020	2019
Numerator:			
Basic and diluted net income available to common unitholders	\$ 6,125	\$ 393	\$ 42,954
Denominator:			
Basic weighted average common units outstanding	153,007,287	154,040,775	155,094,997
Effect of dilutive instruments ⁽¹⁾	325,078	42,998	1,017,605
DILUTED WEIGHTED AVERAGE COMMON UNITS OUTSTANDING	153,332,365	154,083,773	156,112,602
Basic earnings per common unit	\$ 0.04	\$ 0.00	\$ 0.28
Diluted earnings per common unit	\$ 0.04	\$ 0.00	\$ 0.28

1. The operating partnership includes unvested awards as contingently issuable units in the computation of diluted earnings per unit once the market or performance criteria are met, assuming that the end of the reporting period is the end of the contingency period. Any anti-dilutive securities are excluded from the diluted earnings per unit calculation.

16. Redeemable Non-Controlling Interest

Redeemable Preferred Units of the Operating Partnership

As of December 31, 2021 and 2020, there were 392,598 series A preferred units of partnership interest in the operating partnership, or series A preferred units, which are not owned by the Company. These series A preferred units are entitled to preferential distributions at a rate of 6.25% per annum on the liquidation preference of \$25.00 per unit. The units are convertible at the option of the holder into common units or redeemable into cash or, at the Company's election, exchangeable for registered shares of common stock.

Redeemable Non-controlling Interest in Consolidated Real Estate Entities

On March 1, 2018, the Company entered into a joint venture agreement with Macerich to form the HPP-MAC JV. On August 31, 2018, Macerich contributed Westside Pavilion to the HPP-MAC JV. The Company has a 75% interest in the joint venture that owns the One Westside and 10850 Pico properties. The Company has a put right, after a specified time, to sell its interest at fair market value. Macerich has a put right, after a specified time, to sell its interest at fair market value, which is a redemption right that is not solely within the control of the Company. Therefore, the non-controlling interest related to this joint venture is included as temporary equity. The put right is not currently redeemable.

On October 9, 2018, the Company entered into a joint venture with Allianz to purchase the Ferry Building property. The Company has a 55% interest in the joint venture that owns the Ferry Building property. The Company has a put right, if certain events occur, to sell its interest at fair market value. Allianz has a put right, if certain events occur, to sell its interest at fair market value, which is a redemption right that is not solely within the control of the Company. Therefore, the non-controlling interest related to this joint venture is included as temporary equity. The put right is not currently redeemable.

Hudson Pacific Properties, Inc. and Hudson Pacific Properties, L.P.
Notes to Consolidated Financial Statements—(Continued)
(Tables in thousands, except square footage and share data)

The following table reconciles the beginning and ending balances of redeemable non-controlling interests:

	Series A Redeemable Preferred Units	Consolidated Entities
Balance at December 31, 2020	\$ 9,815	\$ 127,874
Contributions	—	4,493
Distributions	—	(16)
Declared dividend	(612)	—
Net income (loss)	612	(2,902)
BALANCE AT DECEMBER 31, 2021	\$ 9,815	\$ 129,449

17. Equity

The table below presents the activity related to Hudson Pacific Properties, Inc.'s accumulated other comprehensive income (loss) ("OCI"):

	Derivative Instruments	Currency Translation Adjustments	Total Equity
Balance at January 1, 2019	\$ 17,501	\$ —	\$ 17,501
Unrealized gain recognized in OCI	(14,438)	1,830	(12,608)
Reclassification from OCI into income	(5,454)	—	(5,454)
Net change in OCI	(19,892)	1,830	(18,062)
Balance at December 31, 2019	(2,391)	1,830	(561)
Unrealized (loss) gain recognized in OCI	(14,407)	1,415	(12,992)
Reclassification from OCI into income	5,420	—	5,420
Net change in OCI	(8,987)	1,415	(7,572)
Balance at December 31, 2020	(11,378)	3,245	(8,133)
Unrealized (loss) gain recognized in OCI	169	(1,049)	(880)
Reclassification from OCI into income	7,252	—	7,252
Net change in OCI	7,421	(1,049)	6,372
Balance at December 31, 2021	\$ (3,957)	\$ 2,196	\$ (1,761)

The table below presents the activity related to Hudson Pacific Properties, LP's accumulated OCI:

	Derivative Instruments	Currency Translation Adjustments	Total Equity
Balance at January 1, 2019	\$ 17,565	\$ —	\$ 17,565
Unrealized (loss) gain recognized in OCI	(14,533)	1,845	(12,688)
Reclassification from OCI into income	(5,490)	—	(5,490)
Net change in OCI	(20,023)	1,845	(18,178)
Balance at December 31, 2019	(2,458)	1,845	(613)
Unrealized (loss) income recognized in OCI	(14,471)	1,394	(13,077)
Reclassification from OCI into income	5,444	—	5,444
Net change in OCI	(9,027)	1,394	(7,633)
Balance at December 31, 2020	(11,485)	3,239	(8,246)
Unrealized (loss) income recognized in OCI	171	(1,064)	(893)
Reclassification from OCI into income	7,360	—	7,360
Net change in OCI	7,531	(1,064)	6,467
Balance at December 31, 2021	\$ (3,954)	\$ 2,175	\$ (1,779)

Hudson Pacific Properties, Inc. and Hudson Pacific Properties, L.P.
Notes to Consolidated Financial Statements—(Continued)
(Tables in thousands, except square footage and share data)

Non-controlling Interests

Common Units in the Operating Partnership

Common units of the operating partnership and shares of common stock of the Company have essentially the same economic characteristics, as they share equally in the total net income or loss distributions of the operating partnership. Investors who own common units have the right to cause the operating partnership to repurchase any or all of their common units for cash at a value equal to the then-current market value of one share of common stock. However, in lieu of such payment of cash, the Company may, at its election, issue shares of its common stock in exchange for such common units on a one-for-one basis.

Performance Units in the Operating Partnership

Performance units are partnership interests in the operating partnership. Each performance unit awarded will be deemed equivalent to an award of one share of common stock under the 2010 Plan, reducing the availability for other equity awards on a one-for-one basis. Under the terms of the performance units, the operating partnership will revalue its assets for tax purposes upon the occurrence of certain specified events and any increase in valuation from the time of grant until such event will be allocated first to the holders of performance units to equalize the capital accounts of such holders with the capital accounts of common unitholders. Subject to any agreed upon exceptions, once vested and having achieved parity with common unitholders, performance units are convertible into common units in the operating partnership on a one-for-one basis.

Ownership Interest in the Operating Partnership

The following table summarizes the ownership interest in the operating partnership, excluding unvested restricted units as of:

	December 31, 2021	December 31, 2020	December 31, 2019
Company-owned common units in the operating partnership	151,124,543	151,401,365	154,691,052
Company's ownership interest percentage	98.8 %	99.1 %	99.4 %
Non-controlling common units in the operating partnership ⁽¹⁾	1,842,898	1,321,083	911,858
Non-controlling ownership interest percentage	1.2 %	0.9 %	0.6 %

1. Represents common units held by certain of the Company's executive officers, directors and other outside investors. As of December 31, 2021, this amount represents both common units and performance units of 550,969 and 1,291,929, respectively. As of December 31, 2020, this amount represents both common units and performance units of 550,969 and 770,114, respectively. As of December 31, 2019, this amount represents both common units and performance units of 550,969 and 360,889, respectively.

During the years ended December 31, 2021, 2020, and 2019, 521,815, 409,225, and 360,889 performance units, respectively, were granted and vested related to various performance-based awards to our employees and directors.

During the year ended December 31, 2019, 18,076 common units of the operating partnership were redeemed at the request of common unitholders. The Company elected, in accordance with the limited partnership agreement of the operating partnership, to settle in cash to satisfy the redemption. The Company funded the redemption using the proceeds from a registered underwritten public offering of common stock. No common unit redemptions were completed during the years ended December 31, 2021 and 2020.

Common Stock Activity

The Company has not completed any common stock offerings during the years ended December 31, 2021, 2020 and 2019.

The Company's ATM program permits sales of up to \$125.0 million of common stock. The Company utilized the ATM program during the year ended December 31, 2021 and sold 1,526,163 shares of common stock at sale prices ranging from \$29.53 to \$30.17 per share for total proceeds of \$45.7 million, before transaction costs. A cumulative total of \$65.8 million has been sold as of December 31, 2021. The Company did not utilize the ATM program during the years ended December 31, 2020 and 2019.

Hudson Pacific Properties, Inc. and Hudson Pacific Properties, L.P.
Notes to Consolidated Financial Statements—(Continued)
(Tables in thousands, except square footage and share data)

Share Repurchase Program

The Company is authorized to repurchase shares of its common stock up to a total of \$250.0 million of its common stock under the share repurchase program. During the year ended December 31, 2021, the Company repurchased 1.9 million shares at a weighted average price of \$23.82 per share for \$46.1 million, before transaction costs. During the year ended December 31, 2020, the Company repurchased 3.5 million shares at a weighted average price of \$23.00 per share for \$80.1 million, before transaction costs. No shares were repurchased during the year ended December 31, 2019. Since the commencement of the program through December 31, 2021, a cumulative total of \$176.2 million had been repurchased. Share repurchases are accounted for on the trade date. The Company may make repurchases under the program at any time in its discretion, subject to market conditions, applicable legal requirements and other factors.

Series C Cumulative Redeemable Preferred Stock

Series C cumulative redeemable preferred stock relates to the 17,000,000 shares of our Series C preferred stock, \$0.01 par value per share. Holders of Series C Preferred Stock, when and as authorized by the board of directors of the Company, are entitled to cumulative cash dividends at the rate of 4.750% per annum of the \$25.00 per share, equivalent to \$1.1875 per annum per share. Dividends are payable quarterly in arrears on or about the last day of December, March, June and September of each year, beginning on or about March 31, 2022. In addition to other preferential rights, the holders of Series C Preferred Stock are entitled to receive the liquidation preference, which is \$25.00 per share, before the holders of common stock in the event of any voluntary or involuntary liquidation, dissolution or winding-up of the Company's affairs. Generally, Series C Preferred Stock are not redeemable by the Company prior to November 16, 2026. However, upon the occurrence of a change of control, holders of the Series C Preferred Stock will have the right, (unless the Company has elected to redeem the Series C Preferred Stock) to convert into a specified number of shares of common stock. A complete description of the Series C Preferred Stock is contained in the Articles Supplementary which is filed as Exhibit 3.6 to this Current Report on Form 10-K.

Dividends

The Board declared dividends on a quarterly basis and the Company paid the dividends during the quarters in which the dividends were declared. The following table summarizes dividends declared and paid for the periods presented:

	For the Year Ended December 31,					
	2021		2020		2019	
Common stock ⁽¹⁾	\$	1.00	\$	1.00	\$	1.00
Common units ⁽¹⁾	\$	1.00	\$	1.00	\$	1.00
Series A preferred units ⁽¹⁾	\$	1.5625	\$	1.5625	\$	1.5625
Series C preferred stock ⁽²⁾	\$	—	\$	—	\$	—

1. The fourth quarter 2021 dividends were paid on December 30, 2021 to shareholders and unitholders of record on December 20, 2021.
2. As of December 31, 2021, the Company accrued dividends of \$2.3 million for Series C preferred stock.

Taxability of Dividends

Earnings and profits, which determine the taxability of distributions to stockholders, may differ from income reported for financial reporting purposes due to the differences for federal income tax purposes in the treatment of loss on extinguishment of debt, revenue recognition, compensation expense and the basis of depreciable assets and estimated useful lives used to compute depreciation.

Hudson Pacific Properties, Inc. and Hudson Pacific Properties, L.P.
Notes to Consolidated Financial Statements—(Continued)
(Tables in thousands, except square footage and share data)

The Company's dividends related to its common stock will be classified for U.S. federal income tax purposes as follows (unaudited):

Record Date	Payment Date	Distribution Per Share	Ordinary Dividends			Capital Gain Distributions	Return of Capital
			Total	Non-Qualified	Qualified		
3/19/2021	3/29/2021	\$ 0.25000	\$ 0.16280	\$ 0.16280	\$ 0.00000	\$ 0.00000	\$ 0.08720
6/18/2021	6/28/2021	0.25000	0.16280	0.16280	0.00000	0.00000	0.08720
9/20/2021	9/30/2021	0.25000	0.16280	0.16280	0.00000	0.00000	0.08720
12/20/2021	12/30/2021	0.25000	0.16280	0.16280	0.00000	0.00000	0.08720
TOTALS		\$ 1.00000	\$ 0.65120	\$ 0.65120	\$ 0.00000	\$ 0.00000	\$ 0.34880
		100.00 %	65.12 %			0.00 %	34.88 %

18. Segment Reporting

The Company's reporting segments are based on the Company's method of internal reporting, which classifies its operations into three reportable segments: (i) office properties and related operations and (ii) studio properties and related operations, and (iii) the management entity's operations (primarily management fee income). The Company evaluates performance based upon net operating income of the segment operations. General and administrative expenses and interest expense are not included in segment profit as the Company's internal reporting addresses these items on a corporate level. Asset information by segment is not reported because the Company does not use this measure to assess performance or make decisions to allocate resources; therefore, depreciation and amortization expense is not allocated among segments.

The table below presents the operating activity of the Company's reportable segments:

	Year Ended December 31,		
	2021	2020	2019
Office segment			
Office revenues	\$ 795,370	\$ 735,919	\$ 733,735
Office expenses	(280,334)	(262,199)	(256,209)
Office segment profit	515,036	473,720	477,526
Studio segment			
Studio revenues	101,465	69,046	84,447
Studio expenses	(55,513)	(37,580)	(45,313)
Studio segment profit	45,952	31,466	39,134
TOTAL SEGMENT PROFIT	\$ 560,988	\$ 505,186	\$ 516,660
Segment revenues	\$ 896,835	\$ 804,965	\$ 818,182
Segment expenses	(335,847)	(299,779)	(301,522)
TOTAL SEGMENT PROFIT	\$ 560,988	\$ 505,186	\$ 516,660

Hudson Pacific Properties, Inc. and Hudson Pacific Properties, L.P.
Notes to Consolidated Financial Statements—(Continued)
(Tables in thousands, except square footage and share data)

The table below is a reconciliation of net income to total profit from all segments:

	Year Ended December 31,		
	2021	2020	2019
NET INCOME	\$ 29,012	\$ 16,430	\$ 55,846
General and administrative	71,346	77,882	71,947
Depreciation and amortization	343,614	299,682	282,088
(Income) loss from unconsolidated real estate entities	(1,822)	(736)	747
Fee income	(3,221)	(2,815)	(1,459)
Interest expense	121,939	113,823	105,101
Interest income	(3,794)	(4,089)	(4,044)
Management services reimbursement income—unconsolidated real estate entities	(1,132)	—	—
Management services expense—unconsolidated real estate entities	1,132	—	—
Transaction-related expenses	8,911	440	667
Unrealized (gain) loss on non-real estate investments	(16,571)	2,463	—
Gains on sale of real estate	—	—	(47,100)
Impairment loss	2,762	—	52,201
Loss on extinguishment of debt	6,259	2,654	744
Other (income) expense	2,553	(548)	(78)
TOTAL PROFIT FROM ALL SEGMENTS	\$ 560,988	\$ 505,186	\$ 516,660

19. Related Party Transactions

Employment Agreements

The Company has entered into employment agreements with certain of its executive officers, effective January 1, 2020, that provide for various severance and change in control benefits and other terms and conditions of employment.

Hollywood Media Portfolio Debt

On July 30, 2020, funds affiliated with Blackstone acquired a 49% interest in the Hollywood Media Portfolio. The Company retained a 51% ownership stake and remained responsible for day-to-day operations, leasing and development. In conjunction with closing this transaction, the joint venture closed a \$900.0 million mortgage loan secured by the Hollywood Media Portfolio and the Company had purchased bonds comprising the loan in the amount of \$107.8 million.

In August 2021, the consolidated joint venture that owns the Hollywood Media Portfolio refinanced the mortgage loan, increasing the borrowing capacity to \$1.1 billion. The Company also purchased bonds comprising the loan in the amount of \$209.8 million and concurrently redeemed bonds comprising the previous loan in the amount of \$107.8 million.

Related Party Leases

The Company's wholly-owned subsidiary is party to long-term operating lease agreements with an unconsolidated joint venture for office space and fitness and conference facilities. As of December 31, 2021, the Company's right-of-use assets and lease liabilities related to these lease obligations were \$7.3 million and \$7.4 million, respectively. During the year ended December 31, 2021, the Company recognized \$1.0 million of related rental expense in management services expense—unconsolidated joint ventures on the Consolidated Statement of Operations related to these leases.

Hudson Pacific Properties, Inc. and Hudson Pacific Properties, L.P.
Notes to Consolidated Financial Statements—(Continued)
(Tables in thousands, except square footage and share data)

20. Commitments and Contingencies

Non-Real Estate Investments

The Company invests in several non-real estate funds with an aggregate commitment to contribute up to \$28.0 million. As of December 31, 2021, the Company has contributed \$16.4 million to these funds, net of distributions, with \$11.6 million remaining to be contributed.

Legal

From time to time, the Company is party to various lawsuits, claims and other legal proceedings arising out of, or incident to, the ordinary course of business. Management believes, based in part upon consultation with legal counsel, that the ultimate resolution of all such claims will not have a material adverse effect on the Company's results of operations, financial position or cash flows. As of December 31, 2021, the risk of material loss from such legal actions impacting the Company's financial condition or results from operations has been assessed as remote.

Letters of Credit

As of December 31, 2021, the Company has outstanding letters of credit totaling approximately \$2.8 million under the unsecured revolving credit facility. The letters of credit are primarily related to utility company security deposit requirements.

Contractual Obligations

The Company has entered into a number of construction agreements related to its development activities at various properties. As of December 31, 2021, the Company had \$153.9 million in outstanding obligations under the agreements.

21. Supplemental Cash Flow Information

Supplemental cash flow information for Hudson Pacific Properties, Inc. is included as follows:

	Year Ended December 31,		
	2021	2020	2019
Cash paid for interest, net of capitalized interest	\$ 112,043	\$ 103,099	\$ 99,961
Non-cash investing and financing activities			
Accounts payable and accrued liabilities for real estate investments	\$ 193,521	\$ 136,959	\$ 8,759
Lease liabilities recorded in connection with right-of-use assets	\$ 26,824	\$ —	\$ —
Series C preferred stock dividend accrual	\$ 2,281	\$ —	\$ —
Earnout liability recognized as contingent consideration for business combination	\$ 11,383	\$ —	\$ —

Supplemental cash flow information for Hudson Pacific Properties, L.P. is included as follows:

	Year Ended December 31,		
	2021	2020	2019
Cash paid for interest, net of capitalized interest	\$ 112,043	\$ 103,099	\$ 99,961
Non-cash investing and financing activities			
Accounts payable and accrued liabilities for real estate investments	\$ 193,521	\$ 136,959	\$ 8,759
Lease liabilities recorded in connection with right-of-use assets	\$ 26,824	\$ —	\$ —
Series C preferred unit dividend accrual	\$ 2,281	\$ —	\$ —
Earnout liability recognized as contingent consideration for business combination	\$ 11,383	\$ —	\$ —

Hudson Pacific Properties, Inc. And Hudson Pacific Properties, L.P.
Schedule III—Real Estate and Accumulated Depreciation
December 31, 2021
(In thousands)

Property name	Encumbrances	Initial Costs		Costs Capitalized Subsequent to Acquisition	Total Costs			Accumulated Depreciation ⁽¹⁾	Year Built / Renovated	Year Acquired	
		Land	Building & Improvements		Land	Building & Improvements	Total				
Office											
875 Howard, San Francisco Bay Area, CA	\$ —	\$ 18,058	\$ 41,046	\$ 27,838	\$ 18,058	\$ 68,884	\$ 86,942	\$ (24,902)	Various	2007	
6040 Sunset, Los Angeles, CA ⁽²⁾	1,100,000	6,599	27,187	30,469	6,599	57,656	64,255	(21,054)	2008	2008	
ICON, Los Angeles, CA ⁽²⁾	—	—	—	163,685	—	163,685	163,685	(27,274)	2017	2008	
CUE, Los Angeles, CA ⁽²⁾	—	—	—	49,458	—	49,458	49,458	(6,425)	2017	2008	
EPIC, Los Angeles, CA ⁽²⁾	—	10,606	—	215,670	10,606	215,670	226,276	(17,427)	2019	2008	
Del Amo, Los Angeles, CA	—	—	18,000	1,923	—	19,923	19,923	(4,710)	1986	2010	
1455 Market, San Francisco Bay Area, CA	—	41,226	34,990	103,947	41,226	138,937	180,163	(61,732)	1976	2010	
Rincon Center, San Francisco Bay Area, CA	—	58,251	110,656	65,676	58,251	176,332	234,583	(47,781)	1940/1989	2010	
10950 Washington, Los Angeles, CA	—	17,979	25,110	1,303	17,979	26,413	44,392	(7,508)	1957/1974	2010	
604 Arizona, Los Angeles, CA	—	5,620	14,745	4,453	5,620	19,198	24,818	(5,819)	1950/2005	2011	
275 Brannan, San Francisco Bay Area, CA	—	4,187	8,063	13,740	4,187	21,803	25,990	(8,996)	1905	2011	
625 Second, San Francisco Bay Area, CA	—	10,744	42,650	5,012	10,744	47,662	58,406	(12,507)	1906/1999	2011	
6922 Hollywood, Los Angeles, CA	—	16,608	72,392	28,103	16,608	100,495	117,103	(25,751)	1967	2011	
10900 Washington, Los Angeles, CA	—	1,400	1,200	141	1,400	1,341	2,741	(396)	1973	2012	
901 Market, San Francisco Bay Area, CA	—	17,882	79,305	17,395	17,882	96,700	114,582	(25,598)	1912/1985	2012	
Element LA, Los Angeles, CA	168,000	79,769	19,755	96,243	79,769	115,998	195,767	(25,265)	1949	2012 2013	
3401 Exposition, Los Angeles, CA	—	14,120	11,319	12,153	14,120	23,472	37,592	(6,694)	1961	2013	
505 First, Greater Seattle, WA	—	22,917	133,034	5,382	22,917	138,416	161,333	(30,504)	Various	2013	
83 King, Greater Seattle, WA	—	12,982	51,403	11,893	12,982	63,296	76,278	(14,191)	Various	2013	
Met Park North, Greater Seattle, WA	—	28,996	71,768	1,787	28,996	73,555	102,551	(18,946)	2000	2013	
Northview Center, Greater Seattle, WA	—	4,803	41,191	4,905	4,803	46,096	50,899	(10,560)	1991	2013	
411 First, Greater Seattle, WA	—	27,684	29,824	23,241	27,684	53,065	80,749	(12,849)	Various	2014	
450 Alaskan, Greater Seattle, WA	—	—	—	86,961	—	86,961	86,961	(11,497)	Various	2014	
95 Jackson, Greater Seattle, WA	—	—	—	15,809	—	15,809	15,809	(2,552)	Various	2014	
Palo Alto Square, San Francisco Bay Area, CA	—	—	326,033	42,441	—	368,474	368,474	(88,649)	1971	2015	
3400 Hillview, San Francisco Bay Area, CA	—	—	159,641	(4,988)	—	154,653	154,653	(41,618)	1991	2015	
Foothill Research Center, San Francisco Bay Area, CA	—	—	133,994	16,684	—	150,678	150,678	(44,845)	1991	2015	
Page Mill Center, San Francisco Bay Area, CA	—	—	147,625	23,189	—	170,814	170,814	(41,635)	1970/2016	2015	

Property name	Encumbrances	Initial Costs		Costs Capitalized Subsequent to Acquisition	Total Costs			Accumulated Depreciation ⁽¹⁾	Year Built / Renovated	Year Acquired
		Land	Building & Improvements		Land	Building & Improvements	Total			
Clocktower Square, San Francisco Bay Area, CA	—	—	93,949	17,213	—	111,162	111,162	(20,620)	1983	2015
3176 Porter, San Francisco Bay Area, CA	—	—	34,561	690	—	35,251	35,251	(9,455)	1991	2015
Towers at Shore Center, San Francisco Bay Area, CA	—	72,673	144,188	23,131	72,673	167,319	239,992	(37,299)	2001	2015
Skyway Landing, San Francisco Bay Area, CA	—	37,959	63,559	2,741	37,959	66,300	104,259	(14,385)	2001	2015
Shorebreeze, San Francisco Bay Area, CA	—	69,448	59,806	19,056	69,448	78,862	148,310	(18,750)	1985/1989	2015
555 Twin Dolphin, San Francisco Bay Area, CA	—	40,614	73,457	16,356	40,614	89,813	130,427	(17,020)	1989	2015
333 Twin Dolphin, San Francisco Bay Area, CA	—	36,441	64,892	26,050	36,441	90,942	127,383	(22,370)	1985	2015
Metro Center, San Francisco Bay Area, CA	—	—	313,683	65,707	—	379,390	379,390	(81,859)	Various	2015
Concourse, San Francisco Bay Area, CA	—	45,085	224,271	50,592	45,085	274,863	319,948	(56,539)	Various	2015
Gateway, San Francisco Bay Area, CA	—	33,117	121,217	52,944	33,117	174,161	207,278	(43,035)	Various	2015
Metro Plaza, San Francisco Bay Area, CA	—	16,038	106,156	61,610	16,038	167,766	183,804	(32,694)	1986	2015
1740 Technology, San Francisco Bay Area, CA	—	8,052	49,486	4,704	8,052	54,190	62,242	(9,696)	1985	2015
Skyport Plaza, San Francisco Bay Area, CA	—	29,033	153,844	5,467	29,033	159,311	188,344	(28,396)	2000/2001	2015
Techmart, San Francisco Bay Area, CA	—	—	66,660	19,677	—	86,337	86,337	(18,748)	1986	2015
Fourth & Traction, Los Angeles, CA	—	12,140	37,110	69,165	12,140	106,275	118,415	(17,753)	Various	2015
Maxwell, Los Angeles, CA	—	13,040	26,960	57,612	13,040	84,572	97,612	(10,568)	Various	2015
11601 Wilshire, Los Angeles, CA	—	28,978	321,273	65,447	28,978	386,720	415,698	(63,180)	1983	2016 2017
Hill7, Greater Seattle, WA	101,000	36,888	137,079	19,488	36,888	156,567	193,455	(28,215)	2015	2016
Page Mill Hill, San Francisco Bay Area, CA	—	—	131,402	11,918	—	143,320	143,320	(24,591)	1975	2016
Harlow, Los Angeles, CA ⁽³⁾	—	7,455	—	69,934	7,455	69,934	77,389	(1,387)	N/A	2017
One Westside, Los Angeles, CA ⁽⁴⁾⁽⁵⁾	241,388	110,438	35,011	359,848	110,438	394,859	505,297	(2,173)	1985	2018
10850 Pico, Los Angeles, CA ⁽⁴⁾⁽⁵⁾	—	34,682	16,313	1,215	34,682	17,528	52,210	(1,803)	1985	2018
Ferry Building, San Francisco Bay Area, CA ⁽⁶⁾	—	—	268,292	28,916	—	297,208	297,208	(28,537)	1898/2003	2018
1918 Eighth, Greater Seattle, WA	314,300	38,476	545,773	25,853	38,476	571,626	610,102	(19,687)	2009	2020
5 th and Bell, Greater Seattle, WA	—	20,867	82,072	31	20,867	82,103	102,970	(73)	2002	2021
Studio										
Sunset Gower Studios, Los Angeles, CA ⁽²⁾	—	79,320	64,697	75,634	79,320	140,331	219,651	(38,684)	Various	2007 2011 2012
Sunset Bronson Studios, Los Angeles, CA ⁽²⁾	—	67,092	32,374	46,878	67,092	79,252	146,344	(24,617)	Various	2008

Sunset Las Palmas Studios, Los Angeles, CA ⁽²⁾	—	134,488	104,392	45,108	134,488	149,500	283,988	(19,361)	Various	2017 2018
TOTAL	\$ 1,924,688	\$1,372,755	\$ 4,973,408	\$ 2,307,498	\$1,372,755	\$ 7,280,906	\$8,653,661	\$ (1,339,180)		

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1. The Company computes depreciation using the straight-line method over the estimated useful lives over the shorter of the ground lease term or 39 years for building and improvements, 15 years for land improvements and over the shorter of asset life or life of the lease for tenant improvements.
 2. These properties are encumbered by a \$1.1 billion mortgage loan. Refer to Part IV, Item 15(a) "Exhibits, Financial Statement Schedules—Note 9 to the Consolidated Financial Statements-Debt" for additional information on secured debt.
 3. This asset is currently under development.
 4. These properties are encumbered by a \$241.4 million construction loan with borrowing capacity of up to \$414.6 million. Refer to Part IV, Item 15(a) "Exhibits, Financial Statement Schedules—Note 9 to the Consolidated Financial Statements-Debt" for additional information on secured debt.
 5. These properties are encumbered by a \$128.2 million debt secured by U.S. Government securities. Refer to Part IV, Item 15(a) "Exhibits, Financial Statement Schedules—Note 9 to the Consolidated Financial Statements-Debt" for additional information on in-substance defeased debt.
 6. This property is encumbered by a \$66.1 million debt due to our joint venture partner. Refer to Part IV, Item 15(a) "Exhibits, Financial Statement Schedules—Note 9 to the Consolidated Financial Statements-Debt" for additional information on joint venture partner debt.

The aggregate gross cost of property included above for federal income tax purposes approximated \$8.7 billion, unaudited as of December 31, 2021.

The following table reconciles the historical cost of total real estate held for investment and accumulated depreciation from January 1, 2019 to December 31, 2021:

	Year Ended December 31,		
	2021	2020	2019
Total investment in real estate, beginning of year	\$ 8,215,017	\$ 7,269,128	\$ 7,059,537
Additions during period:			
Acquisitions	102,939	584,250	—
Improvements, capitalized costs	394,633	415,602	395,390
Total additions during period	497,572	999,852	395,390
Deductions during period:			
Disposal (fully depreciated assets and early terminations)	(56,166)	(53,963)	(27,957)
Impairment loss	(2,762)	—	(52,201)
Cost of property sold	—	—	(105,641)
Total deductions during period	(58,928)	(53,963)	(185,799)
Ending balance, before reclassification to assets associated with real estate held for sale	8,653,661	8,215,017	7,269,128
Reclassification to assets associated with real estate held for sale	(292,184)	—	—
TOTAL INVESTMENT IN REAL ESTATE, END OF YEAR	\$ 8,361,477	\$ 8,215,017	\$ 7,269,128
Total accumulated depreciation, beginning of year	\$ (1,102,748)	\$ (898,279)	\$ (695,631)
Additions during period:			
Depreciation of real estate	(292,802)	(258,732)	(235,097)
Total additions during period	(292,802)	(258,732)	(235,097)
Deductions during period:			
Deletions	56,370	54,263	26,533
Write-offs due to sale	—	—	5,916
Total deductions during period	56,370	54,263	32,449
Ending balance, before reclassification to assets associated with real estate held for sale	(1,339,180)	(1,102,748)	(898,279)
Reclassification to assets associated with real estate held for sale	55,406	—	—
TOTAL ACCUMULATED DEPRECIATION, END OF YEAR	\$ (1,283,774)	\$ (1,102,748)	\$ (898,279)

DESCRIPTION OF REGISTRANT'S SECURITIES REGISTERED PURSUANT TO SECTION 12 OF THE SECURITIES EXCHANGE ACT OF 1934

The following is a brief description of the securities of Hudson Pacific Properties, Inc., a Maryland corporation, registered pursuant to Section 12 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). This description of the terms of our stock does not purport to be complete and is subject to and qualified in its entirety by reference to the applicable provisions of Maryland General Corporation Law ("MGCL"), and the full text of our charter, including the articles supplementary setting forth the terms of the series C preferred stock, and bylaws, copies of which have been filed as exhibits to this Annual Report on Form 10-K. As used in this "Description of Registrant's Securities Registered Pursuant to Section 12 of the Securities Exchange Act of 1934," references to the "Company," "we," "our" or "us" refer solely to Hudson Pacific Properties, Inc. and not to any of its subsidiaries, unless otherwise expressly stated or the context otherwise requires.

General

Our charter provides that we may issue up to 481,600,000 shares of common stock, \$0.01 par value per share ("common stock"), and 18,400,000 shares of preferred stock, \$0.01 par value per share ("preferred stock"), all of which are classified as 4.750% Series C Cumulative Redeemable Preferred Stock, \$0.01 par value per share ("series C preferred stock"). Our charter authorizes our board of directors, without any action by our stockholders, to amend our charter to increase or decrease the aggregate number of authorized shares of stock or the number of authorized shares of any class or series of our stock.

As of December 31, 2021, there were 151,124,543 shares of our common stock issued and outstanding and 17,000,000 shares of our series C preferred stock issued and outstanding.

Under Maryland law, stockholders generally are not personally liable for our debts or obligations solely as a result of their status as stockholders.

Description of Common Stock*Dividends*

Subject to the preferential rights of holders of any other class or series of our stock and to the provisions of our charter regarding the restrictions on ownership and transfer of our stock, holders of shares of our common stock are entitled to receive dividends and other distributions on such shares if, as and when authorized by our board of directors out of assets legally available therefor and declared by us and to share ratably in the assets of our company legally available for distribution to our stockholders in the event of our liquidation, dissolution or winding up, after payment or establishment of reserves for all of our known debts and liabilities.

Voting

Subject to the provisions of our charter regarding the restrictions on ownership and transfer of our stock and except as may otherwise be specified in the terms of any class or series of our stock, each outstanding share of our common stock entitles the holder to one vote on all matters submitted to a vote of stockholders, including the election of directors, the holders of shares of common stock will possess the exclusive voting power. There is no cumulative voting in the election of our directors. In uncontested elections, directors are elected by the affirmative vote of a majority of all the votes cast "for" and "against" each director nominee. In contested elections, directors are elected by a plurality of the votes cast.

Other Rights

Holders of shares of our common stock have no preference, conversion, exchange, sinking fund or redemption rights and have no preemptive rights to subscribe for any securities of our company. Our charter provides that our common stockholders generally have no appraisal rights unless our board of directors determines prospectively that appraisal rights will apply to one or more transactions in which holders of our common stock would otherwise be entitled to exercise appraisal rights. Subject to the provisions of our charter regarding the restrictions on ownership and transfer of our stock, holders of our common stock will have equal dividend, liquidation and other rights.

Under the MGCL, a Maryland corporation generally cannot dissolve, amend its charter, merge, consolidate, convert into another type of entity, sell all or substantially all of its assets or engage in a statutory share exchange unless declared advisable by the board of directors and approved by the affirmative vote of stockholders entitled to cast at least two-thirds of all of the votes entitled to be cast on the matter unless a lesser percentage (but not less than a

majority of the votes entitled to be cast on the matter) is set forth in the corporation's charter. Our charter provides for the approval of these matters by a majority of the votes entitled to be cast on the matter, except that the approval of stockholders entitled to cast at least two-thirds of all of the votes entitled to be cast is required to remove a director elected by holders of our common stock or to amend the removal provisions of our charter or the vote required to amend such provisions. Maryland law also permits a corporation to transfer all or substantially all of its assets without the approval of its stockholders to an entity all of the equity interests of which are owned, directly or indirectly, by the corporation. Because our operating assets may be held by our operating partnership or its wholly owned subsidiaries, these subsidiaries may be able to merge or transfer all or substantially all of such assets without the approval of our stockholders.

Our charter authorizes our board of directors to reclassify any unissued shares of our common stock into other classes or series of stock, to establish the designation and number of shares of each such class or series and to set, subject to the rights of holders of any class or series of our stock and the provisions of our charter regarding the restrictions on ownership and transfer of our stock, the preferences, conversion or other rights, voting powers, restrictions, limitations as to dividends or other distributions, qualifications or terms or conditions of redemption of each such class or series.

Transfer Agent and Registrar

The transfer agent and registrar for shares of our common stock is Computershare Trust Company, N.A.

Listing

Our outstanding shares of common stock are listed on the New York Stock Exchange under the symbol "HPP." Any additional shares of common stock we issue will also be listed on the New York Stock Exchange upon official notice of issuance.

Description of Preferred Stock

General

Our charter authorizes our board of directors to classify any unissued shares of preferred stock and to reclassify any previously classified but unissued shares of preferred stock into one or more classes or series of preferred stock. Prior to issuance of shares of each new class or series, our board of directors is required by the MGCL and our charter to set, subject to the provisions of our charter regarding the restrictions on ownership and transfer of our stock, the preferences, conversion or other rights, voting powers, restrictions, limitations as to dividends or other distributions, qualifications or terms or conditions of redemption of each such class or series. As a result, our board of directors could authorize the issuance of shares of preferred stock that have priority over shares of our common stock with respect to dividends or other distributions or rights upon liquidation or with other terms and conditions that could have the effect of delaying, deferring or preventing a transaction or a change of control of our company that might involve a premium price for holders of our common stock or that our common stockholders otherwise believe to be in their best interests.

Series C Preferred Stock

General

Our board of directors and a duly authorized committee of our board of directors classified 18,400,000 shares of the company's authorized but unissued common and preferred stock as, and approved articles supplementary setting forth the terms of, the series C preferred stock. Our board of directors may authorize the classification, issuance and sale of additional shares of series C preferred stock from time to time. Any capitalized terms defined within this "Series C Preferred Stock" section shall only be so defined for the purposes of this section.

Ranking

The series C preferred stock ranks, with respect to dividend rights and rights upon voluntary or involuntary liquidation, dissolution or winding up of our affairs:

- senior to all classes or series of our common stock, and to any future class or series of our capital stock expressly designated as ranking junior to the series C preferred stock;
 - on parity with any class or series of our capital stock expressly designated as ranking on parity with the series C preferred stock; and
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- junior to any other class or series of our capital stock expressly designated as ranking senior to the series C preferred stock, none of which exists on the date hereof.

The term “capital stock” does not include convertible or exchangeable debt securities, which, prior to conversion or exchange, rank senior in right of payment to the series C preferred stock. In addition, the series C preferred stock will be subordinate to the outstanding Series A Cumulative Redeemable Convertible Preferred Units of our operating partnership (the “series A preferred units”), which were issued in connection with our initial public offering and had an aggregate liquidation preference of approximately \$9.8 million as of December 31, 2021. In the case of our liquidation, dissolution or winding up The series C preferred stock also ranks junior in right of payment to our other existing and future debt obligations.

Dividends

Subject to the preferential rights of the holders of any class or series of our capital stock ranking senior to the series C preferred stock with respect to dividend rights, holders of shares of series C preferred stock are entitled to receive, when, as and if authorized by our board of directors and declared by us out of funds legally available for the payment of dividends, cumulative cash dividends at the rate of 4.750% per annum of the \$25.00 liquidation preference per share of the series C preferred stock (equivalent to the fixed annual amount of \$1.1875 per share of the series C preferred stock).

Dividends on the series C preferred stock accrue and are cumulative from and including the date any shares of series C preferred stock are first issued or, if later, the latest dividend payment date to which cumulative dividends have been paid on the series C preferred stock in full (or declared and the corresponding record date has passed), and are payable to holders quarterly in arrears on or about the last day of March, June, September and December of each year or, if such day is not a business day, on either the immediately preceding business day or next succeeding business day at our option, except that, if such business day is in the next succeeding year, such payment shall be made on the immediately preceding business day, in each case with the same force and effect as if made on such date. The term “business day” means any day, other than a Saturday or a Sunday, that is neither a legal holiday nor a day on which banking institutions in New York City are authorized or required by law, regulation or executive order to close.

The amount of any dividend payable on the series C preferred stock for any period greater or less than a full dividend period will be prorated and computed on the basis of a 360-day year consisting of twelve 30-day months. Dividends will be payable to holders of record as they appear in our stock records at the close of business on the applicable record date, which shall be the date designated by our board of directors as the record date for the payment of dividends that is not more than 35 and not fewer than 10 days prior to the scheduled dividend payment date. The dividends payable on any dividend payment date shall include dividends accumulated to, but not including, such dividend payment date.

Dividends on the series C preferred stock will accrue whether or not:

- we have earnings;
- there are funds legally available for the payment of those dividends; or
- those dividends are authorized or declared.

Except as described in this paragraph and the next paragraph, unless full cumulative dividends on the series C preferred stock for all past dividend periods shall have been or contemporaneously are declared and paid or declared and a sum sufficient for the payment thereof is set apart for payment, we will not:

- declare and pay or declare and set aside for payment any dividends, and we will not declare and make any distribution of cash or other property, directly or indirectly, on or with respect to any shares of our common stock or shares of any other class or series of our capital stock ranking, as to dividends, on parity with or junior to the series C preferred stock, for any period; or
- except as described below, redeem, purchase or otherwise acquire for any consideration, or make any other distribution of cash or other property, directly or indirectly, on or with respect to, or pay or make available any monies for a sinking fund for the redemption of, any common stock or shares of any other class or series of our capital stock ranking, as to dividends and upon liquidation, on parity with or junior to the series C preferred stock.

The foregoing sentence, however, will not prohibit:

- dividends payable solely in common stock or any other class or series of capital stock ranking junior to the series C preferred stock as to payment of dividends and the distribution of assets upon our liquidation, dissolution and winding up;
- the conversion into or exchange for other shares of any class or series of capital stock ranking junior to the series C preferred stock as to payment of dividends and the distribution of assets upon our liquidation, dissolution and winding up;
- our redemption, purchase or other acquisition of shares of series C preferred stock, preferred stock ranking on parity with the series C preferred stock as to payment of dividends and upon liquidation, dissolution or winding up or capital stock or equity securities ranking junior to the series C preferred stock pursuant to our charter to the extent necessary to preserve our status as a REIT or otherwise pursuant to the provisions of our charter restricting the ownership and transfer of our stock;
- our purchase or acquisition of shares of series C preferred stock or preferred stock ranking on parity with the series C preferred stock as to dividends and upon liquidation pursuant to a purchase or exchange offer made on the same terms to holders of all outstanding shares of series C preferred stock and any such class or series of preferred stock; or
- a redemption, purchase or other acquisition of shares of our common stock made for purposes of and in compliance with the requirements of an employee incentive or benefit plan of ours or any of our subsidiaries.

Notwithstanding the foregoing limitations, when we do not pay dividends in full (or do not declare and set apart a sum sufficient to pay them in full) on the series C preferred stock and the shares of any other class or series of capital stock ranking, as to dividends, on parity with the series C preferred stock, we will declare any dividends on the series C preferred stock and each such other class or series of capital stock ranking, as to dividends, on parity with the series C preferred stock pro rata, so that the amount of dividends declared per share of series C preferred stock and such other class or series of capital stock will in all cases bear to each other the same ratio that accrued dividends per share on the series C preferred stock and such other class or series of capital stock (which will not include any accrual in respect of unpaid dividends on such other class or series of capital stock for prior dividend periods if such other class or series of capital stock does not have a cumulative dividend) bear to each other. No interest, or sum of money in lieu of interest, will be payable in respect of any dividend payment or payments on the series C preferred stock which may be in arrears.

Holders of shares of series C preferred stock are not entitled to any dividend, whether payable in cash, property or shares of capital stock, in excess of full cumulative dividends on the series C preferred stock as described above. Any dividend payment made on the series C preferred stock will first be credited against the earliest accrued but unpaid dividends due with respect to those shares which remain payable. Accrued but unpaid dividends on the series C preferred stock will accumulate as of the dividend payment date on which they first become payable.

We do not intend to declare dividends on the series C preferred stock, or pay or set apart for payment dividends on the series C preferred stock, if the terms of any of our agreements, including any agreements relating to our indebtedness, prohibit such a declaration, payment or setting apart for payment or provide that such declaration, payment or setting apart for payment would constitute a breach of or default under such an agreement. Likewise, no dividends will be authorized by our board of directors and declared by us or paid or set apart for payment if such authorization, declaration or payment is restricted or prohibited by law.

Our revolving credit facility and senior notes prohibit us from making distributions to our stockholders, or redeeming or otherwise repurchasing shares of our capital stock, including the series C preferred stock, after the occurrence and during the continuance of an event of default, except in limited circumstances as necessary to enable us to maintain our qualification as a REIT. Consequently, after the occurrence and during the continuance of an event of default under our revolving credit facility or senior notes, we may not be able to pay all or a portion of the dividends payable to the holders of the series C preferred stock or redeem all or a portion of the series C preferred stock. In addition, in the event of a default under our revolving credit facility or senior notes, we would be unable to borrow under such facilities and any amounts we have borrowed thereunder could become immediately due and payable. The agreements governing our future debt instruments may also include restrictions on our ability to pay dividends to holders or make redemptions of the series C preferred stock.

Liquidation Preference

Upon any voluntary or involuntary liquidation, dissolution or winding up of our affairs, before any distribution or payment shall be made to holders of shares of our common stock or any other class or series of capital stock ranking, as to rights upon any voluntary or involuntary liquidation, dissolution or winding up of our affairs, junior to the

series C preferred stock, holders of shares of series C preferred stock will be entitled to be paid out of our assets legally available for distribution to our stockholders, after payment of or provision for our debts and other liabilities and any class or series of our capital stock ranking senior to the series C preferred stock, a liquidation preference of \$25.00 per share of series C preferred stock, plus an amount equal to any accrued and unpaid dividends (whether or not authorized or declared) up to but excluding the date of payment. If, upon our voluntary or involuntary liquidation, dissolution or winding up, our available assets are insufficient to pay the full amount of the liquidating distributions on all outstanding shares of series C preferred stock and the corresponding amounts payable on all shares of each other class or series of capital stock ranking, as to rights upon liquidation, dissolution or winding up, on parity with the series C preferred stock in the distribution of assets, then holders of shares of series C preferred stock and each such other class or series of capital stock ranking, as to rights upon any voluntary or involuntary liquidation, dissolution or winding up, on parity with the series C preferred stock will share ratably in any distribution of assets in proportion to the full liquidating distributions to which they would otherwise respectively be entitled.

Holders of shares of series C preferred stock will be entitled to written notice of any distribution in connection with any voluntary or involuntary liquidation, dissolution or winding up of our affairs not fewer than 30 days and not more than 60 days prior to the distribution payment date. After payment of the full amount of the liquidating distributions to which they are entitled, holders of shares of series C preferred stock will have no right or claim to any of our remaining assets. Our consolidation or merger with or into or our conversion into any other corporation, trust or other entity, or the voluntary sale, lease, transfer or conveyance of all or substantially all of our property or business, will not be deemed to constitute a liquidation, dissolution or winding up of our affairs.

In determining whether a distribution (other than upon voluntary or involuntary liquidation), by dividend, redemption or other acquisition of shares of our capital stock or otherwise, is permitted under Maryland law, amounts that would be needed, if we were to be dissolved at the time of the distribution, to satisfy the preferential rights upon dissolution of holders of shares of series C preferred stock will not be added to our total liabilities.

Optional Redemption

Except with respect to the special optional redemption described below, to preserve our status as a REIT or in certain other limited circumstances relating to our maintenance of our ability to qualify as a REIT, we cannot redeem the series C preferred stock prior to November 16, 2026. On and after November 16, 2026, we may, at our option, upon not fewer than 30 and not more than 60 days' written notice, redeem the series C preferred stock, in whole or in part, at any time or from time to time, for cash at a redemption price of \$25.00 per share, plus all accrued and unpaid dividends thereon (whether or not authorized or declared) up to but excluding the date fixed for redemption (other than any dividend with a record date before the applicable redemption date and a payment date after the applicable redemption date, which will be paid on the payment date notwithstanding prior redemption of such shares), without interest, to the extent we have funds legally available for that purpose. We may also redeem shares of series C preferred stock from time to time for cash at a redemption price of \$25.00 per share, plus all accrued and unpaid dividends thereon (whether or not authorized or declared) up to but excluding the date fixed for redemption (other than any dividend with a record date before the applicable redemption date and a payment date after the applicable redemption date, which will be paid on the payment date notwithstanding prior redemption of such shares), without interest, if our board of directors has determined that such redemption is necessary to preserve our status as a REIT.

If fewer than all of the outstanding shares of series C preferred stock are to be redeemed (in the case of a redemption of the series C preferred stock other than to preserve our status as a REIT), we will select the shares of series C preferred stock to be redeemed pro rata (as nearly as may be practicable without creating fractional shares) or by lot as we determine. If such redemption is to be by lot and, as a result of such redemption, any holder of shares of series C preferred stock, other than a holder of series C preferred stock that has received an exemption from the ownership limit, would have actual, beneficial or constructive ownership of more than 9.8% of the issued and outstanding shares of series C preferred stock by value or number of shares, whichever is more restrictive, or violate any of the other restrictions on ownership and transfer of our stock set forth in our charter, including the articles supplementary setting forth the terms of the series C preferred stock, because such holder's shares of series C preferred stock were not redeemed, or were only redeemed in part, then, except as otherwise provided in the charter, we will redeem the requisite number of shares of series C preferred stock of such holder such that no holder will own in excess of the 9.8% series C preferred stock ownership limit or applicable excepted holder limit or the other restrictions on ownership and transfer of our stock subsequent to such redemption. In order for their shares of series C preferred stock to be redeemed, holders must surrender their shares at the place, or in accordance with the book-entry procedures, designated in the notice of redemption. Holders will then be entitled to the redemption price and any accrued and unpaid dividends payable upon redemption following surrender of the shares. If a notice of redemption has been given (in the case of a redemption of the series C preferred stock other than to preserve our status as a REIT), the funds necessary for the redemption have been set aside by us for the benefit of the holders of any shares of series C preferred stock called for redemption and irrevocable instructions have been given to pay the redemption

price and all accrued and unpaid dividends, then, from and after the redemption date, dividends will cease to accrue on such shares of series C preferred stock and such shares of series C preferred stock will no longer be deemed outstanding. At such time, all rights of the holders of such shares will terminate, except the right to receive the redemption price plus any accrued and unpaid dividends payable upon redemption, without interest. So long as no dividends payable on the series C preferred stock and any class or series of parity preferred stock are in arrears for any past dividend periods and subject to the provisions of applicable law and the sufficiency of legally available funds, we may from time to time repurchase all or any part of the series C preferred stock, including the repurchase of shares of series C preferred stock in open-market transactions and individual purchases at such prices as we negotiate, in each case as duly authorized by our board of directors. Regardless of whether dividends are paid in full on the series C preferred stock or any class or series of parity preferred stock, we may purchase or acquire shares of series C preferred stock pursuant to a purchase or exchange offer made on the same terms to holders of all outstanding shares of series C preferred stock and any class or series of our preferred stock ranking on parity with the series C preferred stock as to dividends and upon liquidation.

Unless full cumulative dividends on all shares of series C preferred stock have been or contemporaneously are authorized and declared and paid or declared and a sum sufficient for the payment thereof set apart for payment for all past dividend periods, no shares of series C preferred stock will be redeemed (including pursuant to our optional redemption right or special optional redemption right described below) unless all outstanding shares of series C preferred stock are simultaneously redeemed and we will not purchase or otherwise acquire directly or indirectly any shares of series C preferred stock (except by conversion into or exchange for our capital stock ranking junior to the series C preferred stock as to dividends and upon liquidation); provided, however, that, whether or not the requirements set forth above have been met, we may purchase or acquire shares of series C preferred stock pursuant to the provisions of our charter, including the articles supplementary setting forth the terms of the series C preferred stock, relating to restrictions on ownership and transfer of our stock in connection with the requirements for our qualification as a REIT for federal income tax purposes, and we may purchase or acquire shares of series C preferred stock pursuant to a purchase or exchange offer made on the same terms to holders of all outstanding shares of series C preferred stock and any class or series of our preferred stock ranking on parity with the series C preferred stock as to dividends and upon liquidation.

Notice of redemption will be mailed by us, postage prepaid, not fewer than 30 nor more than 60 days prior to the redemption date, addressed to the respective holders of record of the series C preferred stock to be redeemed at their respective addresses as they appear on our stock transfer records as maintained by the transfer agent named in “Description of Preferred Stock—Series C Preferred Stock—Transfer Agent and Registrar.” No failure to give such notice or any defect therein or in the mailing thereof will affect the validity of the proceedings for the redemption of any shares of series C preferred stock except as to the holder to whom notice was defective or not given. In addition to any information required by law or by the applicable rules of any exchange upon which the series C preferred stock may be listed or admitted to trading, each notice will state:

- the redemption date;
- the redemption price;
- the number of shares of series C preferred stock to be redeemed;
- the place or places where the certificates, if any, representing shares of series C preferred stock are to be surrendered for payment of the redemption price;
- procedures for surrendering noncertificated shares of series C preferred stock for payment of the redemption price;
- that dividends on the shares of series C preferred stock to be redeemed will cease to accrue on such redemption date; and
- that payment of the redemption price and any accumulated and unpaid dividends will be made upon presentation and surrender of such series C preferred stock.

If fewer than all of the shares of series C preferred stock held by any holder are to be redeemed, the notice mailed to such holder will also specify the number of shares of series C preferred stock held by such holder to be redeemed.

We are not required to provide such notice in the event we redeem series C preferred stock in order to maintain our status as a REIT.

If a redemption date falls after a dividend record date and on or prior to the corresponding dividend payment date, each holder of shares of series C preferred stock at the close of business of such dividend record date will be entitled

to the dividend payable on such shares on the corresponding dividend payment date notwithstanding the redemption of such shares on or prior to such dividend payment date and each holder of shares of series C preferred stock that surrenders such shares on such redemption date will be entitled to the dividends accruing after the end of the applicable dividend period, up to but excluding the redemption date. Except as described above, we will make no payment or allowance for unpaid dividends, whether or not in arrears, on series C preferred stock for which a notice of redemption has been given.

If we have given a notice of redemption and have set aside sufficient funds for the redemption for the benefit of the holders of the series C preferred stock called for redemption and given irrevocable instructions to pay the redemption price and all accrued and unpaid dividends, then, from and after the redemption date, those shares of series C preferred stock will no longer be outstanding, no further dividends will accrue and all other rights of the holders of those shares of series C preferred stock will terminate. The holders of those shares of series C preferred stock will retain their right to receive the redemption price for their shares and any accrued and unpaid dividends through, but not including, the redemption date, without interest.

All shares of series C preferred stock that we redeem or repurchase will be restored to the status of authorized but unissued shares of preferred stock, without designation as to series or class.

Our revolving credit facility and senior notes prohibit us from redeeming or otherwise repurchasing any shares of our capital stock, including the series C preferred stock, after the occurrence and during the continuance of an event of default, except in limited circumstances.

Special Optional Redemption

Upon the occurrence of a Change of Control (as defined below), we may, at our option, redeem the series C preferred stock, in whole or in part within 120 days after the first date on which such Change of Control occurred, by paying \$25.00 per share, plus any accrued and unpaid dividends to, but not including, the date of redemption (other than any dividend with a record date before the applicable redemption date and a payment date after the applicable redemption date, which will be paid on the payment date notwithstanding prior redemption of such shares). If, prior to the Change of Control Conversion Date, we have provided or provide notice of redemption with respect to the series C preferred stock (whether pursuant to our optional redemption right or our special optional redemption right), the holders of series C preferred stock will not have the conversion right described below under “Description of Preferred Stock—Series C Preferred Stock—Conversion Rights.”

Unless full cumulative dividends on all shares of series C preferred stock have been or contemporaneously are authorized and declared and paid or declared and a sum sufficient for the payment thereof set apart for payment for all past dividend periods, no shares of series C preferred stock will be redeemed (including pursuant to our optional redemption right or special optional redemption right described below) unless all outstanding shares of series C preferred stock are simultaneously redeemed and we will not purchase or otherwise acquire directly or indirectly any shares of series C preferred stock (except by conversion into or exchange for our capital stock ranking junior to the series C preferred stock as to dividends and upon liquidation); provided, however, that whether or not the requirements set forth above have been met, we may purchase or acquire shares of series C preferred stock, pursuant to the provisions of our charter, including the articles supplementary setting forth the terms of the series C preferred stock, relating to restrictions on ownership and transfer of our stock in connection with the requirements for our qualification as a REIT for federal income tax purposes, and we may purchase or acquire shares of series C preferred stock pursuant to a purchase or exchange offer made on the same terms to holders of all outstanding shares of series C preferred stock and any class or series of our preferred stock ranking on parity with the series C preferred stock as to dividends and upon liquidation.

We will mail to you, if you are a record holder of the series C preferred stock, a notice of redemption no fewer than 30 days nor more than 60 days before the redemption date. We will send the notice to your address shown on our stock transfer books. A failure to give notice of redemption or any defect in the notice or in its mailing will not affect the validity of the redemption of any series C preferred stock except as to the holder to whom notice was defective. Each notice will state the following:

- the redemption date;
 - the redemption price;
 - the number of shares of series C preferred stock to be redeemed;
 - the place or places where the certificates, if any, representing shares of series C preferred stock are to be surrendered for payment of the redemption price;
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- procedures for surrendering noncertificated shares of series C preferred stock for payment of the redemption price;
- that dividends on the shares of series C preferred stock to be redeemed will cease to accrue on such redemption date;
- that payment of the redemption price and any accumulated and unpaid dividends will be made upon presentation and surrender of such series C preferred stock;
- that the series C preferred stock is being redeemed pursuant to our special optional redemption right in connection with the occurrence of a Change of Control and a brief description of the transaction or transactions constituting such Change of Control; and
- that the holders of the series C preferred stock to which the notice relates will not be able to tender such series C preferred stock for conversion in connection with the Change of Control and each share of series C preferred stock tendered for conversion that is selected, prior to the Change of Control Conversion Date, for redemption will be redeemed on the related date of redemption instead of converted on the Change of Control Conversion Date.

If we redeem fewer than all of the outstanding shares of series C preferred stock, the notice of redemption mailed to each stockholder will also specify the number of shares of series C preferred stock that we will redeem from each stockholder. In this case, we will determine the number of shares of series C preferred stock to be redeemed as described above in “Description of Preferred Stock—Series C Preferred Stock—Optional Redemption.”

If we have given a notice of redemption and have set aside sufficient funds for the redemption for the benefit of the holders of the series C preferred stock called for redemption and given irrevocable instructions to pay the redemption price and all accrued and unpaid dividends, then from and after the redemption date, those shares of series C preferred stock will no longer be outstanding, no further dividends will accrue and all other rights of the holders of those shares of series C preferred stock will terminate. The holders of those shares of series C preferred stock will retain their right to receive the redemption price for their shares and any accrued and unpaid dividends through, but not including, the redemption date, without interest.

The holders of series C preferred stock at the close of business on a dividend record date will be entitled to receive the dividend payable with respect to the series C preferred stock on the corresponding payment date notwithstanding the redemption of the series C preferred stock between such record date and the corresponding payment date or our default in the payment of the dividend due. Except as provided above, we will make no payment or allowance for unpaid dividends, whether or not in arrears, on series C preferred stock to be redeemed.

If a redemption date falls after a dividend record date and on or prior to the corresponding dividend payment date, each holder of shares of series C preferred stock at the close of business of such dividend record date will be entitled to the dividend payable on such shares on the corresponding dividend payment date notwithstanding the redemption of such shares on or prior to such dividend payment date and each holder of shares of series C preferred stock that surrenders such shares on such redemption date will be entitled to the dividends accruing after the end of the applicable dividend period, up to but excluding the redemption date. Except as described above, we will make no payment or allowance for unpaid dividends, whether or not in arrears, on series C preferred stock for which a notice of redemption has been given.

A “Change of Control” is when each of the following have occurred and are continuing:

- the acquisition by any person, including any syndicate or group deemed to be a “person” under Section 13(d)(3) of the Exchange Act, of beneficial ownership, directly or indirectly, through a purchase, merger or other acquisition transaction or series of purchases, mergers or other acquisition transactions of stock of our company entitling that person to exercise more than 50% of the total voting power of all stock of our company entitled to vote generally in the election of our directors (except that such person will be deemed to have beneficial ownership of all securities that such person has the right to acquire, whether such right is currently exercisable or is exercisable only upon the occurrence of a subsequent condition); and
 - as a result of any transaction referred to in the bullet point above, neither we nor the acquiring or surviving entity (or if, in connection with such transaction shares of our common stock are converted into or exchanged for (in whole or in part) common equity securities of another entity, such other entity) has a class of common securities (or ADRs representing such securities) listed on the NYSE, the NYSE AMER or the NASDAQ or listed or quoted on an exchange or quotation system that is a successor to the NYSE, the NYSE AMER or the NASDAQ.
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Conversion Rights

Upon the occurrence of a Change of Control, each holder of series C preferred stock will have the right, unless, on or prior to the Change of Control Conversion Date, we have provided or provide notice of our election to redeem such shares of series C preferred stock as described under “Description of Preferred Stock—Series C Preferred Stock—Redemption” or “Description of Preferred Stock—Series C Preferred Stock—Special Optional Redemption,” to convert some or all of the series C preferred stock held by such holder (the “Change of Control Conversion Right”) on the Change of Control Conversion Date into a number of shares of our common stock per share of series C preferred stock (the “Common Stock Conversion Consideration”), which is equal to the lesser of:

- the quotient obtained by dividing (i) the sum of the \$25.00 liquidation preference plus the amount of any accrued and unpaid dividends to, but not including, the Change of Control Conversion Date (unless the Change of Control Conversion Date is after a record date for a series C preferred stock dividend payment and prior to the corresponding series C preferred stock dividend payment date, in which case no additional amount for such accrued and unpaid dividend will be included in this sum) by (ii) the Common Stock Price (such quotient, the “Conversion Rate”); and
- 1.9121 (i.e., the Share Cap).

The Share Cap is subject to pro rata adjustments for any share splits (including those effected pursuant to a distribution of our common stock), subdivisions or combinations (in each case, a “Share Split”) with respect to our common stock as follows: the adjusted Share Cap as the result of a Share Split will be the number of shares of our common stock that is equivalent to the product obtained by multiplying (i) the Share Cap in effect immediately prior to such Share Split by (ii) a fraction, the numerator of which is the number of shares of our common stock outstanding after giving effect to such Share Split and the denominator of which is the number of shares of our common stock outstanding immediately prior to such Share Split.

In the case of a Change of Control pursuant to which shares of our common stock will be converted into cash, securities or other property or assets (including any combination thereof) (the “Alternative Form Consideration”), a holder of series C preferred stock will receive upon conversion of such series C preferred stock the kind and amount of Alternative Form Consideration which such holder would have owned or been entitled to receive upon the Change of Control had such holder held a number of shares of our common stock equal to the Common Stock Conversion Consideration immediately prior to the effective time of the Change of Control (the “Alternative Conversion Consideration,” and the Common Stock Conversion Consideration or the Alternative Conversion Consideration, as may be applicable to a Change of Control, is referred to as the “Conversion Consideration”).

If the holders of our common stock have the opportunity to elect the form of consideration to be received in the Change of Control, the Conversion Consideration will be deemed to be the kind and amount of consideration actually received by holders of a majority of the shares of our common stock that were voted in such an election (if electing between two types of consideration) or holders of a plurality of our common stock that were voted in such an election (if electing between more than two types of consideration), as the case may be, and will be subject to any limitations to which all holders of our common stock are subject, including, without limitation, pro rata reductions applicable to any portion of the consideration payable in the Change of Control.

We will not issue fractional shares of common stock upon the conversion of the series C preferred stock. Instead, we will pay the cash value of such fractional shares based on the common stock price. If more than one share of series C preferred stock is surrendered for conversion at one time by or for the same holder, the number of full shares of our common stock issuable upon conversion thereof shall be computed on the basis of the aggregate number of shares of series C preferred stock so surrendered.

Within 15 days following the occurrence of a Change of Control, we will provide to holders of series C preferred stock a notice of occurrence of the Change of Control that describes the resulting Change of Control Conversion Right. This notice will state the following:

- the events constituting the Change of Control;
 - the date of the Change of Control;
 - the last date on which the holders of series C preferred stock may exercise their Change of Control Conversion Right;
 - the method and period for calculating the Common Stock Price;
 - the Change of Control Conversion Date;
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- that if, prior to the Change of Control Conversion Date, we have provided or provide notice of our election to redeem all or any portion of the series C preferred stock, holders will not be able to convert shares of series C preferred stock designated for redemption and such shares will be redeemed on the related redemption date, even if such shares have already been tendered for conversion pursuant to the Change of Control Conversion Right;
- if applicable, the type and amount of Alternative Conversion Consideration entitled to be received per share of series C preferred stock;
- the name and address of the paying agent and the conversion agent; and
- the procedures that the holders of series C preferred stock must follow to exercise the Change of Control Conversion Right.

A failure to give such notice or any defect in the notice or in its mailing will not affect the validity of the conversion of any series C preferred stock except as to the holder to whom notice was defective.

We will issue a press release for publication on the Dow Jones & Company, Inc., Business Wire, PR Newswire or Bloomberg Business News (or, if these organizations are not in existence at the time of issuance of the press release, such other news or press organization as is reasonably calculated to broadly disseminate the relevant information to the public), or post notice on our web site, in any event prior to the opening of business on the first business day following any date on which we provide the notice described above to the holders of series C preferred stock.

To exercise the Change of Control Conversion Right, the holders of series C preferred stock will be required to deliver, on or before the close of business on the Change of Control Conversion Date, the certificates (if any) representing series C preferred stock to be converted, duly endorsed for transfer, together with a written conversion notice completed, to our transfer agent. The conversion notice must state:

- the relevant Change of Control Conversion Date;
- the number of shares of series C preferred stock to be converted; and
- that the series C preferred stock is to be converted pursuant to the applicable provisions of the series C preferred stock.

The “Change of Control Conversion Date” is the date the series C preferred stock is to be converted, which will be a business day fixed by us that is no fewer than 20 days nor more than 35 days after the date on which we provide the notice described above to the holders of series C preferred stock.

The “Common Stock Price” will be (i) if the consideration to be received in the Change of Control by the holders of our common stock is solely cash, the amount of cash consideration per share of our common stock or (ii) if the consideration to be received in the Change of Control by holders of our common stock is other than solely cash (x) the average of the closing sale prices per share of our common stock (or, if no closing sale price is reported, the average of the closing bid and ask prices or, if more than one in either case, the average of the average closing bid and the average closing ask prices) for the ten consecutive trading days immediately preceding, but not including, the effective date of the Change of Control as reported on the principal U.S. securities exchange on which our common stock is then traded, or (v) the average of the last quoted bid prices for our common stock in the over-the-counter market as reported by OTC Markets Group, Inc. or similar organization for the ten consecutive trading days immediately preceding, but not including, the effective date of the Change of Control, if our common stock is not then listed for trading on a U.S. securities exchange.

Holders of series C preferred stock may withdraw any notice of exercise of a Change of Control Conversion Right (in whole or in part) by a written notice of withdrawal delivered to our transfer agent prior to the close of business on the business day prior to the Change of Control Conversion Date. The notice of withdrawal must state:

- the number of withdrawn shares of series C preferred stock;
- if certificated shares of series C preferred stock have been issued, the certificate numbers of the withdrawn shares of series C preferred stock; and
- the number of shares of series C preferred stock, if any, which remain subject to the conversion notice.

Notwithstanding the foregoing, if the series C preferred stock is held in global form, the conversion notice and/or the notice of withdrawal, as applicable, must comply with applicable procedures of The Depository Trust Company (“DTC”).

The shares of series C preferred stock as to which the Change of Control Conversion Right has been properly exercised and for which the conversion notice has not been properly withdrawn will be converted into the applicable Conversion Consideration in accordance with the Change of Control Conversion Right on the Change of Control Conversion Date, unless, on or prior to the Change of Control Conversion Date, we have provided or provide notice of our election to redeem such shares of series C preferred stock, whether pursuant to our optional redemption right or our special optional redemption right. If we elect to redeem shares of series C preferred stock that would otherwise be converted into the applicable Conversion Consideration on a Change of Control Conversion Date, such shares of series C preferred stock will not be so converted and the holders of such shares will be entitled to receive on the applicable redemption date \$25.00 per share, plus any accrued and unpaid dividends thereon to, but not including, the redemption date (other than any dividend with a record date before the applicable redemption date and a payment date after the applicable redemption date, which will be paid on the payment date notwithstanding prior redemption of such shares), in accordance with our optional redemption right or special optional redemption right. See “Description of Preferred Stock—Series C Preferred Stock—Optional Redemption” and “Description of Preferred Stock—Series C Preferred Stock—Special Optional Redemption” above.

We will deliver the applicable Conversion Consideration no later than the third business day following the Change of Control Conversion Date..

In connection with the exercise of any Change of Control Conversion Right, we will comply with all federal and state securities laws and stock exchange rules in connection with any conversion of series C preferred stock into shares of our common stock. Notwithstanding any other provision of the series C preferred stock, no holder of series C preferred stock will be entitled to convert such series C preferred stock into shares of our common stock to the extent that receipt of such common stock would cause such holder (or any other person) to violate the restrictions on ownership and transfer of our stock contained in our charter, including the articles supplementary setting forth the terms of the series C preferred stock, unless we provide an exemption from this limitation for such holder.

The Change of Control conversion feature may make it more difficult for a party to take over our company or discourage a party from taking over our company.

Except as provided above in connection with a Change of Control, the series C preferred stock is not convertible into or exchangeable for any other securities or property.

No Maturity, Sinking Fund or Mandatory Redemption

The series C preferred stock has no maturity date and we are not required to redeem the series C preferred stock at any time. Accordingly, the series C preferred stock will remain outstanding indefinitely, unless we decide, at our option, to exercise our redemption right or, under circumstances where the holders of the series C preferred stock have a conversion right, such holders convert the series C preferred stock into our common stock. The series C preferred stock is not subject to any sinking fund.

Limited Voting Rights

Holders of shares of series C preferred stock generally do not have any voting rights, except as set forth below.

If dividends on the series C preferred stock are in arrears for six or more quarterly periods, whether or not consecutive (which we refer to as a preferred dividend default), holders of shares of series C preferred stock and holders of all other classes or series of parity preferred stock with which the holders of series C preferred stock are entitled to vote together as a single class, voting together as a single class, will be entitled to vote for the election of a total of two additional directors to serve on our board of directors (which we refer to as preferred stock directors), until all unpaid dividends for past dividend periods and the then-current dividend period with respect to the series C preferred stock have been paid. At such time as holders of our series C preferred stock become entitled to vote in the election of preferred stock directors, the number of directors serving on our board of directors will be increased automatically by two (unless the number of directors has previously been so increased pursuant to the terms of any class or series of any parity preferred stock). The preferred stock directors will be elected by a plurality of the votes cast in the election of preferred stock directors and each preferred stock director will serve until our next annual meeting of stockholders and until his or her successor is duly elected and qualifies. The election of preferred stock directors will take place at:

- either a special meeting of our stockholders called for the purpose of electing preferred stock directors upon the written request of holders of at least 10% of the outstanding shares of series C preferred stock and any

other class or series of parity preferred stock entitled to vote together as a single class with the holders of series C preferred stock in the election of preferred stock directors or, if this request is received more than 90 days before the date fixed for our next annual meeting of stockholders or special meeting of stockholders at which preferred stock directors are to be elected or, if we receive the request for a special meeting within 90 days before the date fixed for our next annual meeting of stockholders or special meeting of stockholders at which preferred stock directors are to be elected, at such annual or special meeting of stockholders; and

- each subsequent annual meeting (or special meeting at which preferred stock directors are to be elected) until all dividends accumulated on the series C preferred stock have been paid in full for all past dividend periods.

If and when all accumulated dividends on the series C preferred stock for all past dividend periods and the then-current dividend period shall have been paid in full, holders of series C preferred stock shall be divested of the voting rights set forth above (subject to re-vesting in the event of each and every preferred dividend default) and, unless outstanding shares of parity preferred stock remain entitled to vote in the election of preferred stock directors, the term of office of such preferred stock directors so elected will terminate and the number of directors will be reduced accordingly.

Any preferred stock director elected by holders of shares of series C preferred stock and any class or series of parity preferred stock may be removed at any time with or without cause by the vote of, and may not be removed otherwise than by the vote of, the holders of record of a majority of the outstanding shares of series C preferred stock and any class or series of parity preferred stock then entitled to vote together as a single class in the election of preferred stock directors (voting together as a single class). So long as a preferred dividend default continues, any vacancy in the office of a preferred stock director may be filled by written consent of the preferred stock director remaining in office, or if none remain in office, by a plurality of the votes cast in the election of preferred stock directors. The preferred stock directors shall each be entitled to one vote on any matter before our board of directors.

In addition, so long as any shares of series C preferred stock remain outstanding, we will not, without the consent or the affirmative vote of the holders of at least two-thirds of the outstanding shares of series C preferred stock and each other class or series of parity preferred stock with which the holders of series C preferred stock are entitled to vote together as a single class on such matter, voting together as a single class:

- authorize, create or issue, or increase the number of authorized or issued number of shares of, any class or series of stock ranking senior to the series C preferred stock with respect to payment of dividends or the distribution of assets upon our liquidation, dissolution or winding up, or reclassify any of our authorized capital stock into any such shares, or create, authorize or issue any obligation or security convertible into or evidencing the right to purchase any such shares; or
- amend, alter or repeal the provisions of our charter, including the terms of the series C preferred stock, whether by merger, consolidation, transfer or conveyance of all or substantially all of our assets or otherwise, so as to materially and adversely affect the rights, preferences, privileges or voting powers of the series C preferred stock,

except that, with respect to the occurrence of any of the events described in the second bullet point immediately above, so long as the series C preferred stock remains outstanding with the terms of the series C preferred stock materially unchanged, taking into account that, upon the occurrence of an event described in the second bullet point above, we may not be the surviving entity and the surviving entity may not be a corporation, the occurrence of such event will not be deemed to materially and adversely affect the rights, preferences, privileges or voting powers of the series C preferred stock, and in such case such holders shall not have any voting rights with respect to the events described in the second bullet point immediately above. Furthermore, if holders of shares of series C preferred stock receive the greater of the full trading price of the series C preferred stock on the date of an event described in the second bullet point immediately above or the \$25.00 per share liquidation preference plus all accrued and unpaid dividends thereon to (but not including) the date of such event pursuant to the occurrence of any of the events described in the second bullet point immediately above, then such holders shall not have any voting rights with respect to the events described in the second bullet point immediately above. If any event described in the second bullet point above would materially and adversely affect the rights, preferences, privileges or voting powers of the series C preferred stock disproportionately relative to any other class or series of parity preferred stock, the affirmative vote of the holders of at least two-thirds of the outstanding shares of series C preferred stock, voting as a separate class, will also be required.

Holders of shares of series C preferred stock will not be entitled to vote with respect to any increase in the total number of authorized shares of our common stock or preferred stock, any increase in the number of authorized shares of series C preferred stock or the creation or issuance of any other class or series of capital stock, or any

increase in the number of authorized shares of any other class or series of capital stock, in each case ranking on parity with or junior to the series C preferred stock with respect to the payment of dividends and the distribution of assets upon our liquidation, dissolution or winding up.

Holders of shares of series C preferred stock will not have any voting rights with respect to, and the consent of the holders of shares of series C preferred stock is not required for, the taking of any corporate action, including any merger or consolidation involving us or a sale of all or substantially all of our assets, regardless of the effect that such merger, consolidation or sale may have upon the powers, preferences, voting power or other rights or privileges of the series C preferred stock, except as set forth above.

In addition, the voting provisions above will not apply if, at or prior to the time when the act with respect to which the vote would otherwise be required would occur, we have redeemed or called for redemption upon proper procedures all outstanding shares of series C preferred stock.

In any matter in which series C preferred stock may vote together as a single class with holders of all other classes or series of parity preferred stock (as expressly provided in the articles supplementary setting forth the terms of the series C preferred stock), each share of series C preferred stock shall be entitled to one vote per \$25.00 of liquidation preference. As a result, each share of series C preferred stock will be entitled to one vote.

Transfer Agent and Registrar

The transfer agent and registrar for the series C preferred stock is Computershare Trust Company, N.A.

Listing

Our outstanding shares of series C preferred stock are listed on the New York Stock Exchange under the symbol “HPP-PC.”

Book-Entry Procedures

The series C preferred stock has only be issued in the form of global securities held in book-entry form. DTC or its nominee is the sole registered holder of the series C preferred stock. Owners of beneficial interests in the series C preferred stock represented by the global securities hold their interests pursuant to the procedures and practices of DTC. As a result, beneficial interests in any such securities are shown on, and transfers will be effected only through, records maintained by DTC and its direct and indirect participants and any such interest may not be exchanged for certificated securities, except in limited circumstances. Owners of beneficial interests must exercise any rights in respect of other interests, including any right to convert or require repurchase of their interests in the series C preferred stock, in accordance with the procedures and practices of DTC. Beneficial owners are not holders and are not entitled to any rights provided to the holders of the series C preferred stock under the global securities or the articles supplementary. We and any of our agents may treat DTC as the sole holder and registered owner of the global securities.

DTC has advised us as follows: DTC is a limited-purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the New York Uniformed Commercial Code, and a “clearing agency” registered pursuant to the provisions of Section 17A of the Exchange Act. DTC facilitates the settlement of transactions amongst participants through electronic computerized book-entry changes in participants’ accounts, eliminating the need for physical movement of securities certificates. DTC’s participants include securities brokers and dealers, including the underwriters, banks, trust companies, clearing corporations and other organizations, some of whom and/or their representatives own DTC. Access to DTC’s book-entry system is also available to others, such as banks, brokers, dealers and trust companies that clear through or maintain a custodial relationship with a participant, either directly or indirectl.

The series C preferred stock, represented by one or more global securities, is exchangeable for certificated securities with the same terms only if:

- DTC is unwilling or unable to continue as depositary or if DTC ceases to be a clearing agency registered under the Exchange Act and a successor depositary is not appointed by us within 90 days; or
- we decide to discontinue use of the system of book-entry transfer through DTC (or any successor depositary).

Power to Issue Additional Shares of Common Stock and Preferred Stock

We believe that the power of our board of directors to amend our charter to increase or decrease the aggregate number of authorized shares of common stock, to authorize us to issue additional authorized but unissued shares of our common stock and to classify or reclassify unissued shares of our common stock and thereafter to cause us to issue such classified or reclassified shares will provide us with increased flexibility in structuring possible future financings and acquisitions and in meeting other needs that might arise. Additional classes or series of common stock, as well as the additional authorized shares of common stock, will be available for issuance without further action by our stockholders unless such action is required by the terms of any class or series of our stock that may be issued in the future or the rules of any stock exchange or automated quotation system on which the Company's securities may be listed or traded. Although our board of directors does not currently intend to do so, it could authorize us to issue a class or series of stock that could, depending upon the terms of the particular class or series, delay, defer or prevent a transaction or a change of control of the Company that might involve a premium price for our common stock or that our common stockholders otherwise believe to be in their best interests.

Restrictions on Ownership and Transfer

To assist us in complying with certain U.S. federal income tax requirements applicable to REITs, our charter contains certain restrictions relating to the ownership and transfer of our common stock and series C preferred stock.

EMPLOYMENT AGREEMENT

THIS EMPLOYMENT AGREEMENT (this "Agreement"), dated as of January 1, 2020, is entered into by and between Hudson Pacific Properties, Inc., a Maryland corporation (the "REIT"), Hudson Pacific Properties, L.P., a Maryland limited partnership (the "Operating Partnership") and Steven Jaffe (the "Executive").

WHEREAS, the Executive is currently employed as the Chief Risk Officer of the REIT and the Operating Partnership (collectively, the "Company");

WHEREAS, the Company desires to continue to employ the Executive as its Chief Risk Officer, and to enter into an agreement embodying the terms of such employment; and

WHEREAS, the Executive desires to accept such continuation of employment with the Company, subject to the terms and conditions of this Agreement.

NOW, THEREFORE, IT IS HEREBY AGREED AS FOLLOWS:

1. Employment Period. Subject to the provisions for earlier termination hereinafter provided, the Executive's employment hereunder shall be for a term (the "Employment Period") commencing on January 1, 2020 (the "Effective Date") and ending on the fourth anniversary of the Effective Date (the "Initial Term"). If not previously terminated in accordance with this Agreement, the Employment Period shall automatically be extended for one additional year immediately following the Initial Term (such extension, the "Renewal Term"), unless either the Executive or the Company elects not to so extend the Employment Period by notifying the other party, in writing, of such election not less than sixty (60) days prior to the last day of the Initial Term. Notwithstanding the foregoing, in the event that the Company experiences a Change in Control (as defined in the Company's Amended and Restated 2010 Incentive Award Plan) during the Renewal Term, then the Employment Period shall instead continue through the first anniversary of the consummation of the Change in Control.

2. Terms of Employment.

(a) Position and Duties.

(i) During the Employment Period, the Executive shall serve as Chief Risk Officer of the REIT and the Operating Partnership, and shall perform such employment duties as are usual and customary for such positions. The Executive shall report directly to the Chief Executive Officer. At the Company's request, the Executive shall serve the Company and/or its subsidiaries and affiliates in other capacities in addition to the foregoing consistent with the Executive's position as Chief Risk Officer of the REIT and the Operating Partnership. In the event that the Executive, during the Employment Period, serves in any one or more of such additional capacities, the Executive's compensation shall not be increased beyond that specified in Section 2(b) hereof. In addition, in the event the Executive's service in one or more of such additional capacities is terminated, the Executive's compensation, as specified in Section 2(b) hereof, shall not be diminished or reduced in any manner as a result of such termination provided that the Executive otherwise remains employed under the terms of this Agreement.

(ii) During the Employment Period, and excluding any periods of vacation and sick leave to which the Executive may be entitled, the Executive agrees to devote his full business time and attention to the business and affairs of the Company. Notwithstanding the foregoing, during the Employment Period, it shall not be a violation of this Agreement for the Executive to (A) serve on boards, committees or similar bodies of charitable or nonprofit organizations, (B) fulfill limited teaching, speaking and writing engagements, and (C) manage his personal investments, in each case, so long as such activities do not materially interfere or conflict with the performance of the Executive's duties and responsibilities under this Agreement.

(iii) During the Employment Period, the Executive shall perform the services required by this Agreement at the Company's principal offices located in Los Angeles, California (the "Principal Location"), except for travel to other locations as may be necessary to fulfill the Executive's duties and responsibilities hereunder.

(b) Compensation, Benefits, Etc.

(i) Base Salary. During the Employment Period, the Executive shall receive a base salary (the "Base Salary") of \$500,000 per annum. The Base Salary shall be reviewed annually by the

Compensation Committee (the “Compensation Committee”) of the Board of Directors of the REIT (the “Board”) and may be increased from time to time by the Compensation Committee in its sole discretion. The Base Salary shall be paid in accordance with the Company’s normal payroll practices for executive salaries generally, but no less often than monthly. The Base Salary shall not be reduced after any increase in accordance herewith and the term “Base Salary” as utilized in this Agreement shall refer to Base Salary as so increased.

(ii) Annual Bonus. In addition to the Base Salary, the Executive shall be eligible to earn, for each fiscal year of the Company ending during the Employment Period, a cash performance bonus (an “Annual Bonus”) under the Company’s bonus plan or program applicable to senior executives targeted at no less than 110% of Executive’s Base Salary (the “Target Bonus”). The amount of the Annual Bonus, if any, shall be determined by the Compensation Committee based on such performance criteria as the Compensation Committee shall determine in its sole discretion. The payment of any Annual Bonus, to the extent any Annual Bonus becomes payable, will be made on the date on which annual bonuses are paid generally to the Company’s senior executives, but in no event later than March 15th of the calendar year following the calendar year in which such Annual Bonus was earned, subject to the Executive’s continued employment through the payment date. The Executive acknowledges and agrees that nothing contained herein confers on the Executive any right to an Annual Bonus in any year, and that whether the Company pays him an Annual Bonus and the amount of any such Annual Bonus shall be determined by the Compensation Committee in its sole discretion.

(iii) [Intentionally Omitted].

(iv) Incentive, Savings and Retirement Plans. During the Employment Period, the Executive shall be eligible to participate in all other incentive plans, practices, policies and programs, and all savings and retirement plans, practices, policies and programs, in each case that are available generally to senior executives of the Company.

(v) Welfare Benefit Plans. During the Employment Period, the Executive and the Executive’s eligible family members shall be eligible for participation in the welfare benefit plans, practices, policies and programs (including, if applicable, medical, dental, disability, employee life, group life and accidental death insurance plans and programs) maintained by the Company for its senior executives.

(vi) Expenses. During the Employment Period, the Executive shall be entitled to receive prompt reimbursement for all reasonable business expenses incurred by the Executive in accordance with the policies, practices and procedures of the Company provided to senior executives of the Company.

(vii) Fringe Benefits. During the Employment Period, the Executive shall be entitled to such fringe benefits and perquisites as are provided by the Company to its senior executives from time to time, in accordance with the policies, practices and procedures of the Company, and shall receive such additional fringe benefits and perquisites as the Company may, in its discretion, from time-to-time provide.

(viii) Vacation. During the Employment Period, the Executive shall be entitled to paid vacation in accordance with the plans, policies, programs and practices of the Company applicable to its senior executives but in no event less than four (4) weeks per calendar year; provided, however, that the Executive shall not accrue any vacation time in excess of six (6) weeks (thirty (30) days) (the “Accrual Limit”), and shall cease accruing vacation time if the Executive’s accrued vacation reaches the Accrual Limit until such time as the Executive’s accrued vacation time drops below the Accrual Limit.

(ix) Indemnification Agreement. The parties hereby acknowledge that in connection with the execution of this Agreement, they are entering into an Indemnification Agreement (the “Indemnification Agreement”), substantially in the form attached hereto as Exhibit A, which shall become effective as of the Effective Date.

3. Termination of Employment.

(a) Death or Disability. The Executive’s employment shall terminate automatically upon the Executive’s death during the Employment Period. Either the Company or the Executive may terminate the Executive’s employment in the event of the Executive’s Disability during the Employment Period. For purposes of this Agreement, “Disability” shall mean the absence of the Executive from the Executive’s duties with the Company on a full-time basis for ninety (90) consecutive days or for a total of one hundred eighty (180) days in any twelve

(12)-month period, in either case as a result of incapacity due to mental or physical illness which is determined to be total and permanent by a physician selected by the Company or its insurers and reasonably acceptable to the Executive or the Executive's legal representative.

(b) Cause. The Company may terminate the Executive's employment during the Employment Period for Cause or without Cause. For purposes of this Agreement, "Cause" shall mean the occurrence of any one or more of the following events unless, to the extent capable of correction, the Executive fully corrects the circumstances constituting Cause within fifteen (15) days after receipt of the Notice of Termination (as defined below):

(i) the Executive's willful and continued failure to substantially perform his duties with the Company (other than any such failure resulting from the Executive's incapacity due to physical or mental illness or any such actual or anticipated failure after his issuance of a Notice of Termination for Good Reason), after a written demand for substantial performance is delivered to the Executive by the Company, which demand specifically identifies the manner in which the Company believes that the Executive has not substantially performed his duties;

(ii) the Executive's willful commission of an act of fraud or dishonesty resulting in reputational, economic or financial injury to the Company;

(iii) the Executive's commission of, or entry by the Executive of a guilty or no contest plea to, a felony or a crime involving moral turpitude;

(iv) a willful breach by the Executive of his fiduciary duty to the Company which results in reputational, economic or other injury to the Company; or

(v) the Executive's willful and material breach of the Executive's obligations under a written agreement between the Company and the Executive, including without limitation, such a breach of this Agreement.

For purposes of this provision, no act or failure to act, on the part of the Executive, shall be considered "willful" unless it is done, or omitted to be done, by the Executive in bad faith or without reasonable belief that the Executive's action or omission was in the best interests of the Company. Any act, or failure to act, based upon authority given pursuant to a resolution duly adopted by the Board or based upon the advice of counsel for the Company shall be presumed to be done, or omitted to be done, by the Executive in good faith and in the best interests of the Company.

(c) Good Reason. The Executive's employment may be terminated by the Executive for Good Reason or by the Executive without Good Reason. For purposes of this Agreement, "Good Reason" shall mean the occurrence of any one or more of the following events without the Executive's prior written consent, unless the Company fully corrects the circumstances constituting Good Reason (provided such circumstances are capable of correction) within forty-five (45) days after the Company's receipt of the Notice of Termination (as defined below) delivered by the Executive:

(i) the assignment to the Executive of any duties materially inconsistent in any respect with the Executive's position (including status, offices, titles and reporting requirements), authority, duties or responsibilities as contemplated by Section 2(a) hereof, or any other action by the Company which results in a material diminution in such position, authority, duties or responsibilities, excluding for this purpose any isolated, insubstantial or inadvertent actions not taken in bad faith and which are remedied by the Company promptly after receipt of notice thereof given by the Executive;

(ii) the Company's material reduction of the Executive's Base Salary or Target Bonus, in each case, as in effect on the date hereof or as the same may be increased from time to time;

(iii) a material change in the geographic location of the Principal Location which shall, in any event, include only a relocation of the Principal Location by more than thirty (30) miles from its existing location; or

(iv) the Company's failure to cure a material breach of its obligations under this Agreement after written notice is delivered to the Company by the Executive which specifically identifies the manner in which the Executive believes that the Company has breached its obligations under the Agreement and the Company is given a reasonable opportunity to cure any such breach.

Notwithstanding the foregoing, the Executive will not be deemed to have resigned for Good Reason unless (1) the Executive provides the Company with written notice setting forth in reasonable detail the facts and circumstances claimed by the Executive to constitute Good Reason within sixty (60) days after the date of the occurrence of any event that the Executive knows or should reasonably have known to constitute Good Reason, (2) the Company fails to cure such acts or omissions within thirty (30) days following its receipt of such notice, and (3) the effective date of the Executive's termination for Good Reason occurs no later than thirty (30) days after the expiration of the cure period.

(d) Notice of Termination. Any termination by the Company for Cause, or by the Executive for Good Reason, shall be communicated by a Notice of Termination to the other parties hereto given in accordance with Section 12(b) hereof. For purposes of this Agreement, a "Notice of Termination" means a written notice which (i) indicates the specific termination provision in this Agreement relied upon, (ii) to the extent applicable, sets forth in reasonable detail the facts and circumstances claimed to provide a basis for termination of the Executive's employment under the provision so indicated and (iii) if the Date of Termination (as defined below) is other than the date of receipt of such notice, specifies the termination date (which date shall be not more than thirty days after the giving of such notice). The failure by the Executive or the Company to set forth in the Notice of Termination any fact or circumstance which contributes to a showing of Good Reason or Cause shall not waive any right of the Executive or the Company, respectively, hereunder or preclude the Executive or the Company, respectively, from asserting such fact or circumstance in enforcing the Executive's or the Company's rights hereunder.

(e) Termination of Offices and Directorships: Return of Property. Upon termination of the Executive's employment for any reason, unless otherwise specified in a written agreement between the Executive and the Company, the Executive shall be deemed to have resigned from all offices, directorships, and other employment positions if any, then held with the Company, and shall take all actions reasonably requested by the Company to effectuate the foregoing. In addition, upon the termination of the Executive's employment for any reason, the Executive agrees to return to the Company all documents of the Company and its affiliates (and all copies thereof) and all other Company or Company affiliate property that the Executive has in Executive's possession, custody or control. Such property includes, without limitation: (i) any materials of any kind that the Executive knows contain or embody any proprietary or confidential information of the Company or an affiliate of the Company (and all reproductions thereof), (ii) computers (including, but not limited to, laptop computers, desktop computers and similar devices) and other portable electronic devices (including, but not limited to, tablet computers), cellular phones/smartphones, credit cards, phone cards, entry cards, identification badges and keys, and (iii) any correspondence, drawings, manuals, letters, notes, notebooks, reports, programs, plans, proposals, financial documents, or any other documents concerning the customers, business plans, marketing strategies, products and/or processes of the Company or any of its affiliates and any information received from the Company or any of its affiliates regarding third parties.

4. Obligations of the Company upon Termination.

(a) Without Cause or For Good Reason. Subject to Section 4(d) below, if, the Executive incurs a "separation from service" from the Company (within the meaning of Section 409A(a)(2)(A)(i) of the Internal Revenue Code of 1986, as amended (the "Code"), and Treasury Regulation Section 1.409A-1(h)) (a "Separation from Service") during the Employment Period by reason of (1) a termination of the Executive's employment by the Company without Cause (other than by reason of the Executive's Disability), or (2) a termination of the Executive's employment by the Executive for Good Reason:

(i) The Executive shall be paid, in a single lump-sum payment on the date of the Executive's termination of employment, the aggregate amount of the Executive's earned but unpaid Base Salary and accrued but unpaid vacation pay through the date of such termination (the "Accrued Obligations") and any Annual Bonus required to be paid to the Executive pursuant to Section 2(b)(ii) above for any fiscal year of the Company that ends on or before the Date of Termination to the extent not previously paid (the "Unpaid Bonus");

(ii) In addition, the Executive shall be paid, in a single lump-sum payment on the sixtieth (60th) day after the date of Executive's Separation from Service (such date, the "Date of Termination"), an amount equal to one (1) (the "Severance Multiplier") times the sum of (x) the Base Salary in effect on the Date of Termination, plus (y) the average Annual Bonus earned by the Executive (regardless of whether such amount was paid out on a current basis or deferred) during the two (2) fiscal years prior to the year in which the Date of Termination occurs (the "Average Bonus"); provided, however, that if the Date of Termination occurs on or within one (1) year following the occurrence of a Change in Control, the Severance Multiplier shall be increased to two (2). For the avoidance of doubt, for purposes of this Section 4(a)(ii), Annual Bonus shall include any portion of the Executive's Annual Bonus received in the form of equity rather than cash;

(iii) The Executive shall be paid, in a single lump-sum payment on the sixtieth (60th) day after the Date of Termination, an amount equal to a pro-rated Average Bonus, pro-rated based upon the number of days elapsed during the fiscal year prior to the Date of Termination (the “Pro-Rated Bonus”);

(iv) All outstanding equity awards held by the Executive on the Date of Termination that vest solely based on the passage of time (i.e., excluding any outstanding performance-based vesting award), shall immediately become fully vested and exercisable (and any such performance-based award shall be governed in its entirety, including (without limitation) with regard to vesting and acceleration, in accordance with the terms of the applicable award agreement); and

(v) During the period commencing on the Date of Termination and ending on the earlier of (i) the eighteen (18)-month anniversary of the Date of Termination and (ii) the date on which the Executive becomes eligible to receive benefits under a “group health plan” (within the meaning of Section 4980B of the Code and the regulations thereunder (“COBRA”)) of a subsequent employer of the Executive (of which eligibility the Executive hereby agrees to give prompt notice to the Company), subject to the Executive’s valid election to receive COBRA benefits, the Company shall continue to provide the Executive and the Executive’s eligible dependents with coverage under its group health plans at the same levels and the same cost to the Executive as would have applied if the Executive’s employment had not been terminated.

Notwithstanding the foregoing, it shall be a condition to the Executive’s right to receive the amounts provided for in Sections 4(a)(ii) - 4(a)(iv) above that the Executive execute and deliver to the Company an effective release of claims in substantially the form attached hereto as Exhibit B (the “Release”) within twenty-one (21) days (or, to the extent required by law, forty-five (45) days) following the Date of Termination and that the Executive not revoke such Release during any applicable revocation period.

(b) For Cause, Without Good Reason or Other Terminations. If the Executive’s employment shall be terminated by the Company for Cause, by the Executive without Good Reason or for any other reason not enumerated in this Section 4, in any case, during the Employment Period, the Company shall pay to the Executive the Accrued Obligations in cash within thirty (30) days after the Date of Termination (or by such earlier date as may be required by applicable law).

(c) Death or Disability. Subject to Section 4(d) below, if the Executive incurs a Separation from Service by reason of the Executive’s death or Disability during the Employment Period:

(i) The Accrued Obligations shall be paid to the Executive’s estate or beneficiaries or to the Executive, as applicable, in cash on or as soon as practicable following the date of the Executive’s termination;

(ii) Any Unpaid Bonus shall be paid to the Executive’s estate or beneficiaries or to the Executive, as applicable, on the Date of Termination;

(iii) The Executive shall be paid, in a single lump-sum payment on the sixtieth (60th) day after the Date of Termination, the Pro-Rated Bonus; and

(iv) All outstanding equity awards held by the Executive on the Date of Termination that vest solely based on the passage of time (i.e., excluding any outstanding performance-based vesting award), shall immediately become fully vested and exercisable (and any such performance-based award shall be governed in its entirety, including (without limitation) with regard to vesting and acceleration, in accordance with the terms of the applicable award agreement).

Notwithstanding the foregoing, it shall be a condition to the Executive’s right, or the Executive’s estate’s or beneficiaries’ rights, as applicable, to receive the amounts provided for in Sections 4(c)(iii) and 4(c)(iv) above that the Executive, or the Executive’s estate or beneficiaries, as applicable, execute and deliver to the Company the Release within twenty-one (21) days following the Date of Termination and that the Executive, or the Executive’s estate or beneficiaries, as applicable, not revoke such Release during any applicable revocation period.

(d) Six-Month Delay. Notwithstanding anything to the contrary in this Agreement, no compensation or benefits, including without limitation any severance payments or benefits payable under Section 4 hereof, shall be paid to the Executive during the six (6)-month period following the Executive’s “separation from service” (within the meaning of Section 409A(a)(2)(A)(i) of the Code) if the Company determines that paying such amounts at the time or times indicated in this Agreement would be a prohibited distribution under Section 409A(a)(2)(B)(i) of the Code. If the payment of any such amounts is delayed as a result of the previous sentence,

then on the first business day following the end of such six (6)-month period (or such earlier date upon which such amount can be paid under Section 409A of the Code without resulting in a prohibited distribution, including as a result of the Executive's death), the Company shall pay the Executive a lump-sum amount equal to the cumulative amount that would have otherwise been payable to the Executive during such period.

(e) Exclusive Benefits. Except as expressly provided in this Section 4 and subject to Section 5 below, the Executive shall not be entitled to any additional payments or benefits upon or in connection with his termination of employment.

5. Non-Exclusivity of Rights. Amounts which are vested benefits or which the Executive is otherwise entitled to receive under any plan, policy, practice or program of or any contract or agreement with the Company at or subsequent to the Date of Termination shall be payable in accordance with such plan, policy, practice or program or contract or agreement except as explicitly modified by this Agreement.

6. Limitation on Payments.

(a) Notwithstanding any other provision of this Agreement, in the event that any payment or benefit received or to be received by the Executive (including any payment or benefit received in connection with a termination of the Executive's employment, whether pursuant to the terms of this Agreement or any other plan, arrangement or agreement) (all such payments and benefits, including the payments and benefits under Section 4 hereof, being hereinafter referred to as the "Total Payments") would be subject (in whole or part), to the excise tax imposed under Section 4999 of the Code (the "Excise Tax"), then, after taking into account any reduction in the Total Payments provided by reason of Section 280G of the Code in such other plan, arrangement or agreement, the cash severance payments under this Agreement shall first be reduced, and the noncash severance payments hereunder shall thereafter be reduced, to the extent necessary so that no portion of the Total Payments is subject to the Excise Tax but only if (i) the net amount of such Total Payments, as so reduced (and after subtracting the net amount of federal, state and local income taxes on such reduced Total Payments and after taking into account the phase out of itemized deductions and personal exemptions attributable to such reduced Total Payments) is greater than or equal to (ii) the net amount of such Total Payments without such reduction (but after subtracting the net amount of federal, state and local income taxes on such Total Payments and the amount of Excise Tax to which the Executive would be subject in respect of such unreduced Total Payments and after taking into account the phase out of itemized deductions and personal exemptions attributable to such unreduced Total Payments). The Total Payments shall be reduced in the following order: (A) reduction of any cash severance payments otherwise payable to the Executive that are exempt from Section 409A of the Code; (B) reduction of any other cash payments or benefits otherwise payable to the Executive that are exempt from Section 409A of the Code, but excluding any payments attributable to any acceleration of vesting or payments with respect to any equity award that are exempt from Section 409A of the Code; (C) reduction of any other payments or benefits otherwise payable to Employee on a pro-rata basis or such other manner that complies with Section 409A of the Code, but excluding any payments attributable to any acceleration of vesting and payments with respect to any equity award that are exempt from Section 409A of the Code; and (D) reduction of any payments attributable to any acceleration of vesting or payments with respect to any equity award that are exempt from Section 409A of the Code, in each case beginning with payments that would otherwise be made last in time.

(b) For purposes of determining whether and the extent to which the Total Payments will be subject to the Excise Tax, (i) no portion of the Total Payments the receipt or enjoyment of which the Executive shall have waived at such time and in such manner as not to constitute a "payment" within the meaning of Section 280G(b) of the Code shall be taken into account; (ii) no portion of the Total Payments shall be taken into account which, in the written opinion of independent auditors of nationally recognized standing ("Independent Advisors") selected by the Company, does not constitute a "parachute payment" within the meaning of Section 280G(b)(2) of the Code (including by reason of Section 280G(b)(4)(A) of the Code) and, in calculating the Excise Tax, no portion of such Total Payments shall be taken into account which, in the opinion of Independent Advisors, constitutes reasonable compensation for services actually rendered, within the meaning of Section 280G(b)(4)(B) of the Code, in excess of the "base amount" (as defined in Section 280G(b)(3) of the Code) allocable to such reasonable compensation; and (iii) the value of any non-cash benefit or any deferred payment or benefit included in the Total Payments shall be determined by the Independent Advisors in accordance with the principles of Sections 280G(d)(3) and (4) of the Code.

7. Confidential Information and Non-Solicitation.

(a) The Executive shall hold in a fiduciary capacity for the benefit of the Company all secret or confidential information, knowledge or data relating to the Company and its subsidiaries and affiliates, which shall have been obtained by the Executive in connection with the Executive's employment by the Company and which shall not be or become public knowledge (other than by acts by the Executive or representatives of the Executive in violation of this Agreement). After termination of the Executive's employment with the Company, the

Executive shall not, without the prior written consent of the Company or as may otherwise be required by law or legal process, communicate or divulge any such information, knowledge or data, to anyone other than the Company and those designated by it; provided, however, that if the Executive receives actual notice that the Executive is or may be required by law or legal process to communicate or divulge any such information, knowledge or data, the Executive shall promptly so notify the Company.

(b) While employed by the Company and, for a period of one (1) year after the Date of Termination, the Executive shall not directly or indirectly solicit, induce, or encourage any employee or consultant of any member of the Company and its subsidiaries and affiliates to terminate their employment or other relationship with the Company and its subsidiaries and affiliates or to cease to render services to any member of the Company and its subsidiaries and affiliates and the Executive shall not initiate discussion with any such person for any such purpose or authorize or knowingly cooperate with the taking of any such actions by any other individual or entity. During his employment with the Company and thereafter, the Executive shall not use any trade secret of the Company or its subsidiaries or affiliates to solicit, induce, or encourage any customer, client, vendor, or other party doing business with any member of the Company and its subsidiaries and affiliates to terminate its relationship therewith or transfer its business from any member of the Company and its subsidiaries and affiliates and the Executive shall not initiate discussion with any such person for any such purpose or authorize or knowingly cooperate with the taking of any such actions by any other individual or entity.

(c) In recognition of the fact that irreparable injury will result to the Company in the event of a breach by the Executive of his obligations under Sections 7(a) and/or (b) hereof, that monetary damages for such breach would not be readily calculable, and that the Company would not have an adequate remedy at law therefor, the Executive acknowledges, consents and agrees that in the event of such breach, or the threat thereof, the Company shall be entitled, in addition to any other legal remedies and damages available, to specific performance thereof and to temporary and permanent injunctive relief (without the necessity of posting a bond) to restrain the violation or threatened violation of such obligations by the Executive.

8. Exceptions. Notwithstanding anything in this Agreement to the contrary, nothing contained in this Agreement shall prohibit either party (or either party's attorney(s)) from (i) filing a charge with, reporting possible violations of federal law or regulation to, participating in any investigation by, or cooperating with any governmental agency or entity or making other disclosures that are protected under the whistleblower provisions of applicable law or regulation, (ii) communicating directly with, cooperating with, or providing information (including trade secrets) in confidence to, any federal, state or local government regulator (including, but not limited to, the U.S. Securities and Exchange Commission, the U.S. Commodity Futures Trading Commission, or the U.S. Department of Justice) for the purpose of reporting or investigating a suspected violation of law, or from providing such information to the party's attorney(s) or in a sealed complaint or other document filed in a lawsuit or other governmental proceeding and/or (iii) receiving an award for information provided to any governmental agency. Pursuant to 18 USC Section 1833(b), the Executive will not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that is made: (x) in confidence to a federal, state, or local government official, either directly or indirectly, or to an attorney, and solely for the purpose of reporting or investigating a suspected violation of law; or (y) in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal. Further, nothing in this Agreement is intended to or shall preclude either party from providing truthful testimony in response to a valid subpoena, court order, regulatory request or other judicial, administrative or legal process or otherwise as required by law. If the Executive is required to provide testimony, then unless otherwise directed or requested by a governmental agency or law enforcement, the Executive shall notify the Company as soon as reasonably practicable after receiving any such request of the anticipated testimony.

9. Representations. The Executive hereby represents and warrants to the Company that (a) the Executive is entering into this Agreement voluntarily and that the performance of his obligations hereunder will not violate any agreement between the Executive and any other person, firm, organization or other entity, and (b) the Executive is not bound by the terms of any agreement with any previous employer or other party to refrain from competing, directly or indirectly, with the business of such previous employer or other party that would be violated by his entering into this Agreement and/or providing services to the Company pursuant to the terms of this Agreement.

10. Successors.

(a) This Agreement is personal to the Executive and without the prior written consent of the Company shall not be assignable by the Executive otherwise than by will or the laws of descent and distribution. This Agreement shall inure to the benefit of and be enforceable by the Executive's legal representatives.

(b) This Agreement shall inure to the benefit of and be binding upon the Company and its successors and assigns.

(c) The Company will require any successor (whether direct or indirect, by purchase, merger, consolidation or otherwise) to all or substantially all of the business and/or assets of the Company to assume and agree to perform this Agreement in the same manner and to the same extent that the Company would be required to perform it if no such succession had taken place. As used in this Agreement, "Company" shall mean the Company as hereinbefore defined and any successor to its business and/or assets as aforesaid which assumes and agrees to perform this Agreement by operation of law, or otherwise.

11. Payment of Financial Obligations. The payment or provision to the Executive by the Company of any remuneration, benefits or other financial obligations pursuant to this Agreement shall be allocated among the Operating Partnership, the REIT and any subsidiary or affiliate thereof in such manner as such entities determine in order to reflect the services provided by the Executive to such entities; provided, however, that the Operating Partnership and the REIT shall be jointly and severally liable for such obligations.

12. Miscellaneous.

(a) Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of California, without reference to principles of conflict of laws. The captions of this Agreement are not part of the provisions hereof and shall have no force or effect.

(b) Notices. All notices and other communications hereunder shall be in writing and shall be given by hand delivery to the other party or by registered or certified mail, return receipt requested, postage prepaid, addressed as follows:

If to the Executive: at the Executive's most recent address on the records of the Company.

If to the REIT or the Operating Partnership:

Hudson Pacific Properties, Inc.
11601 Wilshire Blvd., Ninth Floor
Los Angeles, CA 90025
Attn: General Counsel

with a copy to:

Latham & Watkins
355 South Grand Ave.
Los Angeles, CA 90071-1560
Attn: Julian Kleindorfer

or to such other address as either party shall have furnished to the other in writing in accordance herewith. Notice and communications shall be effective when actually received by the addressee.

(c) Sarbanes-Oxley Act of 2002. Notwithstanding anything herein to the contrary, if the Company determines, in its good faith judgment, that any transfer or deemed transfer of funds hereunder is likely to be construed as a personal loan prohibited by Section 13(k) of the Exchange Act and the rules and regulations promulgated thereunder, then such transfer or deemed transfer shall not be made to the extent necessary or appropriate so as not to violate the Exchange Act and the rules and regulations promulgated thereunder.

(d) Section 409A of the Code.

(i) To the extent applicable, this Agreement shall be interpreted in accordance with Section 409A of the Code and Department of Treasury regulations and other interpretive guidance issued thereunder. Notwithstanding any provision of this Agreement to the contrary, if the Company determines that any compensation or benefits payable under this Agreement may be subject to Section 409A of the Code and related Department of Treasury guidance, the Company shall work in good faith with the Executive to adopt such amendments to this Agreement or adopt other policies and procedures (including amendments, policies and procedures with retroactive effect), or take any other actions, that the Company determines are necessary or appropriate to avoid the imposition of taxes under Section 409A of the Code, including without limitation, actions intended to (A) exempt the compensation and benefits payable under this Agreement from Section 409A of the Code, and/or (B) comply with the requirements of Section 409A of the Code and related Department of Treasury guidance; provided, however, that this Section 12(d) shall not create an obligation on the part of the Company to adopt any such amendment, policy or procedure or take any such other action, nor shall the Company have any liability for failing to do so.

(ii) To the extent permitted under Section 409A of the Code, any separate payment or benefit under this Agreement or otherwise shall not be deemed “nonqualified deferred compensation” subject to Section 409A of the Code and Section 4(d) hereof to the extent provided in the exceptions in Treasury Regulation Section 1.409A-1(b)(4), Section 1.409A-1(b)(9) or any other applicable exception or provision of Section 409A of the Code.

(iii) To the extent that any payments or reimbursements provided to the Executive under this Agreement, including, without limitation, pursuant to Section 2(b)(vi), are deemed to constitute compensation to the Executive to which Treasury Regulation Section 1.409A-3(i)(1)(iv) would apply, such amounts shall be paid or reimbursed reasonably promptly, but not later than December 31 of the year following the year in which the expense was incurred. The amount of any such payments eligible for reimbursement in one year shall not affect the payments or expenses that are eligible for payment or reimbursement in any other taxable year, and the Executive’s right to such payments or reimbursement of any such expenses shall not be subject to liquidation or exchange for any other benefit.

(e) Severability. The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement.

(f) Withholding. The Company may withhold from any amounts payable under this Agreement such Federal, state, local or foreign taxes as shall be required to be withheld pursuant to any applicable law or regulation.

(g) No Waiver. The Executive’s or the Company’s failure to insist upon strict compliance with any provision of this Agreement or the failure to assert any right the Executive or the Company may have hereunder, including, without limitation, the right of the Executive to terminate employment for Good Reason pursuant to Section 3(c) hereof, shall not be deemed to be a waiver of such provision or right or any other provision or right of this Agreement.

(h) Entire Agreement. As of the Effective Date, this Agreement, together with the Indemnification Agreement, constitutes the final, complete and exclusive agreement between the Executive and the Company with respect to the subject matter hereof and replaces and supersedes any and all other agreements, offers or promises, whether oral or written, by any member of the Company and its subsidiaries and affiliates, or representative thereof.

(i) Amendment; Survival. No amendment or other modification of this Agreement shall be effective unless made in writing and signed by the parties hereto. The respective rights and obligations of the parties under this Agreement shall survive the Executive’s termination of employment and the termination of this Agreement to the extent necessary for the intended preservation of such rights and obligations.

(j) Counterparts. This Agreement and any agreement referenced herein may be executed in two or more counterparts, each of which shall be deemed an original but which together shall constitute one and the same instrument.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the Executive has hereunto set the Executive's hand and, pursuant to the authorization from the Board, each of the REIT and the Operating Partnership has caused these presents to be executed in its name on its behalf, all as of the day and year first above written.

HUDSON PACIFIC PROPERTIES, INC.,
a Maryland corporation

By: /s/ Mark Lammas
Name: Mark Lammas
Title: President

HUDSON PACIFIC PROPERTIES, L.P.,
a Maryland limited partnership

By: HUDSON PACIFIC PROPERTIES, INC.
Its: General Partner

By: /s/ Mark Lammas
Name: Mark Lammas
Title: President

“EXECUTIVE”

/s/ Steven Jaffe
Name: Steven Jaffe

EXHIBIT A
INDEMNIFICATION AGREEMENT

A-1

EXHIBIT B
GENERAL RELEASE

For valuable consideration, the receipt and adequacy of which are hereby acknowledged, the undersigned does hereby release and forever discharge the “Releasees” hereunder, consisting of Hudson Pacific Properties, Inc., a Maryland corporation, Hudson Pacific Properties, L.P., a Maryland limited partnership (collectively, the “Company”), and each of their partners, subsidiaries, associates, affiliates, successors, heirs, assigns, agents, directors, officers, employees, representatives, lawyers, insurers, and all persons acting by, through, under or in concert with them, or any of them, of and from any and all manner of action or actions, cause or causes of action, in law or in equity, suits, debts, liens, contracts, agreements, promises, liability, claims, demands, damages, losses, costs, attorneys’ fees or expenses, of any nature whatsoever, known or unknown, fixed or contingent (hereinafter called “Claims”), which the undersigned now has or may hereafter have against the Releasees, or any of them, by reason of any matter, cause, or thing whatsoever from the beginning of time to the date hereof. The Claims released herein include, without limiting the generality of the foregoing, any Claims in any way arising out of, based upon, or related to the employment or termination of employment of the undersigned by the Releasees, or any of them; any alleged breach of any express or implied contract of employment; any alleged torts or other alleged legal restrictions on Releasees’ right to terminate the employment of the undersigned; and any alleged violation of any federal, state or local statute or ordinance including, without limitation, Title VII of the Civil Rights Act of 1964, the Age Discrimination In Employment Act, the Americans With Disabilities Act, and the California Fair Employment and Housing Act. Notwithstanding the foregoing, this Release shall not operate to release any rights or claims of the undersigned (i) to payments or benefits under Section 4(a) of that certain Employment Agreement, dated as of January 1, 2020, between the Company and the undersigned (the “Employment Agreement”), whichever is applicable to the payments and benefits provided in exchange for this release, (ii) with respect to Section 2(b)(vi) of the Employment Agreement, (iii) to accrued or vested benefits the undersigned may have, if any, as of the date hereof under any applicable plan, policy, practice, program, contract or agreement with the Company, (iv) to indemnification and/or advancement of expenses pursuant to the Indemnification Agreement (as defined in the Employment Agreement), the Company’s governing documents or applicable law, or (v) with respect to the undersigned’s right to communicate directly with, cooperate with, or provide information to, any federal, state or local government regulator.

THE UNDERSIGNED ACKNOWLEDGES THAT THE UNDERSIGNED HAS BEEN ADVISED BY LEGAL COUNSEL AND IS FAMILIAR WITH THE PROVISIONS OF CALIFORNIA CIVIL CODE SECTION 1542, WHICH PROVIDES AS FOLLOWS:

“A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.”

THE UNDERSIGNED, BEING AWARE OF SAID CODE SECTION, HEREBY EXPRESSLY WAIVES ANY RIGHTS THE UNDERSIGNED MAY HAVE THEREUNDER, AS WELL AS UNDER ANY OTHER STATUTES OR COMMON LAW PRINCIPLES OF SIMILAR EFFECT.

IN ACCORDANCE WITH THE OLDER WORKERS BENEFIT PROTECTION ACT OF 1990, THE UNDERSIGNED IS HEREBY ADVISED AS FOLLOWS:

- (A) HE HAS THE RIGHT TO CONSULT WITH AN ATTORNEY BEFORE SIGNING THIS RELEASE;
- (B) HE HAS TWENTY-ONE (21) DAYS TO CONSIDER THIS RELEASE BEFORE SIGNING IT; AND
- (C) HE HAS SEVEN (7) DAYS AFTER SIGNING THIS RELEASE TO REVOKE THIS RELEASE, AND THIS RELEASE WILL BECOME EFFECTIVE UPON THE EXPIRATION OF THAT REVOCATION PERIOD.

The undersigned represents and warrants that there has been no assignment or other transfer of any interest in any Claim which he may have against Releasees, or any of them, and the undersigned agrees to indemnify and hold Releasees, and each of them, harmless from any liability, Claims, demands, damages, costs, expenses and attorneys' fees incurred by Releasees, or any of them, as the result of any such assignment or transfer or any rights or Claims under any such assignment or transfer. It is the intention of the parties that this indemnity does not require payment as a condition precedent to recovery by the Releasees against the undersigned under this indemnity.

The undersigned agrees that if he hereafter commences any suit arising out of, based upon, or relating to any of the Claims released hereunder or in any manner asserts against Releasees, or any of them, any of the Claims released hereunder, then the undersigned agrees to pay to Releasees, and each of them, in addition to any other damages caused to Releasees thereby, all attorneys' fees incurred by Releasees in defending or otherwise responding to said suit or Claim.

Notwithstanding anything in this Release to the contrary, nothing contained in this Release shall prohibit the undersigned from (i) filing a charge with, reporting possible violations of federal law or regulation to, participating in any investigation by, or cooperating with any governmental agency or entity or making other disclosures that are protected under the whistleblower provisions of applicable law or regulation and/or (ii) communicating directly with, cooperating with, or providing information (including trade secrets) in confidence to, any federal, state or local government regulator (including, but not limited to, the U.S. Securities and Exchange Commission, the U.S. Commodity Futures Trading Commission, or the U.S. Department of Justice) for the purpose of reporting or investigating a suspected violation of law, or from providing such information to the undersigned's attorney or in a sealed complaint or other document filed in a lawsuit or other governmental proceeding. Pursuant to 18 USC Section 1833(b), the undersigned will not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that is made: (x) in confidence to a federal, state, or local government official, either directly or indirectly, or to an attorney, and solely for the purpose of reporting or investigating a suspected violation of law; or (y) in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal.

The undersigned further understands and agrees that neither the payment of any sum of money nor the execution of this Release shall constitute or be construed as an admission of any liability whatsoever by the Releasees, or any of them, who have consistently taken the position that they have no liability whatsoever to the undersigned.

IN WITNESS WHEREOF, the undersigned has executed this Release this ____ day of _____, ____.

INDEMNIFICATION AGREEMENT

THIS INDEMNIFICATION AGREEMENT (“Agreement”) is made and entered into as of the 1st day of January, 2020, by and between Hudson Pacific Properties, Inc., a Maryland corporation (the “Company”), and Steven M. Jaffe (“Indemnatee”).

WHEREAS, at the request of the Company, Indemnatee currently serves as an officer of the Company and may, therefore, be subjected to claims, suits or proceedings arising as a result of his service; and

WHEREAS, as an inducement to Indemnatee to continue to serve as such officer, the Company has agreed to indemnify and to advance expenses and costs incurred by Indemnatee in connection with any such claims, suits or proceedings, to the maximum extent permitted by law; and

WHEREAS, the parties by this Agreement desire to set forth their agreement regarding indemnification and advance of expenses;

NOW, THEREFORE, in consideration of the premises and the covenants contained herein, the Company and Indemnatee do hereby covenant and agree as follows:

Section 1. Definitions. For purposes of this Agreement:

- (a) “Adjudged” shall mean adjudged finally by a court or arbitral or other authority of competent jurisdiction.
- (b) “Change in Control” means a change in control of the Company occurring after the Effective Date of a nature that would be required to be reported in response to Item 6(e) of Schedule 14A of Regulation 14A (or in response to any similar item on any similar schedule or form) promulgated under the Securities Exchange Act of 1934, as amended (the “Exchange Act”), whether or not the Company is then subject to such reporting requirement; provided, however, that, without limitation, such a Change in Control shall be deemed to have occurred if, after the Effective Date (i) any “person” (as such term is used in Sections 13(d) and 14(d) of the Exchange Act) is or becomes the “beneficial owner” (as defined in Rule 13d-3 under the Exchange Act), directly or indirectly, of securities of the Company representing 50% or more of the combined voting power of all of the Company’s then-outstanding securities entitled to vote generally in the election of directors without the prior approval of at least two-thirds of the members of the Board of Directors in office immediately prior to such person’s attaining such percentage interest; (ii) the Company is a party to a merger, consolidation, sale of assets, plan of liquidation or other reorganization not approved by at least two-thirds of the members of the Board of Directors then in office, as a consequence of which members of the Board of Directors in office immediately prior to such transaction or event constitute less than a majority of the Board of Directors thereafter; or (iii) at any time, a majority of the members of the Board of Directors are not comprised of (A) individuals who were directors as of the Effective Date and/or (B) individuals whose election by the Board of Directors or nomination for election by the Company’s stockholders was approved by the affirmative vote of at least two-thirds of the directors then in office who were directors as of the Effective Date or whose election for nomination for election was previously so approved.
- (c) “Corporate Status” means the status of a person as a present or former director, officer, employee or agent of the Company or as a director, trustee, officer, partner, manager, managing member, fiduciary, employee or agent of any Enterprise.
- (d) “Disinterested Director” means a director of the Company who is not and was not a party to the Proceeding in respect of which indemnification and/or advance of Expenses is sought by Indemnatee.
- (e) “Effective Date” means the date set forth in the first paragraph of this Agreement.
- (f) “Enterprise” means any foreign or domestic corporation, partnership, limited liability company, joint venture, trust, employee benefit plan or other enterprise in which Indemnatee is or was serving as a director, trustee, officer, partner, manager, managing member, fiduciary, employee or agent at the request of the Company. As a clarification and without limiting the circumstances in which Indemnatee may be serving at the request of the Company, service by Indemnatee shall be deemed to be at the request of the Company if Indemnatee serves or served as a director, trustee, officer, partner, manager, managing member, fiduciary, employee or agent of any corporation, partnership, limited liability company, joint venture, trust, employee benefit plan or other enterprise (i) of which a majority of the voting power or equity interest is owned directly or indirectly by the Company or (ii) the management of which is controlled directly or indirectly by the Company.

(g) “Expenses” means any and all disbursements or expenses incurred by Indemnitee in connection with prosecuting, defending, preparing to prosecute or defend, investigating, being or preparing to be a witness in or otherwise participating in a Proceeding, including, without limitation, reasonable attorneys’ fees and costs, retainers, court costs, transcript costs, fees of experts, witness fees, travel expenses, duplicating costs, printing and binding costs, telephone charges, postage, delivery service fees, federal, state, local or foreign taxes imposed on Indemnitee as a result of the actual or deemed receipt of any payments under this Agreement, and any ERISA excise taxes and penalties. Expenses shall also include (i) expenses incurred in connection with any appeal resulting from any Proceeding including, without limitation, the premium, security for and other costs relating to any cost bond, supersedeas bond or other appeal bond or its equivalent, (ii) expenses incurred in connection with recovery under any directors’ and officers’ liability insurance policies maintained by the Company, regardless of whether the Indemnitee is ultimately determined to be entitled to such indemnification, advancement or expenses or insurance recovery, as the case may be, and (iii) expenses incurred by Indemnitee in establishing or enforcing his right to indemnification or reimbursement under this Agreement. Expenses, however, shall not include amounts paid in settlement by Indemnitee or the amount of judgments, fines or penalties against Indemnitee (other than ERISA excise tax penalties).

(h) “Independent Counsel” means a law firm, or a member of a law firm, that is of outstanding reputation, experienced in matters of corporation law and neither is, nor in the past five years preceding the date of selection has been, retained to represent: (i) the Company or Indemnitee in any matter material to either such party (other than with respect to matters concerning Indemnitee under this Agreement or of other indemnitees under similar indemnification agreements), or (ii) any other party to or participant or witness in the Proceeding giving rise to a claim for indemnification or advance of Expenses hereunder. Notwithstanding the foregoing, the term “Independent Counsel” shall not include any person who, under the applicable standards of professional conduct then prevailing, would have a conflict of interest in representing either the Company or Indemnitee in an action to determine Indemnitee’s rights under this Agreement. The Company agrees to pay the reasonable fees and expenses of the Independent Counsel.

(i) “Proceeding” means any threatened, pending or completed action, suit, arbitration, mediation, alternate dispute resolution procedure, investigation, inquiry, administrative hearing or any other proceeding, whether brought by or in the right of the Company or otherwise and whether of a civil (including intentional or unintentional tort claims), criminal, administrative or investigative (formal or informal) nature, including any appeal therefrom, in which Indemnitee was, is, will or might be involved as a party or otherwise, by reason of any action taken by or omission by Indemnitee, or of any action or omission on Indemnitee’s part, in each case in or in connection with Indemnitee’s Corporate Status and whether or not acting or serving in such capacity at the time any liability or Expense is incurred for which indemnification, reimbursement or advancement of Expenses can be provided under this Agreement, except one pending or completed on or before the Effective Date, unless otherwise specifically agreed in writing by the Company and Indemnitee. If Indemnitee reasonably believes that a given situation may lead to or culminate in the institution of a Proceeding, such situation shall also be considered a Proceeding. The term “Proceeding” shall be broadly construed and shall include, without limitation, the investigation, preparation, prosecution, defense, settlement, arbitration or appeal of, and the giving of testimony in or related to, any threatened, pending or completed claim, action, suit or other proceeding, whether of a civil, criminal, administrative or investigative nature.

Section 2. Services by Indemnitee. The Company expressly confirms and agrees that it has entered into this Agreement and assumed the obligations imposed on it hereby in order to induce the Indemnitee to serve or continue to serve as an officer of the Company, and the Company acknowledges that Indemnitee is relying upon this Agreement in serving or continuing to serve as an officer. However, this Agreement shall not impose any independent obligation on Indemnitee or the Company to continue Indemnitee’s service to the Company. This Agreement shall not be deemed an employment contract between the Company (or any other entity) and Indemnitee.

Section 3. General. The Company shall indemnify, hold harmless and exonerate, and advance Expenses to, Indemnitee (a) as provided in this Agreement and (b) otherwise to the maximum extent not prohibited by (and not merely to the extent affirmatively permitted by) Maryland law in effect on the Effective Date and as amended from time to time; provided, however, that no change in Maryland law shall have the effect of reducing the benefits available to Indemnitee hereunder based on Maryland law as in effect on the Effective Date. The rights of Indemnitee provided in this Section 3 shall include, without limitation, the rights set forth in the other sections of this Agreement, including any additional indemnification permitted by Section 2-418(g) of the Maryland General Corporation Law (the “MGCL”).

Section 4. Indemnification. If Indemnitee is, or is threatened to be, made a party to any Proceeding, the Company shall indemnify, hold harmless and exonerate Indemnitee against all judgments, penalties, fines and amounts paid in settlement and all Expenses actually and reasonably incurred by him or on his behalf in connection with any such Proceeding unless (and only to the extent) it is established that (a) the act or omission of Indemnitee

was material to the matter giving rise to the Proceeding and (i) was committed in bad faith or (ii) was the result of active and deliberate dishonesty, (b) Indemnatee actually received an improper personal benefit in money, property or services or (c) in the case of any criminal Proceeding, Indemnatee had reasonable cause to believe that the act or omission was unlawful.

Section 5. Certain Limits on Indemnification. Notwithstanding any other provision of this Agreement (other than Section 6), Indemnatee shall not be entitled to:

- (a) indemnification hereunder if the Proceeding was one by or in the right of the Company and Indemnatee is Adjudged to be liable to the Company;
- (b) indemnification hereunder if Indemnatee is Adjudged to be liable on the basis that personal benefit was improperly received in any Proceeding charging improper personal benefit to Indemnatee; or
- (c) indemnification or advance of Expenses hereunder if the Proceeding was brought by Indemnatee unless: (i) the Proceeding was brought to establish or enforce indemnification rights under this Agreement, and then only to the extent in accordance with and as authorized by Section 12 of this Agreement, or (ii) the Company's charter or Bylaws, a resolution of the stockholders entitled to vote generally in the election of directors or of the Board of Directors or an agreement approved by the Board of Directors to which the Company is a party expressly provide otherwise.

Section 6. Court-Ordered Indemnification. Notwithstanding any other provision of this Agreement, a court of appropriate jurisdiction, upon application of Indemnatee and such notice as the court shall require, may order indemnification in the following circumstances:

- (a) if it determines Indemnatee is entitled to reimbursement under Section 2-418(d)(1) of the MGCL, the court shall order indemnification, in which case Indemnatee shall be entitled to recover the Expenses of securing such reimbursement; or
- (b) if it determines that Indemnatee is fairly and reasonably entitled to indemnification in view of all the relevant circumstances, whether or not Indemnatee (i) has met the standards of conduct set forth in Section 2-418(b) of the MGCL or (ii) has been Adjudged liable for receipt of an improper personal benefit under Section 2-418(c) of the MGCL, the court may order such indemnification as the court shall deem proper. However, indemnification with respect to any Proceeding by or in the right of the Company or in which liability shall have been Adjudged in the circumstances described in Section 2-418(c) of the MGCL shall be limited to Expenses.

Section 7. Indemnification for Expenses of a Party Who is Wholly or Partly Successful. Notwithstanding any other provision of this Agreement, and without limiting any such provision, to the extent that Indemnatee was or is made a party to (or otherwise becomes a participant in) any Proceeding and is successful, on the merits or otherwise, in the defense of such Proceeding, Indemnatee shall be indemnified for all Expenses actually and reasonably incurred by him or on his behalf in connection therewith. If Indemnatee is not wholly successful in such Proceeding but is successful, on the merits or otherwise, as to one or more but less than all claims, issues or matters in such Proceeding, the Company shall indemnify Indemnatee under this Section 7 for all Expenses actually and reasonably incurred by him or on his behalf in connection with each such claim, issue or matter, allocated on a reasonable and proportionate basis. For purposes of this Section 7 and, without limitation, the termination of any claim, issue or matter in such a Proceeding by dismissal, with or without prejudice, shall be deemed to be a successful result as to such claim, issue or matter.

Section 8. Advance of Expenses for a Party. If Indemnatee was, is, or is threatened to be, made a party to any Proceeding, the Company shall, without requiring a preliminary determination of Indemnatee's ultimate entitlement to indemnification hereunder, advance all reasonable Expenses incurred by or on behalf of Indemnatee in connection with such Proceeding within ten days after the receipt by the Company of a statement or statements requesting such advance or advances from time to time, whether prior to or after final disposition of such Proceeding. Such statement or statements shall reasonably evidence the Expenses incurred by Indemnatee and shall include or be preceded or accompanied by a written affirmation by Indemnatee of Indemnatee's good faith belief that the standard of conduct necessary for indemnification by the Company as authorized by law and by this Agreement has been met and a written undertaking by or on behalf of Indemnatee, in substantially the form attached hereto as Exhibit A or in such form as may be required under applicable law as in effect at the time of the execution thereof, to reimburse the portion (if any) of any Expenses advanced to Indemnatee relating to claims, issues or matters in the Proceeding as to which it shall ultimately be established that the standard of conduct has not been met by Indemnatee and which have not been successfully resolved as described in Section 7 of this Agreement. Advances shall be interest-free and unsecured. The undertaking required by this Section 8 shall be an unlimited general obligation by

or on behalf of Indemnitee and shall be accepted without reference to Indemnitee's financial ability to repay such advanced Expenses and without any requirement to post security therefor.

Section 9. Indemnification and Advance of Expenses of a Witness. Notwithstanding any other provision of this Agreement, to the extent that Indemnitee was, is or may be made a witness or otherwise asked to participate in any Proceeding, whether instituted by the Company or any other party, and to which Indemnitee is not a party, he shall be advanced all reasonable Expenses and indemnified, held harmless and exonerated against all Expenses actually and reasonably incurred by him or on his behalf in connection therewith within ten days after the receipt by the Company of a statement or statements requesting such advance or advances from time to time, whether prior to or after final disposition of such Proceeding. Such statement or statements shall reasonably evidence the Expenses incurred by Indemnitee. Advances shall be interest-free and unsecured.

Section 10. Procedure for Determination of Entitlement to Indemnification.

(a) To obtain indemnification under this Agreement, Indemnitee shall submit to the Company a written request, including therein or therewith such documentation and information as is reasonably available to Indemnitee and is reasonably necessary to determine whether and to what extent Indemnitee is entitled to indemnification. Indemnitee may submit one or more such requests from time to time and at such time(s) as Indemnitee deems appropriate in his sole discretion. The officer of the Company receiving any such request from Indemnitee shall, promptly upon receipt of such a request for indemnification, advise the Board of Directors in writing that Indemnitee has requested indemnification.

(b) Upon written request by Indemnitee for indemnification pursuant to Section 10(a) above, a determination, if required by applicable law, with respect to Indemnitee's entitlement thereto shall promptly be made in the specific case: (i) if a Change in Control shall have occurred, by Independent Counsel, in a written opinion to the Board of Directors, a copy of which shall be delivered to Indemnitee, which Independent Counsel shall be selected by the Indemnitee and approved by the Board of Directors in accordance with Section 2-418(e)(2)(ii) of the MGCL, which approval will not be unreasonably withheld; or (ii) if a Change in Control shall not have occurred, (A) by the Board of Directors by a majority vote of a quorum consisting entirely of Disinterested Directors or, if such a quorum cannot be obtained, then by a majority vote of a duly authorized committee of the Board of Directors consisting solely of one or more Disinterested Directors, (B) if Independent Counsel has been selected by the Board of Directors in accordance with Section 2-418(e)(2)(ii) of the MGCL and approved by the Indemnitee, which approval shall not be unreasonably withheld, by Independent Counsel, in a written opinion to the Board of Directors, a copy of which shall be delivered to Indemnitee or (C) if so directed by a majority of the members of the Board of Directors, by the stockholders of the Company. If it is so determined that Indemnitee is entitled to indemnification, payment to Indemnitee shall be made within ten days after such determination. Indemnitee shall cooperate with the person, persons or entity making such determination with respect to Indemnitee's entitlement to indemnification, including providing to such person, persons or entity upon reasonable advance request any documentation or information which is not privileged or otherwise protected from disclosure and which is reasonably available to Indemnitee and reasonably necessary to such determination in the discretion of the Board of Directors or Independent Counsel if retained pursuant to clause (ii)(B) of this Section 10(b). Any Expenses incurred by Indemnitee in so cooperating with the person, persons or entity making such determination shall be borne by the Company (irrespective of the determination as to Indemnitee's entitlement to indemnification) and the Company shall indemnify and hold Indemnitee harmless therefrom.

(c) The Company shall pay the reasonable fees and expenses of Independent Counsel, if one is appointed.

Section 11. Presumptions and Effect of Certain Proceedings.

(a) In making any determination with respect to entitlement to indemnification hereunder, the person or persons or entity making such determination shall presume that Indemnitee is entitled to indemnification under this Agreement if Indemnitee has submitted a request for indemnification in accordance with Section 10(a) of this Agreement, and the Company shall have the burden of proof and the burden of persuasion by clear and convincing evidence to overcome that presumption in connection with the making of any determination contrary to that presumption.

(b) The termination of any Proceeding or of any claim, issue or matter therein, by judgment, order, settlement or conviction, upon a plea of nolo contendere or its equivalent, or entry of an order of probation prior to judgment, does not create a presumption that Indemnitee did not meet the requisite standard of conduct described herein for indemnification.

(c) The knowledge and/or actions, or failure to act, of any other director, officer, employee or agent of the Company or any other director, trustee, officer, partner, manager, managing member, fiduciary, employee or agent of any Enterprise shall not be imputed to Indemnitee for purposes of determining any other right to indemnification under this Agreement.

(d) For purposes of any determination as to Indemnitee's entitlement of indemnification, Indemnitee shall be presumed to have met the standard of conduct for indemnification if, among other things and without limitation, Indemnitee relied on any information, opinion, report or statement, including any financial statement or other financial data or the records or books of account of the Company or any other Enterprise, prepared or presented by an officer or employee of the Company or any Enterprise whom Indemnitee reasonably believed to be reliable and competent in the matters presented, by a lawyer, certified public accountant, appraiser or other person or expert, as to a matter which Indemnitee reasonably believed to be within the person's professional or expert competence, or, if Indemnitee was serving on the Board of Directors of the Company or as a member of any similar body of any Enterprise, by a committee of the Board of Directors or such other body on which Indemnitee does not serve, as to a matter within its designated authority, if Indemnitee reasonably believes the committee to merit confidence. The provisions of this Section 11(d) shall not be deemed to be exclusive or to limit in any way the other circumstances in which Indemnitee meet, or be presumed to have met, the applicable standard of conduct set forth in this Agreement.

(e) For purposes of this Agreement, Indemnitee shall be considered to have been wholly successful with respect to any Proceeding if such Proceeding is disposed of, on the merits or otherwise (including a disposition without prejudice), without (i) the disposition being adverse to Indemnitee, (ii) it being Adjudged that Indemnitee was liable to the Company, (iii) a plea of guilty by Indemnitee, (iv) it being Adjudged that an act or omission of Indemnitee was material to the matter giving rise to the Proceeding and was (A) committed in bad faith or (B) the result of Indemnitee's active and deliberate dishonesty, (v) it being Adjudged that Indemnitee actually received an improper personal benefit in money, property or services or (vi) with respect to any criminal proceeding, it being Adjudged that Indemnitee had reasonable cause to believe the act or omission was unlawful.

Section 12. Remedies of Indemnitee.

(a) If (i) a determination is made pursuant to Section 10(b) of this Agreement that Indemnitee is not entitled to indemnification under this Agreement, (ii) advance of Expenses is not timely made pursuant to Section 8 or Section 9 of this Agreement, (iii) no determination of entitlement to indemnification shall have been made pursuant to Section 10(b) of this Agreement within 60 days after receipt by the Company of the request for indemnification, (iv) payment of indemnification is not made pursuant to Section 7 of this Agreement within ten days after receipt by the Company of a written request therefor, or (v) payment of indemnification pursuant to any other section of this Agreement or the charter or Bylaws of the Company is not made within ten days after a determination has been made that Indemnitee is entitled to indemnification, Indemnitee shall be entitled to an adjudication in an appropriate court located in the State of Maryland, or in any other court of competent jurisdiction, of his entitlement to such indemnification or advance of Expenses. Alternatively, Indemnitee, at his option, may seek an award in arbitration to be conducted by a single arbitrator pursuant to the Commercial Arbitration Rules of the American Arbitration Association. Indemnitee shall commence a proceeding seeking an adjudication or an award in arbitration within 180 days following the date on which Indemnitee first has the right to commence such proceeding pursuant to this Section 12(a); provided, however, that the foregoing clause shall not apply to a proceeding brought by Indemnitee to enforce his rights under Section 7 of this Agreement. Except as set forth herein, the provisions of Maryland law (without regard to its conflicts of laws rules) shall apply to any such arbitration. The Company shall not oppose Indemnitee's right to seek any such adjudication or award in arbitration.

(b) In any judicial proceeding or arbitration commenced pursuant to this Section 12, Indemnitee shall be presumed to be entitled to indemnification or advance of Expenses, as the case may be, under this Agreement and the Company shall have the burden of proving that Indemnitee is not entitled to indemnification or advance of Expenses, as the case may be. If Indemnitee commences a judicial proceeding or arbitration pursuant to this Section 12, Indemnitee shall not be required to reimburse the Company for any advances pursuant to Section 8 of this Agreement until a final determination is made with respect to Indemnitee's entitlement to indemnification (as to which all rights of appeal have been exhausted or lapsed). If Indemnitee commences a judicial proceeding or arbitration pursuant to this Section 12, the Company may not refer to or introduce into evidence any determination pursuant to Section 10(b) of this Agreement adverse to Indemnitee for any purpose and any judicial proceeding or arbitration commenced pursuant to this Article 12 shall be conducted in all respects as a de novo trial or arbitration. The Company shall, to the fullest extent not prohibited by law, be precluded from asserting in any judicial proceeding or arbitration commenced pursuant to this Section 12 that the procedures and presumptions of this Agreement are not valid, binding and enforceable and shall stipulate in any such court or before any such arbitrator that the Company is bound by all of the provisions of this Agreement.

(c) If a determination shall have been made pursuant to Section 10(b) of this Agreement that Indemnitee is entitled to indemnification, the Company shall be bound by such determination in any judicial proceeding or arbitration commenced pursuant to this Section 12, absent a misstatement by Indemnitee of a material fact, or an omission of a material fact necessary to make Indemnitee's statement not materially misleading, in connection with the request for indemnification.

(d) In the event that Indemnitee, pursuant to this Section 12, seeks a judicial adjudication of or an award in arbitration to enforce his rights under, or to recover damages for breach of, this Agreement, Indemnitee shall be entitled to advancement from the Company, and shall be indemnified and held harmless by the Company for, any and all Expenses actually and reasonably incurred by him in such judicial adjudication or arbitration in accordance with this Agreement.

(e) Interest shall be paid by the Company to Indemnitee at the maximum rate allowed to be charged for judgments under the Courts and Judicial Proceedings Article of the Annotated Code of Maryland for amounts which the Company pays or is obligated to pay for the period commencing with the date on which the Indemnitee requests indemnification or advancement of Expenses in accordance with this Agreement and ending on the date such payment is made to Indemnitee by the Company.

Section 13. Defense of the Underlying Proceeding.

(a) Indemnitee shall notify the Company promptly in writing upon being served with any summons, citation, subpoena, complaint, indictment, request or other document relating to any Proceeding which may result in the right to indemnification or the advance of Expenses hereunder and shall include with such notice a description of the nature of the Proceeding and a summary of the facts underlying the Proceeding. The failure to give any such notice shall not disqualify Indemnitee from the right, or otherwise affect in any manner any right of Indemnitee, to indemnification or the advance of Expenses under this Agreement unless the Company's ability to defend in such Proceeding or to obtain proceeds under any insurance policy is materially and adversely prejudiced thereby, and then only to the extent the Company is thereby actually so prejudiced.

(b) Subject to the provisions of the last sentence of this Section 13(b) and of Section 13(c) below, the Company shall have the right to defend Indemnitee in any Proceeding which may give rise to indemnification hereunder using a law firm of the Company's choice, subject to the prior written approval of the Indemnitee, which shall not be unreasonably withheld; provided, however, that the Company shall notify Indemnitee in writing of any such decision to defend within 15 calendar days following receipt of notice of any such Proceeding under Section 13(a) above. Indemnitee shall have the right to retain a separate law firm in any such Proceeding at Indemnitee's sole expense. The Company shall not, without the prior written consent of Indemnitee, which shall not be unreasonably withheld or delayed, consent to the entry of any judgment against Indemnitee or enter into any settlement or compromise which (i) includes an admission of fault of Indemnitee, (ii) does not include, as an unconditional term thereof, the full release of Indemnitee from all liability in respect of such Proceeding, which release shall be in form and substance reasonably satisfactory to Indemnitee or (iii) would impose any Expense, judgment, fine, penalty or limitation on Indemnitee. This Section 13(b) shall not apply to a Proceeding brought by Indemnitee under Section 12 of this Agreement, a Proceeding by or in the right of the Company or in the case of clause (ii) of Section 13(c).

(c) Notwithstanding the provisions of Section 13(b) above, if in a Proceeding to which Indemnitee is a party (i) Indemnitee reasonably concludes, based upon an opinion of counsel approved by the Company, which approval shall not be unreasonably withheld, that he may have separate defenses or counterclaims to assert with respect to any issue which may not be consistent with other defendants in such Proceeding, (ii) Indemnitee reasonably concludes that an actual or apparent conflict of interest or potential conflict of interest exists between Indemnitee and the Company, or (iii) if the Company fails to assume the defense of such Proceeding in a timely manner, Indemnitee shall be entitled to be represented by separate legal counsel of Indemnitee's choice, subject, except in the case of (ii) or (iii) above, to the prior approval of the Company, which shall not be unreasonably withheld, at the expense of the Company. In addition, if the Company fails to comply with any of its obligations under this Agreement or in the event that the Company or any other person takes any action to declare this Agreement void or unenforceable, or institutes any Proceeding to deny or to recover from Indemnitee the benefits intended to be provided to Indemnitee hereunder, Indemnitee shall have the right to retain counsel of Indemnitee's choice, at the expense of the Company (subject to Section 12(d) of this Agreement), to represent Indemnitee in connection with any such matter.

Section 14. Jointly Indemnifiable Claims.

(a) Given that certain Jointly Indemnifiable Claims may arise, the Company acknowledges and agrees that the Company shall, and to the extent applicable shall cause any Enterprise to (i) be fully and primarily

responsible for, and be the indemnitor of first resort with respect to, payment to or payment on behalf of the Indemnitee in respect of indemnification or advancement of Expenses in connection with any such Jointly Indemnifiable Claim, irrespective of any right of recovery the Indemnitee may have from the Third-Party Indemnitors, and (ii) be required to advance the full amount of Expenses incurred by the Indemnitee and shall be liable for the full amount of all Expenses, judgments, fines, penalties and amounts paid in settlement to the extent not prohibited by (and not merely to the extent affirmatively permitted by) applicable law and as required by the terms of this Agreement, without regard to any rights the Indemnitee may have against the Third-Party Indemnitors. Under no circumstance shall the Company or any Enterprise be entitled to, and the Company hereby irrevocably waives, relinquishes and releases, any claims against the Third-Party Indemnitors for subrogation, contribution or recovery of any kind and no right of advancement or recovery the Indemnitee may have from the Third-Party Indemnitors shall reduce or otherwise alter the rights of the Indemnitee or the obligations of the Company or any Enterprise. The Company further agrees that no advancement or payment by any Third-Party Indemnitor on behalf of Indemnitee with respect to any Proceeding for which Indemnitee has sought indemnification, exoneration or hold harmless rights from the Company shall affect the foregoing and the Third-Party Indemnitor(s) shall have a right to receive from the Company, contribution and/or be subrogated, to the extent of such advancement or payment to all of the rights of recovery of Indemnitee against the Company. The Company and the Indemnitee agree that each of the Third-Party Indemnitors shall be third-party beneficiaries with respect to this Agreement entitled to enforce this Section 14 as though each such Third-Party Indemnitor were a party to this Agreement.

(b) For purposes of this Agreement "Third-Party Indemnitor" means any person or entity that has or may in the future provide to the Indemnitee any indemnification, exoneration, hold harmless or Expense advancement rights and/or insurance benefits other than (i) the Company, (ii) any Enterprise and (iii) any entity or entities through which the Company maintains liability insurance applicable to the Indemnitee.

(c) For purposes of this Agreement, "Jointly Indemnifiable Claims" shall mean any Proceeding for which the Indemnitee shall be entitled to indemnification, advancement of expenses or insurance from (i) the Company and/or any Enterprise pursuant to this Agreement, the charter or Bylaws or other governing documents of the Company or any Enterprise, any agreement or a resolution of the stockholders of the Company entitled to vote generally in the election of directors or of the Board of Directors, or otherwise, on the one hand, and (ii) any Third-Party Indemnitor pursuant to any agreement between any Third-Party Indemnitor and the Indemnitee pursuant to which the Indemnitee is indemnified, the laws of the jurisdiction of incorporation or organization of any Third-Party Indemnitor and/or the certificate of incorporation, certificate of organization, bylaws, partnership agreement, operating agreement, certificate of formation, certificate of limited partnership or other organizational or governing documents of any Third-Party Indemnitor, on the other hand.

Section 15. Non-Exclusivity; Survival of Rights; Subrogation.

(a) The rights of indemnification and advance of Expenses as provided by this Agreement shall not be deemed exclusive of any other rights to which Indemnitee may at any time be entitled under applicable law, the charter or Bylaws or other governing documents of the Company or any Enterprise, any agreement or a resolution of the stockholders entitled to vote generally in the election of directors or of the Board of Directors, or otherwise. Unless consented to in writing by Indemnitee, no amendment, alteration or repeal of this Agreement or of any provision hereof shall limit or restrict any right of Indemnitee under this Agreement in respect of any action taken or omitted by such Indemnitee in or by reason of his Corporate Status prior to such amendment, alteration or repeal, regardless of whether a claim with respect to such action or inaction is raised prior or subsequent to such amendment, alteration or repeal. No right or remedy herein conferred is intended to be exclusive of any other right or remedy, and every other right or remedy shall be cumulative and in addition to every other right or remedy given hereunder or now or hereafter existing at law or in equity or otherwise. The assertion of any right or remedy hereunder, or otherwise, shall not prohibit the concurrent assertion or employment of any other right or remedy.

(b) Except as set forth in Section 14, in the event of any payment under this Agreement, the Company shall be subrogated to the extent of such payment to all of the rights of recovery of Indemnitee, who shall execute all papers required and take all action necessary to secure such rights, including execution of such documents as are necessary to enable the Company to bring suit to enforce such rights.

Section 16. Insurance. The Company will use its reasonable best efforts to acquire directors and officers liability insurance, on terms and conditions deemed appropriate by the Board of Directors, with the advice of counsel, covering Indemnitee or any claim made against Indemnitee by reason of his Corporate Status or by reason of alleged actions or omissions by Indemnitee in such capacity and covering the Company for any indemnification or advance of Expenses made by the Company to Indemnitee for any claims made against Indemnitee by reason of his Corporate Status or by reason of alleged actions or omissions by Indemnitee in such capacity. Without in any way limiting any other obligation under this Agreement, the Company shall indemnify Indemnitee for any payment by Indemnitee arising out of the amount of any deductible or retention and the amount

of any excess of the aggregate of all judgments, penalties, fines, settlements and Expenses incurred by Indemnitee in connection with a Proceeding over the coverage of any insurance referred to in the previous sentence. The purchase, establishment and maintenance of any such insurance shall not in any way limit or affect the rights or obligations of the Company or Indemnitee under this Agreement except as expressly provided herein, and the execution and delivery of this Agreement by the Company and the Indemnitee shall not in any way limit or affect the rights or obligations of the Company under any such insurance policies. If, at the time the Company receives notice from any source of a Proceeding to which Indemnitee is a party or a participant (as a witness or otherwise) the Company has director and officer liability insurance in effect, the Company shall give prompt notice of such Proceeding to the insurers in accordance with the procedures set forth in the respective policies.

Section 17. Coordination of Payments. Except as set forth in Section 14, the Company shall not be liable under this Agreement to make any payment of amounts otherwise indemnifiable or payable or reimbursable as Expenses hereunder if and to the extent that Indemnitee has otherwise actually received such payment under any insurance policy, contract, agreement or otherwise.

Section 18. Reports to Stockholders. To the extent required by the MGCL, the Company shall report in writing to its stockholders the payment of any amounts for indemnification of, or advance of Expenses to, Indemnitee under this Agreement arising out of a Proceeding by or in the right of the Company with the notice of the meeting of stockholders of the Company next following the date of the payment of any such indemnification or advance of Expenses or prior to such meeting.

Section 19. Duration of Agreement; Binding Effect.

(a) This Agreement shall be effective as of the Effective Date and may apply to acts or omissions of Indemnitee taken in or in connection with Indemnitee's Corporate Status which occurred prior to such date if Indemnitee was an officer, director, employee or agent of the Company or was a director, trustee, officer, partner, manager, managing member, fiduciary, employee or agent of any Enterprise at the time such act or omission occurred.

(b) This Agreement shall continue until and terminate on the later of (i) the date that Indemnitee shall have ceased to serve as a director, officer, employee or agent of the Company or as a director, trustee, officer, partner, manager, managing member, fiduciary, employee or agent of any Enterprise and (ii) the date that Indemnitee is no longer subject to any actual or possible Proceeding (including any rights of appeal thereto and any Proceeding commenced by Indemnitee pursuant to Section 12 of this Agreement).

(c) The indemnification and advance of Expenses provided by, or granted pursuant to, this Agreement shall be binding upon and be enforceable by the parties hereto and their respective successors and assigns (including any direct or indirect successor by purchase, merger, consolidation or otherwise to all or substantially all of the business or assets of the Company), shall continue as to an Indemnitee who has ceased to be a director, officer, employee or agent of the Company or a director, trustee, officer, partner, manager, managing member, fiduciary, employee or agent of any Enterprise, and shall inure to the benefit of Indemnitee and his spouse, assigns, heirs, devisees, executors and administrators and other legal representatives.

(d) The Company shall require and cause any successor (whether direct or indirect by purchase, merger, consolidation or otherwise) to all, substantially all or a substantial part, of the business and/or assets of the Company, by written agreement in form and substance satisfactory to Indemnitee, expressly to assume and agree to perform this Agreement in the same manner and to the same extent that the Company would be required to perform if no such succession had taken place.

(e) The Company and Indemnitee agree herein that a monetary remedy for breach of this Agreement, at some later date, may be inadequate, impracticable and difficult of proof, and further agree that such breach may cause Indemnitee irreparable harm. Accordingly, the parties hereto agree that Indemnitee may enforce this Agreement by seeking injunctive relief and/or specific performance hereof, without any necessity of showing actual damage or irreparable harm and that by seeking injunctive relief and/or specific performance, Indemnitee shall not be precluded from seeking or obtaining any other relief to which he may be entitled. Indemnitee shall further be entitled to such specific performance and injunctive relief, including temporary restraining orders, preliminary injunctions and permanent injunctions, without the necessity of posting bonds or other undertakings in connection therewith. The Company acknowledges that, in the absence of a waiver, a bond or undertaking may be required of Indemnitee by a court, and the Company hereby waives any such requirement of such a bond or undertaking.

Section 20. Section 409A. It is intended that any indemnification payment or advancement of Expenses made hereunder shall be exempt from Section 409A of the Internal Revenue Code of 1986, as amended, and the guidance issued thereunder ("Section 409A") pursuant to Treasury Regulation Section 1.409A-1(b)(10).

Notwithstanding the foregoing, if any indemnification payment or advancement of Expenses made hereunder shall be determined to be “nonqualified deferred compensation” within the meaning of Section 409A, then (i) the amount of the indemnification payment or advancement of Expenses during one taxable year shall not affect the amount of the indemnification payments or advancement of Expenses during any other taxable year, (ii) the indemnification payments or advancement of Expenses must be made on or before the last day of the Indemnatee’s taxable year following the year in which the expense was incurred, and (iii) the right to indemnification payments or advancement of Expenses hereunder is not subject to liquidation or exchange for another benefit.

Section 21. Severability. If any provision or provisions of this Agreement shall be held to be invalid, illegal or unenforceable for any reason whatsoever: (a) the validity, legality and enforceability of the remaining provisions of this Agreement (including, without limitation, each portion of any Section, paragraph or sentence of this Agreement containing any such provision held to be invalid, illegal or unenforceable that is not itself invalid, illegal or unenforceable) shall not in any way be affected or impaired thereby and shall remain enforceable to the fullest extent permitted by law; (b) such provision or provisions shall be deemed reformed to the extent necessary to conform to applicable law and to give the maximum effect to the intent of the parties hereto; and (c) to the fullest extent possible, the provisions of this Agreement (including, without limitation, each portion of any Section, paragraph or sentence of this Agreement containing any such provision held to be invalid, illegal or unenforceable, that is not itself invalid, illegal or unenforceable) shall be construed so as to give effect to the intent manifested thereby.

Section 22. Identical Counterparts. This Agreement may be executed in one or more counterparts, each of which shall for all purposes be deemed to be an original but all of which together shall constitute one and the same Agreement. One such counterpart signed by the party against whom enforceability is sought shall be sufficient to evidence the existence of this Agreement.

Section 23. Headings. The headings of the paragraphs of this Agreement are inserted for convenience only and shall not be deemed to constitute part of this Agreement or to affect the construction thereof.

Section 24. Modification and Waiver. No supplement, modification or amendment of this Agreement shall be binding unless executed in writing by both of the parties hereto. No waiver of any of the provisions of this Agreement shall be deemed or shall constitute a waiver of any other provisions hereof (whether or not similar) nor shall such waiver constitute a continuing waiver.

Section 25. Notices. All notices, requests, demands and other communications hereunder shall be in writing and shall be deemed to have been duly given if (i) delivered by hand and receipted for by the party to whom said notice or other communication shall have been directed or (ii) mailed by certified or registered mail with postage prepaid, on the third business day after the date on which it is so mailed:

- (a) If to Indemnatee, to the address set forth on the signature page hereto.
- (b) If to the Company, to:

Kay Tidwell, EVP, General Counsel
Hudson Pacific Properties, Inc.
11601 Wilshire Blvd., Suite 900
Los Angeles, CA 90025

or to such other address as may have been furnished in writing to Indemnatee by the Company or to the Company by Indemnatee, as the case may be.

Section 26. Governing Law. The parties agree that this Agreement shall be governed by, and construed and enforced in accordance with, the laws of the State of Maryland, without regard to its conflicts of laws rules.

Section 27. Miscellaneous. Use of the masculine pronoun shall be deemed to include usage of the feminine pronoun where appropriate.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

HUDSON PACIFIC PROPERTIES, INC.:

By: /s/ VICTOR J. COLEMAN
Name: Victor J. Coleman
Title Chief Executive Officer

INDEMNITEE:

/s/ STEVE M. JAFFE
Name: Steven M. Jaffe
Address:

EXHIBIT A

FORM OF UNDERTAKING TO REPAY EXPENSES ADVANCED

The Board of Directors of Hudson Pacific Properties, Inc.

Re: Undertaking to Repay Expenses Advanced

Ladies and Gentlemen:

This undertaking is being provided pursuant to that certain Indemnification Agreement dated the _____ day of _____, 20____, by and between Hudson Pacific Properties, Inc., a Maryland corporation (the "Company"), and the undersigned Indemnitee (the "Indemnification Agreement"), pursuant to which I am entitled to advance of Expenses in connection with **[Description of Proceeding]** (the "Proceeding").

Terms used herein and not otherwise defined shall have the meanings specified in the Indemnification Agreement.

I am subject to the Proceeding by reason of my Corporate Status or by reason of alleged actions or omissions by me in such capacity. I hereby affirm my good belief that at all times, insofar as I was involved as **[a director]** **[an officer]** of the Company, in any of the facts or events giving rise to the Proceeding, I (1) did not act with bad faith or active or deliberate dishonesty, (2) did not receive any improper personal benefit in money, property or services and (3) in the case of any criminal proceeding, had no reasonable cause to believe that any act or omission by me was unlawful.

In consideration of the advance of Expenses by the Company for reasonable attorneys' fees and related Expenses incurred by me in connection with the Proceeding (the "Advanced Expenses"), I hereby agree that if, in connection with the Proceeding, it is established that (1) an act or omission by me was material to the matter giving rise to the Proceeding and (a) was committed in bad faith or (b) was the result of active and deliberate dishonesty or (2) I actually received an improper personal benefit in money, property or services or (3) in the case of any criminal proceeding, I had reasonable cause to believe that the act or omission was unlawful, then I shall promptly reimburse the portion of the Advanced Expenses relating to the claims, issues or matters in the Proceeding as to which the foregoing findings have been established.

IN WITNESS WHEREOF, I have executed this Affirmation and Undertaking on this ____ day of _____, 20____.

Name:
Address:

AMENDED AND RESTATED EMPLOYMENT AGREEMENT

THIS AMENDED AND RESTATED EMPLOYMENT AGREEMENT (this “Agreement”), dated as of January 1, 2020, is entered into by and between Hudson Pacific Properties, Inc., a Maryland corporation (the “REIT”), Hudson Pacific Properties, L.P., a Maryland limited partnership (the “Operating Partnership”) and Arthur Suazo (the “Executive”).

WHEREAS, the Executive, the REIT and the Operating Partnership (collectively, the “Company”) previously entered into that certain Employment Agreement, dated as of January 1, 2016 (the “Original Agreement”);

WHEREAS, the Company desires to continue to employ the Executive as its Executive Vice President, Leasing, and to enter into an agreement embodying the terms of such employment;

WHEREAS, as of the Amended Effective Date, the Original Agreement shall terminate and be superseded by this Agreement; and

WHEREAS, the Executive desires to accept such continuation of employment with the Company, subject to the terms and conditions of this Agreement.

NOW, THEREFORE, IT IS HEREBY AGREED AS FOLLOWS:

1. Employment Period. Subject to the provisions for earlier termination hereinafter provided, the Executive’s employment hereunder shall be for a term (the “Employment Period”) commencing on January 1, 2020 (the “Amended Effective Date”) and ending on the fourth anniversary of the Amended Effective Date (the “Initial Term”). If not previously terminated in accordance with this Agreement, the Employment Period shall automatically be extended for one additional year immediately following the Initial Term (such extension, the “Renewal Term”), unless either the Executive or the Company elects not to so extend the Employment Period by notifying the other party, in writing, of such election not less than sixty (60) days prior to the last day of the Initial Term. Notwithstanding the foregoing, in the event that the Company experiences a Change in Control (as defined in the Company’s Amended and Restated 2010 Incentive Award Plan) during the Renewal Term, then the Employment Period shall instead continue through the first anniversary of the consummation of the Change in Control.

2. Terms of Employment.

(a) Position and Duties.

(i) During the Employment Period, the Executive shall serve as Executive Vice President, Leasing of the REIT and the Operating Partnership, and shall perform such employment duties as are usual and customary for such positions. The Executive shall report directly to the Chief Operating Officer and Chief Investment Officer. At the Company’s request, the Executive shall serve the Company and/or its subsidiaries and affiliates in other capacities in addition to the foregoing consistent with the Executive’s position as Executive Vice President, Leasing of the REIT and the Operating Partnership. In the event that the Executive, during the Employment Period, serves in any one or more of such additional capacities, the Executive’s compensation shall not be increased beyond that specified in Section 2(b) hereof. In addition, in the event the Executive’s service in one or more of such additional capacities is terminated, the Executive’s compensation, as specified in Section 2(b) hereof, shall not be diminished or reduced in any manner as a result of such termination provided that the Executive otherwise remains employed under the terms of this Agreement.

(ii) During the Employment Period, and excluding any periods of vacation and sick leave to which the Executive may be entitled, the Executive agrees to devote his full business time and attention to the business and affairs of the Company. Notwithstanding the foregoing, during the Employment Period, it shall not be a violation of this Agreement for the Executive to (A) serve on boards, committees or similar bodies of charitable or nonprofit organizations, (B) fulfill limited teaching, speaking and writing engagements, and (C) manage his personal investments, in each case, so long as such activities do not materially interfere or conflict with the performance of the Executive’s duties and responsibilities under this Agreement.

(iii) During the Employment Period, the Executive shall perform the services required by this Agreement at the Company’s principal offices located in Los Angeles, California (the

“Principal Location”), except for travel to other locations as may be necessary to fulfill the Executive’s duties and responsibilities hereunder.

(b) Compensation, Benefits, Etc.

(i) Base Salary. During the Employment Period, the Executive shall receive a base salary (the “Base Salary”) of \$525,000 per annum. The Base Salary shall be reviewed annually by the Compensation Committee (the “Compensation Committee”) of the Board of Directors of the REIT (the “Board”) and may be increased from time to time by the Compensation Committee in its sole discretion. The Base Salary shall be paid in accordance with the Company’s normal payroll practices for executive salaries generally, but no less often than monthly. The Base Salary shall not be reduced after any increase in accordance herewith and the term “Base Salary” as utilized in this Agreement shall refer to Base Salary as so increased.

(ii) Annual Bonus. In addition to the Base Salary, the Executive shall be eligible to earn, for each fiscal year of the Company ending during the Employment Period, a cash performance bonus (an “Annual Bonus”) under the Company’s bonus plan or program applicable to senior executives targeted at no less than 110% of Executive’s Base Salary (the “Target Bonus”). The amount of the Annual Bonus, if any, shall be determined by the Compensation Committee based on such performance criteria as the Compensation Committee shall determine in its sole discretion. The payment of any Annual Bonus, to the extent any Annual Bonus becomes payable, will be made on the date on which annual bonuses are paid generally to the Company’s senior executives, but in no event later than March 15th of the calendar year following the calendar year in which such Annual Bonus was earned, subject to the Executive’s continued employment through the payment date. The Executive acknowledges and agrees that nothing contained herein confers on the Executive any right to an Annual Bonus in any year, and that whether the Company pays him an Annual Bonus and the amount of any such Annual Bonus shall be determined by the Compensation Committee in its sole discretion.

(iii) [Intentionally Omitted].

(iv) Incentive, Savings and Retirement Plans. During the Employment Period, the Executive shall be eligible to participate in all other incentive plans, practices, policies and programs, and all savings and retirement plans, practices, policies and programs, in each case that are available generally to senior executives of the Company.

(v) Welfare Benefit Plans. During the Employment Period, the Executive and the Executive’s eligible family members shall be eligible for participation in the welfare benefit plans, practices, policies and programs (including, if applicable, medical, dental, disability, employee life, group life and accidental death insurance plans and programs) maintained by the Company for its senior executives.

(vi) Expenses. During the Employment Period, the Executive shall be entitled to receive prompt reimbursement for all reasonable business expenses incurred by the Executive in accordance with the policies, practices and procedures of the Company provided to senior executives of the Company.

(vii) Fringe Benefits. During the Employment Period, the Executive shall be entitled to such fringe benefits and perquisites as are provided by the Company to its senior executives from time to time, in accordance with the policies, practices and procedures of the Company, and shall receive such additional fringe benefits and perquisites as the Company may, in its discretion, from time-to-time provide.

(viii) Vacation. During the Employment Period, the Executive shall be entitled to paid vacation in accordance with the plans, policies, programs and practices of the Company applicable to its senior executives but in no event less than four (4) weeks per calendar year; provided, however, that the Executive shall not accrue any vacation time in excess of six (6) weeks (thirty (30) days) (the “Accrual Limit”), and shall cease accruing vacation time if the Executive’s accrued vacation reaches the Accrual Limit until such time as the Executive’s accrued vacation time drops below the Accrual Limit.

(ix) Indemnification Agreement. The parties hereby acknowledge that they have previously entered into an Indemnification Agreement (the “Indemnification Agreement”), which remains in effect in accordance with its terms.

3. Termination of Employment.

(a) Death or Disability. The Executive's employment shall terminate automatically upon the Executive's death during the Employment Period. Either the Company or the Executive may terminate the Executive's employment in the event of the Executive's Disability during the Employment Period. For purposes of this Agreement, "Disability" shall mean the absence of the Executive from the Executive's duties with the Company on a full-time basis for ninety (90) consecutive days or for a total of one hundred eighty (180) days in any twelve (12)-month period, in either case as a result of incapacity due to mental or physical illness which is determined to be total and permanent by a physician selected by the Company or its insurers and reasonably acceptable to the Executive or the Executive's legal representative.

(b) Cause. The Company may terminate the Executive's employment during the Employment Period for Cause or without Cause. For purposes of this Agreement, "Cause" shall mean the occurrence of any one or more of the following events unless, to the extent capable of correction, the Executive fully corrects the circumstances constituting Cause within fifteen (15) days after receipt of the Notice of Termination (as defined below):

(i) the Executive's willful and continued failure to substantially perform his duties with the Company (other than any such failure resulting from the Executive's incapacity due to physical or mental illness or any such actual or anticipated failure after his issuance of a Notice of Termination for Good Reason), after a written demand for substantial performance is delivered to the Executive by the Company, which demand specifically identifies the manner in which the Company believes that the Executive has not substantially performed his duties;

(ii) the Executive's willful commission of an act of fraud or dishonesty resulting in reputational, economic or financial injury to the Company;

(iii) the Executive's commission of, or entry by the Executive of a guilty or no contest plea to, a felony or a crime involving moral turpitude;

(iv) a willful breach by the Executive of his fiduciary duty to the Company which results in reputational, economic or other injury to the Company; or

(v) the Executive's willful and material breach of the Executive's obligations under a written agreement between the Company and the Executive, including without limitation, such a breach of this Agreement.

For purposes of this provision, no act or failure to act, on the part of the Executive, shall be considered "willful" unless it is done, or omitted to be done, by the Executive in bad faith or without reasonable belief that the Executive's action or omission was in the best interests of the Company. Any act, or failure to act, based upon authority given pursuant to a resolution duly adopted by the Board or based upon the advice of counsel for the Company shall be presumed to be done, or omitted to be done, by the Executive in good faith and in the best interests of the Company.

(c) Good Reason. The Executive's employment may be terminated by the Executive for Good Reason or by the Executive without Good Reason. For purposes of this Agreement, "Good Reason" shall mean the occurrence of any one or more of the following events without the Executive's prior written consent, unless the Company fully corrects the circumstances constituting Good Reason (provided such circumstances are capable of correction) within forty-five (45) days after the Company's receipt of the Notice of Termination (as defined below) delivered by the Executive:

(i) the assignment to the Executive of any duties materially inconsistent in any respect with the Executive's position (including status, offices, titles and reporting requirements), authority, duties or responsibilities as contemplated by Section 2(a) hereof, or any other action by the Company which results in a material diminution in such position, authority, duties or responsibilities, excluding for this purpose any isolated, insubstantial or inadvertent actions not taken in bad faith and which are remedied by the Company promptly after receipt of notice thereof given by the Executive;

(ii) the Company's material reduction of the Executive's Base Salary or Target Bonus, in each case, as in effect on the date hereof or as the same may be increased from time to time;

(iii) a material change in the geographic location of the Principal Location which shall, in any event, include only a relocation of the Principal Location by more than thirty (30) miles from its existing location; or

(iv) the Company's failure to cure a material breach of its obligations under this Agreement after written notice is delivered to the Company by the Executive which specifically identifies the manner in which the Executive believes that the Company has breached its obligations under the Agreement and the Company is given a reasonable opportunity to cure any such breach.

Notwithstanding the foregoing, the Executive will not be deemed to have resigned for Good Reason unless (1) the Executive provides the Company with written notice setting forth in reasonable detail the facts and circumstances claimed by the Executive to constitute Good Reason within sixty (60) days after the date of the occurrence of any event that the Executive knows or should reasonably have known to constitute Good Reason, (2) the Company fails to cure such acts or omissions within thirty (30) days following its receipt of such notice, and (3) the effective date of the Executive's termination for Good Reason occurs no later than thirty (30) days after the expiration of the cure period.

(d) Notice of Termination. Any termination by the Company for Cause, or by the Executive for Good Reason, shall be communicated by a Notice of Termination to the other parties hereto given in accordance with Section 12(b) hereof. For purposes of this Agreement, a "Notice of Termination" means a written notice which (i) indicates the specific termination provision in this Agreement relied upon, (ii) to the extent applicable, sets forth in reasonable detail the facts and circumstances claimed to provide a basis for termination of the Executive's employment under the provision so indicated and (iii) if the Date of Termination (as defined below) is other than the date of receipt of such notice, specifies the termination date (which date shall be not more than thirty days after the giving of such notice). The failure by the Executive or the Company to set forth in the Notice of Termination any fact or circumstance which contributes to a showing of Good Reason or Cause shall not waive any right of the Executive or the Company, respectively, hereunder or preclude the Executive or the Company, respectively, from asserting such fact or circumstance in enforcing the Executive's or the Company's rights hereunder.

(e) Termination of Offices and Directorships; Return of Property. Upon termination of the Executive's employment for any reason, unless otherwise specified in a written agreement between the Executive and the Company, the Executive shall be deemed to have resigned from all offices, directorships, and other employment positions if any, then held with the Company, and shall take all actions reasonably requested by the Company to effectuate the foregoing. In addition, upon the termination of the Executive's employment for any reason, the Executive agrees to return to the Company all documents of the Company and its affiliates (and all copies thereof) and all other Company or Company affiliate property that the Executive has in Executive's possession, custody or control. Such property includes, without limitation: (i) any materials of any kind that the Executive knows contain or embody any proprietary or confidential information of the Company or an affiliate of the Company (and all reproductions thereof), (ii) computers (including, but not limited to, laptop computers, desktop computers and similar devices) and other portable electronic devices (including, but not limited to, tablet computers), cellular phones/smartphones, credit cards, phone cards, entry cards, identification badges and keys, and (iii) any correspondence, drawings, manuals, letters, notes, notebooks, reports, programs, plans, proposals, financial documents, or any other documents concerning the customers, business plans, marketing strategies, products and/or processes of the Company or any of its affiliates and any information received from the Company or any of its affiliates regarding third parties.

4. Obligations of the Company upon Termination.

(a) Without Cause or For Good Reason. Subject to Section 4(d) below, if, the Executive incurs a "separation from service" from the Company (within the meaning of Section 409A(a)(2)(A)(i) of the Internal Revenue Code of 1986, as amended (the "Code"), and Treasury Regulation Section 1.409A-1(h)) (a "Separation from Service") during the Employment Period by reason of (1) a termination of the Executive's employment by the Company without Cause (other than by reason of the Executive's Disability), or (2) a termination of the Executive's employment by the Executive for Good Reason:

(i) The Executive shall be paid, in a single lump-sum payment on the date of the Executive's termination of employment, the aggregate amount of the Executive's earned but unpaid Base Salary and accrued but unpaid vacation pay through the date of such termination (the "Accrued Obligations") and any Annual Bonus required to be paid to the Executive pursuant to Section 2(b)(ii) above for any fiscal year of the Company that ends on or before the Date of Termination to the extent not previously paid (the "Unpaid Bonus");

(ii) In addition, the Executive shall be paid, in a single lump-sum payment on the sixtieth (60th) day after the date of Executive's Separation from Service (such date, the "Date of Termination"), an amount equal to one (1) (the "Severance Multiplier") times the sum of (x) the Base Salary in effect on the Date of Termination, plus (y) the average Annual Bonus earned by the Executive (regardless of whether such amount was paid out on a current basis or deferred) during the two (2) fiscal years prior to the year in which the Date of Termination occurs (the "Average Bonus"); provided, however,

that if the Date of Termination occurs on or within one (1) year following the occurrence of a Change in Control, the Severance Multiplier shall be increased to two (2). For the avoidance of doubt, for purposes of this Section 4(a)(ii), Annual Bonus shall include any portion of the Executive's Annual Bonus received in the form of equity rather than cash;

(iii) The Executive shall be paid, in a single lump-sum payment on the sixtieth (60th) day after the Date of Termination, an amount equal to a pro-rated Average Bonus, pro-rated based upon the number of days elapsed during the fiscal year prior to the Date of Termination (the "Pro-Rated Bonus");

(iv) All outstanding equity awards held by the Executive on the Date of Termination that vest solely based on the passage of time (i.e., excluding any outstanding performance-based vesting award), shall immediately become fully vested and exercisable (and any such performance-based award shall be governed in its entirety, including (without limitation) with regard to vesting and acceleration, in accordance with the terms of the applicable award agreement); and

(v) During the period commencing on the Date of Termination and ending on the earlier of (i) the eighteen (18)-month anniversary of the Date of Termination and (ii) the date on which the Executive becomes eligible to receive benefits under a "group health plan" (within the meaning of Section 4980B of the Code and the regulations thereunder ("COBRA")) of a subsequent employer of the Executive (of which eligibility the Executive hereby agrees to give prompt notice to the Company), subject to the Executive's valid election to receive COBRA benefits, the Company shall continue to provide the Executive and the Executive's eligible dependents with coverage under its group health plans at the same levels and the same cost to the Executive as would have applied if the Executive's employment had not been terminated.

Notwithstanding the foregoing, it shall be a condition to the Executive's right to receive the amounts provided for in Sections 4(a)(ii) - 4(a)(v) above that the Executive execute and deliver to the Company an effective release of claims in substantially the form attached hereto as Exhibit A (the "Release") within twenty-one (21) days (or, to the extent required by law, forty-five (45) days) following the Date of Termination and that the Executive not revoke such Release during any applicable revocation period.

(b) For Cause, Without Good Reason or Other Terminations. If the Executive's employment shall be terminated by the Company for Cause, by the Executive without Good Reason or for any other reason not enumerated in this Section 4, in any case, during the Employment Period, the Company shall pay to the Executive the Accrued Obligations in cash within thirty (30) days after the Date of Termination (or by such earlier date as may be required by applicable law).

(c) Death or Disability. Subject to Section 4(d) below, if the Executive incurs a Separation from Service by reason of the Executive's death or Disability during the Employment Period:

(i) The Accrued Obligations shall be paid to the Executive's estate or beneficiaries or to the Executive, as applicable, in cash on or as soon as practicable following the date of the Executive's termination;

(ii) Any Unpaid Bonus shall be paid to the Executive's estate or beneficiaries or to the Executive, as applicable, on the Date of Termination;

(iii) The Executive shall be paid, in a single lump-sum payment on the sixtieth (60th) day after the Date of Termination, the Pro-Rated Bonus; and

(iv) All outstanding equity awards held by the Executive on the Date of Termination that vest solely based on the passage of time (i.e., excluding any outstanding performance-based vesting award), shall immediately become fully vested and exercisable (and any such performance-based award shall be governed in its entirety, including (without limitation) with regard to vesting and acceleration, in accordance with the terms of the applicable award agreement).

Notwithstanding the foregoing, it shall be a condition to the Executive's right, or the Executive's estate's or beneficiaries' rights, as applicable, to receive the amounts provided for in Sections 4(c)(iii) and 4(c)(iv) above that the Executive, or the Executive's estate or beneficiaries, as applicable, execute and deliver to the Company the Release within twenty-one (21) days following the Date of Termination and that the Executive, or the Executive's estate or beneficiaries, as applicable, not revoke such Release during any applicable revocation period.

(d) Six-Month Delay. Notwithstanding anything to the contrary in this Agreement, no compensation or benefits, including without limitation any severance payments or benefits payable under Section 4 hereof, shall be paid to the Executive during the six (6)-month period following the Executive's "separation from service" (within the meaning of Section 409A(a)(2)(A)(i) of the Code) if the Company determines that paying such amounts at the time or times indicated in this Agreement would be a prohibited distribution under Section 409A(a)(2)(B)(i) of the Code. If the payment of any such amounts is delayed as a result of the previous sentence, then on the first business day following the end of such six (6)-month period (or such earlier date upon which such amount can be paid under Section 409A of the Code without resulting in a prohibited distribution, including as a result of the Executive's death), the Company shall pay the Executive a lump-sum amount equal to the cumulative amount that would have otherwise been payable to the Executive during such period.

(e) Exclusive Benefits. Except as expressly provided in this Section 4 and subject to Section 5 below, the Executive shall not be entitled to any additional payments or benefits upon or in connection with his termination of employment.

5. Non-Exclusivity of Rights. Amounts which are vested benefits or which the Executive is otherwise entitled to receive under any plan, policy, practice or program of or any contract or agreement with the Company at or subsequent to the Date of Termination shall be payable in accordance with such plan, policy, practice or program or contract or agreement except as explicitly modified by this Agreement.

6. Limitation on Payments.

(a) Notwithstanding any other provision of this Agreement, in the event that any payment or benefit received or to be received by the Executive (including any payment or benefit received in connection with a termination of the Executive's employment, whether pursuant to the terms of this Agreement or any other plan, arrangement or agreement) (all such payments and benefits, including the payments and benefits under Section 4 hereof, being hereinafter referred to as the "Total Payments") would be subject (in whole or part), to the excise tax imposed under Section 4999 of the Code (the "Excise Tax"), then, after taking into account any reduction in the Total Payments provided by reason of Section 280G of the Code in such other plan, arrangement or agreement, the cash severance payments under this Agreement shall first be reduced, and the noncash severance payments hereunder shall thereafter be reduced, to the extent necessary so that no portion of the Total Payments is subject to the Excise Tax but only if (i) the net amount of such Total Payments, as so reduced (and after subtracting the net amount of federal, state and local income taxes on such reduced Total Payments and after taking into account the phase out of itemized deductions and personal exemptions attributable to such reduced Total Payments) is greater than or equal to (ii) the net amount of such Total Payments without such reduction (but after subtracting the net amount of federal, state and local income taxes on such Total Payments and the amount of Excise Tax to which the Executive would be subject in respect of such unreduced Total Payments and after taking into account the phase out of itemized deductions and personal exemptions attributable to such unreduced Total Payments). The Total Payments shall be reduced in the following order: (A) reduction of any cash severance payments otherwise payable to the Executive that are exempt from Section 409A of the Code; (B) reduction of any other cash payments or benefits otherwise payable to the Executive that are exempt from Section 409A of the Code, but excluding any payments attributable to any acceleration of vesting or payments with respect to any equity award that are exempt from Section 409A of the Code; (C) reduction of any other payments or benefits otherwise payable to Employee on a pro-rata basis or such other manner that complies with Section 409A of the Code, but excluding any payments attributable to any acceleration of vesting and payments with respect to any equity award that are exempt from Section 409A of the Code; and (D) reduction of any payments attributable to any acceleration of vesting or payments with respect to any equity award that are exempt from Section 409A of the Code, in each case beginning with payments that would otherwise be made last in time.

(b) For purposes of determining whether and the extent to which the Total Payments will be subject to the Excise Tax, (i) no portion of the Total Payments the receipt or enjoyment of which the Executive shall have waived at such time and in such manner as not to constitute a "payment" within the meaning of Section 280G(b) of the Code shall be taken into account; (ii) no portion of the Total Payments shall be taken into account which, in the written opinion of independent auditors of nationally recognized standing ("Independent Advisors") selected by the Company, does not constitute a "parachute payment" within the meaning of Section 280G(b)(2) of the Code (including by reason of Section 280G(b)(4)(A) of the Code) and, in calculating the Excise Tax, no portion of such Total Payments shall be taken into account which, in the opinion of Independent Advisors, constitutes reasonable compensation for services actually rendered, within the meaning of Section 280G(b)(4)(B) of the Code, in excess of the "base amount" (as defined in Section 280G(b)(3) of the Code) allocable to such reasonable compensation; and (iii) the value of any non-cash benefit or any deferred payment or benefit included in the Total Payments shall be determined by the Independent Advisors in accordance with the principles of Sections 280G(d)(3) and (4) of the Code.

7. Confidential Information and Non-Solicitation.

(a) The Executive shall hold in a fiduciary capacity for the benefit of the Company all secret or confidential information, knowledge or data relating to the Company and its subsidiaries and affiliates, which shall have been obtained by the Executive in connection with the Executive's employment by the Company and which shall not be or become public knowledge (other than by acts by the Executive or representatives of the Executive in violation of this Agreement). After termination of the Executive's employment with the Company, the Executive shall not, without the prior written consent of the Company or as may otherwise be required by law or legal process, communicate or divulge any such information, knowledge or data, to anyone other than the Company and those designated by it; provided, however, that if the Executive receives actual notice that the Executive is or may be required by law or legal process to communicate or divulge any such information, knowledge or data, the Executive shall promptly so notify the Company.

(b) While employed by the Company and, for a period of one (1) year after the Date of Termination, the Executive shall not directly or indirectly solicit, induce, or encourage any employee or consultant of any member of the Company and its subsidiaries and affiliates to terminate their employment or other relationship with the Company and its subsidiaries and affiliates or to cease to render services to any member of the Company and its subsidiaries and affiliates and the Executive shall not initiate discussion with any such person for any such purpose or authorize or knowingly cooperate with the taking of any such actions by any other individual or entity. During his employment with the Company and thereafter, the Executive shall not use any trade secret of the Company or its subsidiaries or affiliates to solicit, induce, or encourage any customer, client, vendor, or other party doing business with any member of the Company and its subsidiaries and affiliates to terminate its relationship therewith or transfer its business from any member of the Company and its subsidiaries and affiliates and the Executive shall not initiate discussion with any such person for any such purpose or authorize or knowingly cooperate with the taking of any such actions by any other individual or entity.

(c) In recognition of the fact that irreparable injury will result to the Company in the event of a breach by the Executive of his obligations under Sections 7(a) and/or (b) hereof, that monetary damages for such breach would not be readily calculable, and that the Company would not have an adequate remedy at law therefor, the Executive acknowledges, consents and agrees that in the event of such breach, or the threat thereof, the Company shall be entitled, in addition to any other legal remedies and damages available, to specific performance thereof and to temporary and permanent injunctive relief (without the necessity of posting a bond) to restrain the violation or threatened violation of such obligations by the Executive.

8. Exceptions. Notwithstanding anything in this Agreement to the contrary, nothing contained in this Agreement shall prohibit either party (or either party's attorney(s)) from (i) filing a charge with, reporting possible violations of federal law or regulation to, participating in any investigation by, or cooperating with any governmental agency or entity or making other disclosures that are protected under the whistleblower provisions of applicable law or regulation, (ii) communicating directly with, cooperating with, or providing information (including trade secrets) in confidence to, any federal, state or local government regulator (including, but not limited to, the U.S. Securities and Exchange Commission, the U.S. Commodity Futures Trading Commission, or the U.S. Department of Justice) for the purpose of reporting or investigating a suspected violation of law, or from providing such information to the party's attorney(s) or in a sealed complaint or other document filed in a lawsuit or other governmental proceeding and/or (iii) receiving an award for information provided to any governmental agency. Pursuant to 18 USC Section 1833(b), the Executive will not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that is made: (x) in confidence to a federal, state, or local government official, either directly or indirectly, or to an attorney, and solely for the purpose of reporting or investigating a suspected violation of law; or (y) in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal. Further, nothing in this Agreement is intended to or shall preclude either party from providing truthful testimony in response to a valid subpoena, court order, regulatory request or other judicial, administrative or legal process or otherwise as required by law. If the Executive is required to provide testimony, then unless otherwise directed or requested by a governmental agency or law enforcement, the Executive shall notify the Company as soon as reasonably practicable after receiving any such request of the anticipated testimony.

9. Representations. The Executive hereby represents and warrants to the Company that (a) the Executive is entering into this Agreement voluntarily and that the performance of his obligations hereunder will not violate any agreement between the Executive and any other person, firm, organization or other entity, and (b) the Executive is not bound by the terms of any agreement with any previous employer or other party to refrain from competing, directly or indirectly, with the business of such previous employer or other party that would be violated by his entering into this Agreement and/or providing services to the Company pursuant to the terms of this Agreement.

10. Successors.

(a) This Agreement is personal to the Executive and without the prior written consent of the Company shall not be assignable by the Executive otherwise than by will or the laws of descent and distribution. This Agreement shall inure to the benefit of and be enforceable by the Executive's legal representatives.

(b) This Agreement shall inure to the benefit of and be binding upon the Company and its successors and assigns.

(c) The Company will require any successor (whether direct or indirect, by purchase, merger, consolidation or otherwise) to all or substantially all of the business and/or assets of the Company to assume and agree to perform this Agreement in the same manner and to the same extent that the Company would be required to perform it if no such succession had taken place. As used in this Agreement, "Company" shall mean the Company as hereinbefore defined and any successor to its business and/or assets as aforesaid which assumes and agrees to perform this Agreement by operation of law, or otherwise.

11. Payment of Financial Obligations. The payment or provision to the Executive by the Company of any remuneration, benefits or other financial obligations pursuant to this Agreement shall be allocated among the Operating Partnership, the REIT and any subsidiary or affiliate thereof in such manner as such entities determine in order to reflect the services provided by the Executive to such entities; provided, however, that the Operating Partnership and the REIT shall be jointly and severally liable for such obligations.

12. Miscellaneous.

(a) Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of California, without reference to principles of conflict of laws. The captions of this Agreement are not part of the provisions hereof and shall have no force or effect.

(b) Notices. All notices and other communications hereunder shall be in writing and shall be given by hand delivery to the other party or by registered or certified mail, return receipt requested, postage prepaid, addressed as follows:

If to the Executive: at the Executive's most recent address on the records of the Company.

If to the REIT or the Operating Partnership:

Hudson Pacific Properties, Inc.
11601 Wilshire Blvd., Ninth Floor
Los Angeles, CA 90025
Attn: General Counsel

with a copy to:

Latham & Watkins
355 South Grand Ave.
Los Angeles, CA 90071-1560
Attn: Julian Kleindorfer

or to such other address as either party shall have furnished to the other in writing in accordance herewith. Notice and communications shall be effective when actually received by the addressee.

(c) Sarbanes-Oxley Act of 2002. Notwithstanding anything herein to the contrary, if the Company determines, in its good faith judgment, that any transfer or deemed transfer of funds hereunder is likely to be construed as a personal loan prohibited by Section 13(k) of the Exchange Act and the rules and regulations promulgated thereunder, then such transfer or deemed transfer shall not be made to the extent necessary or appropriate so as not to violate the Exchange Act and the rules and regulations promulgated thereunder.

(d) Section 409A of the Code.

(i) To the extent applicable, this Agreement shall be interpreted in accordance with Section 409A of the Code and Department of Treasury regulations and other interpretive guidance issued thereunder. Notwithstanding any provision of this Agreement to the contrary, if the Company determines that any

compensation or benefits payable under this Agreement may be subject to Section 409A of the Code and related Department of Treasury guidance, the Company shall work in good faith with the Executive to adopt such amendments to this Agreement or adopt other policies and procedures (including amendments, policies and procedures with retroactive effect), or take any other actions, that the Company determines are necessary or appropriate to avoid the imposition of taxes under Section 409A of the Code, including without limitation, actions intended to (A) exempt the compensation and benefits payable under this Agreement from Section 409A of the Code, and/or (B) comply with the requirements of Section 409A of the Code and related Department of Treasury guidance; provided, however, that this Section 12(d) shall not create an obligation on the part of the Company to adopt any such amendment, policy or procedure or take any such other action, nor shall the Company have any liability for failing to do so.

(ii) To the extent permitted under Section 409A of the Code, any separate payment or benefit under this Agreement or otherwise shall not be deemed “nonqualified deferred compensation” subject to Section 409A of the Code and Section 4(d) hereof to the extent provided in the exceptions in Treasury Regulation Section 1.409A-1(b)(4), Section 1.409A-1(b)(9) or any other applicable exception or provision of Section 409A of the Code.

(iii) To the extent that any payments or reimbursements provided to the Executive under this Agreement, including, without limitation, pursuant to Section 2(b)(vi), are deemed to constitute compensation to the Executive to which Treasury Regulation Section 1.409A-3(i)(1)(iv) would apply, such amounts shall be paid or reimbursed reasonably promptly, but not later than December 31 of the year following the year in which the expense was incurred. The amount of any such payments eligible for reimbursement in one year shall not affect the payments or expenses that are eligible for payment or reimbursement in any other taxable year, and the Executive’s right to such payments or reimbursement of any such expenses shall not be subject to liquidation or exchange for any other benefit.

(e) Severability. The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement.

(f) Withholding. The Company may withhold from any amounts payable under this Agreement such Federal, state, local or foreign taxes as shall be required to be withheld pursuant to any applicable law or regulation.

(g) No Waiver. The Executive’s or the Company’s failure to insist upon strict compliance with any provision of this Agreement or the failure to assert any right the Executive or the Company may have hereunder, including, without limitation, the right of the Executive to terminate employment for Good Reason pursuant to Section 3(c) hereof, shall not be deemed to be a waiver of such provision or right or any other provision or right of this Agreement.

(h) Entire Agreement. As of the Amended Effective Date, this Agreement, together with the Indemnification Agreement, constitutes the final, complete and exclusive agreement between the Executive and the Company with respect to the subject matter hereof and replaces and supersedes any and all other agreements, offers or promises, whether oral or written, by any member of the Company and its subsidiaries and affiliates, or representative thereof. The Executive agrees that the Original Agreement shall be terminated and of no further force or effect from and after the Amended Effective Date. In the event that the Executive’s employment with the Company is terminated prior to the Amended Effective Date, this Agreement (including, without limitation, the immediately preceding sentence) shall have no force or effect.

(i) Amendment; Survival. No amendment or other modification of this Agreement shall be effective unless made in writing and signed by the parties hereto. The respective rights and obligations of the parties under this Agreement shall survive the Executive’s termination of employment and the termination of this Agreement to the extent necessary for the intended preservation of such rights and obligations.

(j) Counterparts. This Agreement and any agreement referenced herein may be executed in two or more counterparts, each of which shall be deemed an original but which together shall constitute one and the same instrument.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the Executive has hereunto set the Executive's hand and, pursuant to the authorization from the Board, each of the REIT and the Operating Partnership has caused these presents to be executed in its name on its behalf, all as of the day and year first above written.

HUDSON PACIFIC PROPERTIES, INC.,
a Maryland corporation

By: /s/ Mark Lammas
Name: Mark Lammas
Title: President

HUDSON PACIFIC PROPERTIES, L.P.,
a Maryland limited partnership

By: HUDSON PACIFIC PROPERTIES, INC.
Its: General Partner

By: /s/ Mark Lammas
Name: Mark Lammas
Title: President

“EXECUTIVE”

/s/ Arthur Suazo
Name: Arthur Suazo

EXHIBIT A
GENERAL RELEASE

For valuable consideration, the receipt and adequacy of which are hereby acknowledged, the undersigned does hereby release and forever discharge the “Releasees” hereunder, consisting of Hudson Pacific Properties, Inc., a Maryland corporation, Hudson Pacific Properties, L.P., a Maryland limited partnership (collectively, the “Company”), and each of their partners, subsidiaries, associates, affiliates, successors, heirs, assigns, agents, directors, officers, employees, representatives, lawyers, insurers, and all persons acting by, through, under or in concert with them, or any of them, of and from any and all manner of action or actions, cause or causes of action, in law or in equity, suits, debts, liens, contracts, agreements, promises, liability, claims, demands, damages, losses, costs, attorneys’ fees or expenses, of any nature whatsoever, known or unknown, fixed or contingent (hereinafter called “Claims”), which the undersigned now has or may hereafter have against the Releasees, or any of them, by reason of any matter, cause, or thing whatsoever from the beginning of time to the date hereof. The Claims released herein include, without limiting the generality of the foregoing, any Claims in any way arising out of, based upon, or related to the employment or termination of employment of the undersigned by the Releasees, or any of them; any alleged breach of any express or implied contract of employment; any alleged torts or other alleged legal restrictions on Releasees’ right to terminate the employment of the undersigned; and any alleged violation of any federal, state or local statute or ordinance including, without limitation, Title VII of the Civil Rights Act of 1964, the Age Discrimination In Employment Act, the Americans With Disabilities Act, and the California Fair Employment and Housing Act. Notwithstanding the foregoing, this Release shall not operate to release any rights or claims of the undersigned (i) to payments or benefits under Section 4(a) of that certain Amended and Restated Employment Agreement, dated as of January 1, 2020, between the Company and the undersigned (the “Employment Agreement”), whichever is applicable to the payments and benefits provided in exchange for this release, (ii) with respect to Section 2(b)(vi) of the Employment Agreement, (iii) to accrued or vested benefits the undersigned may have, if any, as of the date hereof under any applicable plan, policy, practice, program, contract or agreement with the Company, (iv) to indemnification and/or advancement of expenses pursuant to the Indemnification Agreement (as defined in the Employment Agreement), the Company’s governing documents or applicable law, or (v) with respect to the undersigned’s right to communicate directly with, cooperate with, or provide information to, any federal, state or local government regulator.

THE UNDERSIGNED ACKNOWLEDGES THAT THE UNDERSIGNED HAS BEEN ADVISED BY LEGAL COUNSEL AND IS FAMILIAR WITH THE PROVISIONS OF CALIFORNIA CIVIL CODE SECTION 1542, WHICH PROVIDES AS FOLLOWS:

“A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.”

THE UNDERSIGNED, BEING AWARE OF SAID CODE SECTION, HEREBY EXPRESSLY WAIVES ANY RIGHTS THE UNDERSIGNED MAY HAVE THEREUNDER, AS WELL AS UNDER ANY OTHER STATUTES OR COMMON LAW PRINCIPLES OF SIMILAR EFFECT.

IN ACCORDANCE WITH THE OLDER WORKERS BENEFIT PROTECTION ACT OF 1990, THE UNDERSIGNED IS HEREBY ADVISED AS FOLLOWS:

- (A) HE HAS THE RIGHT TO CONSULT WITH AN ATTORNEY BEFORE SIGNING THIS RELEASE;
- (B) HE HAS TWENTY-ONE (21) DAYS TO CONSIDER THIS RELEASE BEFORE SIGNING IT; AND
- (C) HE HAS SEVEN (7) DAYS AFTER SIGNING THIS RELEASE TO REVOKE THIS RELEASE, AND THIS RELEASE WILL BECOME EFFECTIVE UPON THE EXPIRATION OF THAT REVOCATION PERIOD.

The undersigned represents and warrants that there has been no assignment or other transfer of any interest in any Claim which he may have against Releasees, or any of them, and the undersigned agrees to indemnify and hold Releasees, and each of them, harmless from any liability, Claims, demands, damages, costs, expenses and attorneys' fees incurred by Releasees, or any of them, as the result of any such assignment or transfer or any rights or Claims under any such assignment or transfer. It is the intention of the parties that this indemnity does not require payment as a condition precedent to recovery by the Releasees against the undersigned under this indemnity.

The undersigned agrees that if he hereafter commences any suit arising out of, based upon, or relating to any of the Claims released hereunder or in any manner asserts against Releasees, or any of them, any of the Claims released hereunder, then the undersigned agrees to pay to Releasees, and each of them, in addition to any other damages caused to Releasees thereby, all attorneys' fees incurred by Releasees in defending or otherwise responding to said suit or Claim.

Notwithstanding anything in this Release to the contrary, nothing contained in this Release shall prohibit the undersigned from (i) filing a charge with, reporting possible violations of federal law or regulation to, participating in any investigation by, or cooperating with any governmental agency or entity or making other disclosures that are protected under the whistleblower provisions of applicable law or regulation and/or (ii) communicating directly with, cooperating with, or providing information (including trade secrets) in confidence to, any federal, state or local government regulator (including, but not limited to, the U.S. Securities and Exchange Commission, the U.S. Commodity Futures Trading Commission, or the U.S. Department of Justice) for the purpose of reporting or investigating a suspected violation of law, or from providing such information to the undersigned's attorney or in a sealed complaint or other document filed in a lawsuit or other governmental proceeding. Pursuant to 18 USC Section 1833(b), the undersigned will not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that is made: (x) in confidence to a federal, state, or local government official, either directly or indirectly, or to an attorney, and solely for the purpose of reporting or investigating a suspected violation of law; or (y) in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal.

The undersigned further understands and agrees that neither the payment of any sum of money nor the execution of this Release shall constitute or be construed as an admission of any liability whatsoever by the Releasees, or any of them, who have consistently taken the position that they have no liability whatsoever to the undersigned.

IN WITNESS WHEREOF, the undersigned has executed this Release this ____ day of _____, ____.

INDEMNIFICATION AGREEMENT

THIS INDEMNIFICATION AGREEMENT ("Agreement") is made and entered into as of the 1st day of January, 2020, by and between Hudson Pacific Properties, Inc., a Maryland corporation (the "Company"), and Arthur Suazo ("Indemnatee").

WHEREAS, at the request of the Company, Indemnatee currently serves as an officer of the Company and may, therefore, be subjected to claims, suits or proceedings arising as a result of his service; and

WHEREAS, as an inducement to Indemnatee to continue to serve as such officer, the Company has agreed to indemnify and to advance expenses and costs incurred by Indemnatee in connection with any such claims, suits or proceedings, to the maximum extent permitted by law; and

WHEREAS, the parties by this Agreement desire to set forth their agreement regarding indemnification and advance of expenses;

NOW, THEREFORE, in consideration of the premises and the covenants contained herein, the Company and Indemnatee do hereby covenant and agree as follows:

Section 1. Definitions. For purposes of this Agreement:

(a) "Adjudged" shall mean adjudged finally by a court or arbitral or other authority of competent jurisdiction.

(b) "Change in Control" means a change in control of the Company occurring after the Effective Date of a nature that would be required to be reported in response to Item 6(e) of Schedule 14A of Regulation 14A (or in response to any similar item on any similar schedule or form) promulgated under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), whether or not the Company is then subject to such reporting requirement; provided, however, that, without limitation, such a Change in Control shall be deemed to have occurred if, after the Effective Date (i) any "person" (as such term is used in Sections 13(d) and 14(d) of the Exchange Act) is or becomes the "beneficial owner" (as defined in Rule 13d-3 under the Exchange Act), directly or indirectly, of securities of the Company representing 50% or more of the combined voting power of all of the Company's then-outstanding securities entitled to vote generally in the election of directors without the prior approval of at least two-thirds of the members of the Board of Directors in office immediately prior to such person's attaining such percentage interest; (ii) the Company is a party to a merger, consolidation, sale of assets, plan of liquidation or other reorganization not approved by at least two-thirds of the members of the Board of Directors then in office, as a consequence of which members of the Board of Directors in office immediately prior to such transaction or event constitute less than a majority of the Board of Directors thereafter; or (iii) at any time, a majority of the members of the Board of Directors are not comprised of (A) individuals who were directors as of the Effective Date and/or (B) individuals whose election by the Board of Directors or nomination for election by the Company's stockholders was approved by the affirmative vote of at least two-thirds of the directors then in office who were directors as of the Effective Date or whose election for nomination for election was previously so approved.

(c) "Corporate Status" means the status of a person as a present or former director, officer, employee or agent of the Company or as a director, trustee, officer, partner, manager, managing member, fiduciary, employee or agent of any Enterprise.

(d) "Disinterested Director" means a director of the Company who is not and was not a party to the Proceeding in respect of which indemnification and/or advance of Expenses is sought by Indemnatee.

(e) "Effective Date" means the date set forth in the first paragraph of this Agreement.

(f) "Enterprise" means any foreign or domestic corporation, partnership, limited liability company, joint venture, trust, employee benefit plan or other enterprise in which Indemnatee is or was serving as a director, trustee, officer, partner, manager, managing member, fiduciary, employee or agent at the request of the Company. As a clarification and without limiting the circumstances in which Indemnatee may be serving at the request of the Company, service by Indemnatee shall be deemed to be at the request of the Company if Indemnatee serves or served as a director, trustee, officer, partner, manager, managing member, fiduciary, employee or agent of any corporation, partnership, limited liability company, joint venture, trust, employee benefit plan or other enterprise (i) of which a majority of the voting power or equity interest is owned directly or indirectly by the Company or (ii) the management of which is controlled directly or indirectly by the Company.

(g) “Expenses” means any and all disbursements or expenses incurred by Indemnitee in connection with prosecuting, defending, preparing to prosecute or defend, investigating, being or preparing to be a witness in or otherwise participating in a Proceeding, including, without limitation, reasonable attorneys’ fees and costs, retainers, court costs, transcript costs, fees of experts, witness fees, travel expenses, duplicating costs, printing and binding costs, telephone charges, postage, delivery service fees, federal, state, local or foreign taxes imposed on Indemnitee as a result of the actual or deemed receipt of any payments under this Agreement, and any ERISA excise taxes and penalties. Expenses shall also include (i) expenses incurred in connection with any appeal resulting from any Proceeding including, without limitation, the premium, security for and other costs relating to any cost bond, supersedeas bond or other appeal bond or its equivalent, (ii) expenses incurred in connection with recovery under any directors’ and officers’ liability insurance policies maintained by the Company, regardless of whether the Indemnitee is ultimately determined to be entitled to such indemnification, advancement or expenses or insurance recovery, as the case may be, and (iii) expenses incurred by Indemnitee in establishing or enforcing his right to indemnification or reimbursement under this Agreement. Expenses, however, shall not include amounts paid in settlement by Indemnitee or the amount of judgments, fines or penalties against Indemnitee (other than ERISA excise tax penalties).

(h) “Independent Counsel” means a law firm, or a member of a law firm, that is of outstanding reputation, experienced in matters of corporation law and neither is, nor in the past five years preceding the date of selection has been, retained to represent: (i) the Company or Indemnitee in any matter material to either such party (other than with respect to matters concerning Indemnitee under this Agreement or of other indemnitees under similar indemnification agreements), or (ii) any other party to or participant or witness in the Proceeding giving rise to a claim for indemnification or advance of Expenses hereunder. Notwithstanding the foregoing, the term “Independent Counsel” shall not include any person who, under the applicable standards of professional conduct then prevailing, would have a conflict of interest in representing either the Company or Indemnitee in an action to determine Indemnitee’s rights under this Agreement. The Company agrees to pay the reasonable fees and expenses of the Independent Counsel.

(i) “Proceeding” means any threatened, pending or completed action, suit, arbitration, mediation, alternate dispute resolution procedure, investigation, inquiry, administrative hearing or any other proceeding, whether brought by or in the right of the Company or otherwise and whether of a civil (including intentional or unintentional tort claims), criminal, administrative or investigative (formal or informal) nature, including any appeal therefrom, in which Indemnitee was, is, will or might be involved as a party or otherwise, by reason of any action taken by or omission by Indemnitee, or of any action or omission on Indemnitee’s part, in each case in or in connection with Indemnitee’s Corporate Status and whether or not acting or serving in such capacity at the time any liability or Expense is incurred for which indemnification, reimbursement or advancement of Expenses can be provided under this Agreement, except one pending or completed on or before the Effective Date, unless otherwise specifically agreed in writing by the Company and Indemnitee. If Indemnitee reasonably believes that a given situation may lead to or culminate in the institution of a Proceeding, such situation shall also be considered a Proceeding. The term “Proceeding” shall be broadly construed and shall include, without limitation, the investigation, preparation, prosecution, defense, settlement, arbitration or appeal of, and the giving of testimony in or related to, any threatened, pending or completed claim, action, suit or other proceeding, whether of a civil, criminal, administrative or investigative nature.

Section 2. Services by Indemnitee. The Company expressly confirms and agrees that it has entered into this Agreement and assumed the obligations imposed on it hereby in order to induce the Indemnitee to serve or continue to serve as an officer of the Company, and the Company acknowledges that Indemnitee is relying upon this Agreement in serving or continuing to serve as an officer. However, this Agreement shall not impose any independent obligation on Indemnitee or the Company to continue Indemnitee’s service to the Company. This Agreement shall not be deemed an employment contract between the Company (or any other entity) and Indemnitee.

Section 3. General. The Company shall indemnify, hold harmless and exonerate, and advance Expenses to, Indemnitee (a) as provided in this Agreement and (b) otherwise to the maximum extent not prohibited by (and not merely to the extent affirmatively permitted by) Maryland law in effect on the Effective Date and as amended from time to time; provided, however, that no change in Maryland law shall have the effect of reducing the benefits available to Indemnitee hereunder based on Maryland law as in effect on the Effective Date. The rights of Indemnitee provided in this Section 3 shall include, without limitation, the rights set forth in the other sections of this Agreement, including any additional indemnification permitted by Section 2-418(g) of the Maryland General Corporation Law (the “MGCL”).

Section 4. Indemnification. If Indemnitee is, or is threatened to be, made a party to any Proceeding, the Company shall indemnify, hold harmless and exonerate Indemnitee against all judgments, penalties, fines and amounts paid in settlement and all Expenses actually and reasonably incurred by him or on his behalf in connection with any such Proceeding unless (and only to the extent) it is established that (a) the act or omission of Indemnitee

was material to the matter giving rise to the Proceeding and (i) was committed in bad faith or (ii) was the result of active and deliberate dishonesty, (b) Indemnatee actually received an improper personal benefit in money, property or services or (c) in the case of any criminal Proceeding, Indemnatee had reasonable cause to believe that the act or omission was unlawful.

Section 5. Certain Limits on Indemnification. Notwithstanding any other provision of this Agreement (other than Section 6), Indemnatee shall not be entitled to:

- (a) indemnification hereunder if the Proceeding was one by or in the right of the Company and Indemnatee is Adjudged to be liable to the Company;
- (b) indemnification hereunder if Indemnatee is Adjudged to be liable on the basis that personal benefit was improperly received in any Proceeding charging improper personal benefit to Indemnatee; or
- (c) indemnification or advance of Expenses hereunder if the Proceeding was brought by Indemnatee unless: (i) the Proceeding was brought to establish or enforce indemnification rights under this Agreement, and then only to the extent in accordance with and as authorized by Section 12 of this Agreement, or (ii) the Company's charter or Bylaws, a resolution of the stockholders entitled to vote generally in the election of directors or of the Board of Directors or an agreement approved by the Board of Directors to which the Company is a party expressly provide otherwise.

Section 6. Court-Ordered Indemnification. Notwithstanding any other provision of this Agreement, a court of appropriate jurisdiction, upon application of Indemnatee and such notice as the court shall require, may order indemnification in the following circumstances:

- (a) if it determines Indemnatee is entitled to reimbursement under Section 2-418(d)(1) of the MGCL, the court shall order indemnification, in which case Indemnatee shall be entitled to recover the Expenses of securing such reimbursement; or
- (b) if it determines that Indemnatee is fairly and reasonably entitled to indemnification in view of all the relevant circumstances, whether or not Indemnatee (i) has met the standards of conduct set forth in Section 2-418(b) of the MGCL or (ii) has been Adjudged liable for receipt of an improper personal benefit under Section 2-418(c) of the MGCL, the court may order such indemnification as the court shall deem proper. However, indemnification with respect to any Proceeding by or in the right of the Company or in which liability shall have been Adjudged in the circumstances described in Section 2-418(c) of the MGCL shall be limited to Expenses.

Section 7. Indemnification for Expenses of a Party Who is Wholly or Partly Successful. Notwithstanding any other provision of this Agreement, and without limiting any such provision, to the extent that Indemnatee was or is made a party to (or otherwise becomes a participant in) any Proceeding and is successful, on the merits or otherwise, in the defense of such Proceeding, Indemnatee shall be indemnified for all Expenses actually and reasonably incurred by him or on his behalf in connection therewith. If Indemnatee is not wholly successful in such Proceeding but is successful, on the merits or otherwise, as to one or more but less than all claims, issues or matters in such Proceeding, the Company shall indemnify Indemnatee under this Section 7 for all Expenses actually and reasonably incurred by him or on his behalf in connection with each such claim, issue or matter, allocated on a reasonable and proportionate basis. For purposes of this Section 7 and, without limitation, the termination of any claim, issue or matter in such a Proceeding by dismissal, with or without prejudice, shall be deemed to be a successful result as to such claim, issue or matter.

Section 8. Advance of Expenses for a Party. If Indemnatee was, is, or is threatened to be, made a party to any Proceeding, the Company shall, without requiring a preliminary determination of Indemnatee's ultimate entitlement to indemnification hereunder, advance all reasonable Expenses incurred by or on behalf of Indemnatee in connection with such Proceeding within ten days after the receipt by the Company of a statement or statements requesting such advance or advances from time to time, whether prior to or after final disposition of such Proceeding. Such statement or statements shall reasonably evidence the Expenses incurred by Indemnatee and shall include or be preceded or accompanied by a written affirmation by Indemnatee of Indemnatee's good faith belief that the standard of conduct necessary for indemnification by the Company as authorized by law and by this Agreement has been met and a written undertaking by or on behalf of Indemnatee, in substantially the form attached hereto as Exhibit A or in such form as may be required under applicable law as in effect at the time of the execution thereof, to reimburse the portion (if any) of any Expenses advanced to Indemnatee relating to claims, issues or matters in the Proceeding as to which it shall ultimately be established that the standard of conduct has not been met by Indemnatee and which have not been successfully resolved as described in Section 7 of this Agreement. Advances shall be interest-free and unsecured. The undertaking required by this Section 8 shall be an unlimited general obligation by

or on behalf of Indemnitee and shall be accepted without reference to Indemnitee's financial ability to repay such advanced Expenses and without any requirement to post security therefor.

Section 9. Indemnification and Advance of Expenses of a Witness. Notwithstanding any other provision of this Agreement, to the extent that Indemnitee was, is or may be made a witness or otherwise asked to participate in any Proceeding, whether instituted by the Company or any other party, and to which Indemnitee is not a party, he shall be advanced all reasonable Expenses and indemnified, held harmless and exonerated against all Expenses actually and reasonably incurred by him or on his behalf in connection therewith within ten days after the receipt by the Company of a statement or statements requesting such advance or advances from time to time, whether prior to or after final disposition of such Proceeding. Such statement or statements shall reasonably evidence the Expenses incurred by Indemnitee. Advances shall be interest-free and unsecured.

Section 10. Procedure for Determination of Entitlement to Indemnification.

(a) To obtain indemnification under this Agreement, Indemnitee shall submit to the Company a written request, including therein or therewith such documentation and information as is reasonably available to Indemnitee and is reasonably necessary to determine whether and to what extent Indemnitee is entitled to indemnification. Indemnitee may submit one or more such requests from time to time and at such time(s) as Indemnitee deems appropriate in his sole discretion. The officer of the Company receiving any such request from Indemnitee shall, promptly upon receipt of such a request for indemnification, advise the Board of Directors in writing that Indemnitee has requested indemnification.

(b) Upon written request by Indemnitee for indemnification pursuant to Section 10(a) above, a determination, if required by applicable law, with respect to Indemnitee's entitlement thereto shall promptly be made in the specific case: (i) if a Change in Control shall have occurred, by Independent Counsel, in a written opinion to the Board of Directors, a copy of which shall be delivered to Indemnitee, which Independent Counsel shall be selected by the Indemnitee and approved by the Board of Directors in accordance with Section 2-418(e)(2)(ii) of the MGCL, which approval will not be unreasonably withheld; or (ii) if a Change in Control shall not have occurred, (A) by the Board of Directors by a majority vote of a quorum consisting entirely of Disinterested Directors or, if such a quorum cannot be obtained, then by a majority vote of a duly authorized committee of the Board of Directors consisting solely of one or more Disinterested Directors, (B) if Independent Counsel has been selected by the Board of Directors in accordance with Section 2-418(e)(2)(ii) of the MGCL and approved by the Indemnitee, which approval shall not be unreasonably withheld, by Independent Counsel, in a written opinion to the Board of Directors, a copy of which shall be delivered to Indemnitee or (C) if so directed by a majority of the members of the Board of Directors, by the stockholders of the Company. If it is so determined that Indemnitee is entitled to indemnification, payment to Indemnitee shall be made within ten days after such determination. Indemnitee shall cooperate with the person, persons or entity making such determination with respect to Indemnitee's entitlement to indemnification, including providing to such person, persons or entity upon reasonable advance request any documentation or information which is not privileged or otherwise protected from disclosure and which is reasonably available to Indemnitee and reasonably necessary to such determination in the discretion of the Board of Directors or Independent Counsel if retained pursuant to clause (ii)(B) of this Section 10(b). Any Expenses incurred by Indemnitee in so cooperating with the person, persons or entity making such determination shall be borne by the Company (irrespective of the determination as to Indemnitee's entitlement to indemnification) and the Company shall indemnify and hold Indemnitee harmless therefrom.

(c) The Company shall pay the reasonable fees and expenses of Independent Counsel, if one is appointed.

Section 11. Presumptions and Effect of Certain Proceedings.

(a) In making any determination with respect to entitlement to indemnification hereunder, the person or persons or entity making such determination shall presume that Indemnitee is entitled to indemnification under this Agreement if Indemnitee has submitted a request for indemnification in accordance with Section 10(a) of this Agreement, and the Company shall have the burden of proof and the burden of persuasion by clear and convincing evidence to overcome that presumption in connection with the making of any determination contrary to that presumption.

(b) The termination of any Proceeding or of any claim, issue or matter therein, by judgment, order, settlement or conviction, upon a plea of nolo contendere or its equivalent, or entry of an order of probation prior to judgment, does not create a presumption that Indemnitee did not meet the requisite standard of conduct described herein for indemnification.

(c) The knowledge and/or actions, or failure to act, of any other director, officer, employee or agent of the Company or any other director, trustee, officer, partner, manager, managing member, fiduciary, employee or agent of any Enterprise shall not be imputed to Indemnitee for purposes of determining any other right to indemnification under this Agreement.

(d) For purposes of any determination as to Indemnitee's entitlement of indemnification, Indemnitee shall be presumed to have met the standard of conduct for indemnification if, among other things and without limitation, Indemnitee relied on any information, opinion, report or statement, including any financial statement or other financial data or the records or books of account of the Company or any other Enterprise, prepared or presented by an officer or employee of the Company or any Enterprise whom Indemnitee reasonably believed to be reliable and competent in the matters presented, by a lawyer, certified public accountant, appraiser or other person or expert, as to a matter which Indemnitee reasonably believed to be within the person's professional or expert competence, or, if Indemnitee was serving on the Board of Directors of the Company or as a member of any similar body of any Enterprise, by a committee of the Board of Directors or such other body on which Indemnitee does not serve, as to a matter within its designated authority, if Indemnitee reasonably believes the committee to merit confidence. The provisions of this Section 11(d) shall not be deemed to be exclusive or to limit in any way the other circumstances in which Indemnitee meet, or be presumed to have met, the applicable standard of conduct set forth in this Agreement.

(e) For purposes of this Agreement, Indemnitee shall be considered to have been wholly successful with respect to any Proceeding if such Proceeding is disposed of, on the merits or otherwise (including a disposition without prejudice), without (i) the disposition being adverse to Indemnitee, (ii) it being Adjudged that Indemnitee was liable to the Company, (iii) a plea of guilty by Indemnitee, (iv) it being Adjudged that an act or omission of Indemnitee was material to the matter giving rise to the Proceeding and was (A) committed in bad faith or (B) the result of Indemnitee's active and deliberate dishonesty, (v) it being Adjudged that Indemnitee actually received an improper personal benefit in money, property or services or (vi) with respect to any criminal proceeding, it being Adjudged that Indemnitee had reasonable cause to believe the act or omission was unlawful.

Section 12. Remedies of Indemnitee.

(a) If (i) a determination is made pursuant to Section 10(b) of this Agreement that Indemnitee is not entitled to indemnification under this Agreement, (ii) advance of Expenses is not timely made pursuant to Section 8 or Section 9 of this Agreement, (iii) no determination of entitlement to indemnification shall have been made pursuant to Section 10(b) of this Agreement within 60 days after receipt by the Company of the request for indemnification, (iv) payment of indemnification is not made pursuant to Section 7 of this Agreement within ten days after receipt by the Company of a written request therefor, or (v) payment of indemnification pursuant to any other section of this Agreement or the charter or Bylaws of the Company is not made within ten days after a determination has been made that Indemnitee is entitled to indemnification, Indemnitee shall be entitled to an adjudication in an appropriate court located in the State of Maryland, or in any other court of competent jurisdiction, of his entitlement to such indemnification or advance of Expenses. Alternatively, Indemnitee, at his option, may seek an award in arbitration to be conducted by a single arbitrator pursuant to the Commercial Arbitration Rules of the American Arbitration Association. Indemnitee shall commence a proceeding seeking an adjudication or an award in arbitration within 180 days following the date on which Indemnitee first has the right to commence such proceeding pursuant to this Section 12(a); provided, however, that the foregoing clause shall not apply to a proceeding brought by Indemnitee to enforce his rights under Section 7 of this Agreement. Except as set forth herein, the provisions of Maryland law (without regard to its conflicts of laws rules) shall apply to any such arbitration. The Company shall not oppose Indemnitee's right to seek any such adjudication or award in arbitration.

(b) In any judicial proceeding or arbitration commenced pursuant to this Section 12, Indemnitee shall be presumed to be entitled to indemnification or advance of Expenses, as the case may be, under this Agreement and the Company shall have the burden of proving that Indemnitee is not entitled to indemnification or advance of Expenses, as the case may be. If Indemnitee commences a judicial proceeding or arbitration pursuant to this Section 12, Indemnitee shall not be required to reimburse the Company for any advances pursuant to Section 8 of this Agreement until a final determination is made with respect to Indemnitee's entitlement to indemnification (as to which all rights of appeal have been exhausted or lapsed). If Indemnitee commences a judicial proceeding or arbitration pursuant to this Section 12, the Company may not refer to or introduce into evidence any determination pursuant to Section 10(b) of this Agreement adverse to Indemnitee for any purpose and any judicial proceeding or arbitration commenced pursuant to this Article 12 shall be conducted in all respects as a de novo trial or arbitration. The Company shall, to the fullest extent not prohibited by law, be precluded from asserting in any judicial proceeding or arbitration commenced pursuant to this Section 12 that the procedures and presumptions of this Agreement are not valid, binding and enforceable and shall stipulate in any such court or before any such arbitrator that the Company is bound by all of the provisions of this Agreement.

(c) If a determination shall have been made pursuant to Section 10(b) of this Agreement that Indemnitee is entitled to indemnification, the Company shall be bound by such determination in any judicial proceeding or arbitration commenced pursuant to this Section 12, absent a misstatement by Indemnitee of a material fact, or an omission of a material fact necessary to make Indemnitee's statement not materially misleading, in connection with the request for indemnification.

(d) In the event that Indemnitee, pursuant to this Section 12, seeks a judicial adjudication of or an award in arbitration to enforce his rights under, or to recover damages for breach of, this Agreement, Indemnitee shall be entitled to advancement from the Company, and shall be indemnified and held harmless by the Company for, any and all Expenses actually and reasonably incurred by him in such judicial adjudication or arbitration in accordance with this Agreement.

(e) Interest shall be paid by the Company to Indemnitee at the maximum rate allowed to be charged for judgments under the Courts and Judicial Proceedings Article of the Annotated Code of Maryland for amounts which the Company pays or is obligated to pay for the period commencing with the date on which the Indemnitee requests indemnification or advancement of Expenses in accordance with this Agreement and ending on the date such payment is made to Indemnitee by the Company.

Section 13. Defense of the Underlying Proceeding.

(a) Indemnitee shall notify the Company promptly in writing upon being served with any summons, citation, subpoena, complaint, indictment, request or other document relating to any Proceeding which may result in the right to indemnification or the advance of Expenses hereunder and shall include with such notice a description of the nature of the Proceeding and a summary of the facts underlying the Proceeding. The failure to give any such notice shall not disqualify Indemnitee from the right, or otherwise affect in any manner any right of Indemnitee, to indemnification or the advance of Expenses under this Agreement unless the Company's ability to defend in such Proceeding or to obtain proceeds under any insurance policy is materially and adversely prejudiced thereby, and then only to the extent the Company is thereby actually so prejudiced.

(b) Subject to the provisions of the last sentence of this Section 13(b) and of Section 13(c) below, the Company shall have the right to defend Indemnitee in any Proceeding which may give rise to indemnification hereunder using a law firm of the Company's choice, subject to the prior written approval of the Indemnitee, which shall not be unreasonably withheld; provided, however, that the Company shall notify Indemnitee in writing of any such decision to defend within 15 calendar days following receipt of notice of any such Proceeding under Section 13(a) above. Indemnitee shall have the right to retain a separate law firm in any such Proceeding at Indemnitee's sole expense. The Company shall not, without the prior written consent of Indemnitee, which shall not be unreasonably withheld or delayed, consent to the entry of any judgment against Indemnitee or enter into any settlement or compromise which (i) includes an admission of fault of Indemnitee, (ii) does not include, as an unconditional term thereof, the full release of Indemnitee from all liability in respect of such Proceeding, which release shall be in form and substance reasonably satisfactory to Indemnitee or (iii) would impose any Expense, judgment, fine, penalty or limitation on Indemnitee. This Section 13(b) shall not apply to a Proceeding brought by Indemnitee under Section 12 of this Agreement, a Proceeding by or in the right of the Company or in the case of clause (ii) of Section 13(c).

(c) Notwithstanding the provisions of Section 13(b) above, if in a Proceeding to which Indemnitee is a party (i) Indemnitee reasonably concludes, based upon an opinion of counsel approved by the Company, which approval shall not be unreasonably withheld, that he may have separate defenses or counterclaims to assert with respect to any issue which may not be consistent with other defendants in such Proceeding, (ii) Indemnitee reasonably concludes that an actual or apparent conflict of interest or potential conflict of interest exists between Indemnitee and the Company, or (iii) if the Company fails to assume the defense of such Proceeding in a timely manner, Indemnitee shall be entitled to be represented by separate legal counsel of Indemnitee's choice, subject, except in the case of (ii) or (iii) above, to the prior approval of the Company, which shall not be unreasonably withheld, at the expense of the Company. In addition, if the Company fails to comply with any of its obligations under this Agreement or in the event that the Company or any other person takes any action to declare this Agreement void or unenforceable, or institutes any Proceeding to deny or to recover from Indemnitee the benefits intended to be provided to Indemnitee hereunder, Indemnitee shall have the right to retain counsel of Indemnitee's choice, at the expense of the Company (subject to Section 12(d) of this Agreement), to represent Indemnitee in connection with any such matter.

Section 14. Jointly Indemnifiable Claims.

(a) Given that certain Jointly Indemnifiable Claims may arise, the Company acknowledges and agrees that the Company shall, and to the extent applicable shall cause any Enterprise to (i) be fully and primarily

responsible for, and be the indemnitor of first resort with respect to, payment to or payment on behalf of the Indemnitee in respect of indemnification or advancement of Expenses in connection with any such Jointly Indemnifiable Claim, irrespective of any right of recovery the Indemnitee may have from the Third-Party Indemnitors, and (ii) be required to advance the full amount of Expenses incurred by the Indemnitee and shall be liable for the full amount of all Expenses, judgments, fines, penalties and amounts paid in settlement to the extent not prohibited by (and not merely to the extent affirmatively permitted by) applicable law and as required by the terms of this Agreement, without regard to any rights the Indemnitee may have against the Third-Party Indemnitors. Under no circumstance shall the Company or any Enterprise be entitled to, and the Company hereby irrevocably waives, relinquishes and releases, any claims against the Third-Party Indemnitors for subrogation, contribution or recovery of any kind and no right of advancement or recovery the Indemnitee may have from the Third-Party Indemnitors shall reduce or otherwise alter the rights of the Indemnitee or the obligations of the Company or any Enterprise. The Company further agrees that no advancement or payment by any Third-Party Indemnitor on behalf of Indemnitee with respect to any Proceeding for which Indemnitee has sought indemnification, exoneration or hold harmless rights from the Company shall affect the foregoing and the Third-Party Indemnitor(s) shall have a right to receive from the Company, contribution and/or be subrogated, to the extent of such advancement or payment to all of the rights of recovery of Indemnitee against the Company. The Company and the Indemnitee agree that each of the Third-Party Indemnitors shall be third-party beneficiaries with respect to this Agreement entitled to enforce this Section 14 as though each such Third-Party Indemnitor were a party to this Agreement.

(b) For purposes of this Agreement “Third-Party Indemnitor” means any person or entity that has or may in the future provide to the Indemnitee any indemnification, exoneration, hold harmless or Expense advancement rights and/or insurance benefits other than (i) the Company, (ii) any Enterprise and (iii) any entity or entities through which the Company maintains liability insurance applicable to the Indemnitee.

(c) For purposes of this Agreement, “Jointly Indemnifiable Claims” shall mean any Proceeding for which the Indemnitee shall be entitled to indemnification, advancement of expenses or insurance from (i) the Company and/or any Enterprise pursuant to this Agreement, the charter or Bylaws or other governing documents of the Company or any Enterprise, any agreement or a resolution of the stockholders of the Company entitled to vote generally in the election of directors or of the Board of Directors, or otherwise, on the one hand, and (ii) any Third-Party Indemnitor pursuant to any agreement between any Third-Party Indemnitor and the Indemnitee pursuant to which the Indemnitee is indemnified, the laws of the jurisdiction of incorporation or organization of any Third-Party Indemnitor and/or the certificate of incorporation, certificate of organization, bylaws, partnership agreement, operating agreement, certificate of formation, certificate of limited partnership or other organizational or governing documents of any Third-Party Indemnitor, on the other hand.

Section 15. Non-Exclusivity; Survival of Rights; Subrogation.

(a) The rights of indemnification and advance of Expenses as provided by this Agreement shall not be deemed exclusive of any other rights to which Indemnitee may at any time be entitled under applicable law, the charter or Bylaws or other governing documents of the Company or any Enterprise, any agreement or a resolution of the stockholders entitled to vote generally in the election of directors or of the Board of Directors, or otherwise. Unless consented to in writing by Indemnitee, no amendment, alteration or repeal of this Agreement or of any provision hereof shall limit or restrict any right of Indemnitee under this Agreement in respect of any action taken or omitted by such Indemnitee in or by reason of his Corporate Status prior to such amendment, alteration or repeal, regardless of whether a claim with respect to such action or inaction is raised prior or subsequent to such amendment, alteration or repeal. No right or remedy herein conferred is intended to be exclusive of any other right or remedy, and every other right or remedy shall be cumulative and in addition to every other right or remedy given hereunder or now or hereafter existing at law or in equity or otherwise. The assertion of any right or remedy hereunder, or otherwise, shall not prohibit the concurrent assertion or employment of any other right or remedy.

(b) Except as set forth in Section 14, in the event of any payment under this Agreement, the Company shall be subrogated to the extent of such payment to all of the rights of recovery of Indemnitee, who shall execute all papers required and take all action necessary to secure such rights, including execution of such documents as are necessary to enable the Company to bring suit to enforce such rights.

Section 16. Insurance. The Company will use its reasonable best efforts to acquire directors and officers liability insurance, on terms and conditions deemed appropriate by the Board of Directors, with the advice of counsel, covering Indemnitee or any claim made against Indemnitee by reason of his Corporate Status or by reason of alleged actions or omissions by Indemnitee in such capacity and covering the Company for any indemnification or advance of Expenses made by the Company to Indemnitee for any claims made against Indemnitee by reason of his Corporate Status or by reason of alleged actions or omissions by Indemnitee in such capacity. Without in any way limiting any other obligation under this Agreement, the Company shall indemnify Indemnitee for any payment by Indemnitee arising out of the amount of any deductible or retention and the amount

of any excess of the aggregate of all judgments, penalties, fines, settlements and Expenses incurred by Indemnitee in connection with a Proceeding over the coverage of any insurance referred to in the previous sentence. The purchase, establishment and maintenance of any such insurance shall not in any way limit or affect the rights or obligations of the Company or Indemnitee under this Agreement except as expressly provided herein, and the execution and delivery of this Agreement by the Company and the Indemnitee shall not in any way limit or affect the rights or obligations of the Company under any such insurance policies. If, at the time the Company receives notice from any source of a Proceeding to which Indemnitee is a party or a participant (as a witness or otherwise) the Company has director and officer liability insurance in effect, the Company shall give prompt notice of such Proceeding to the insurers in accordance with the procedures set forth in the respective policies.

Section 17. Coordination of Payments. Except as set forth in Section 14, the Company shall not be liable under this Agreement to make any payment of amounts otherwise indemnifiable or payable or reimbursable as Expenses hereunder if and to the extent that Indemnitee has otherwise actually received such payment under any insurance policy, contract, agreement or otherwise.

Section 18. Reports to Stockholders. To the extent required by the MGCL, the Company shall report in writing to its stockholders the payment of any amounts for indemnification of, or advance of Expenses to, Indemnitee under this Agreement arising out of a Proceeding by or in the right of the Company with the notice of the meeting of stockholders of the Company next following the date of the payment of any such indemnification or advance of Expenses or prior to such meeting.

Section 19. Duration of Agreement; Binding Effect.

(a) This Agreement shall be effective as of the Effective Date and may apply to acts or omissions of Indemnitee taken in or in connection with Indemnitee's Corporate Status which occurred prior to such date if Indemnitee was an officer, director, employee or agent of the Company or was a director, trustee, officer, partner, manager, managing member, fiduciary, employee or agent of any Enterprise at the time such act or omission occurred.

(b) This Agreement shall continue until and terminate on the later of (i) the date that Indemnitee shall have ceased to serve as a director, officer, employee or agent of the Company or as a director, trustee, officer, partner, manager, managing member, fiduciary, employee or agent of any Enterprise and (ii) the date that Indemnitee is no longer subject to any actual or possible Proceeding (including any rights of appeal thereto and any Proceeding commenced by Indemnitee pursuant to Section 12 of this Agreement).

(c) The indemnification and advance of Expenses provided by, or granted pursuant to, this Agreement shall be binding upon and be enforceable by the parties hereto and their respective successors and assigns (including any direct or indirect successor by purchase, merger, consolidation or otherwise to all or substantially all of the business or assets of the Company), shall continue as to an Indemnitee who has ceased to be a director, officer, employee or agent of the Company or a director, trustee, officer, partner, manager, managing member, fiduciary, employee or agent of any Enterprise, and shall inure to the benefit of Indemnitee and his spouse, assigns, heirs, devisees, executors and administrators and other legal representatives.

(d) The Company shall require and cause any successor (whether direct or indirect by purchase, merger, consolidation or otherwise) to all, substantially all or a substantial part, of the business and/or assets of the Company, by written agreement in form and substance satisfactory to Indemnitee, expressly to assume and agree to perform this Agreement in the same manner and to the same extent that the Company would be required to perform if no such succession had taken place.

(e) The Company and Indemnitee agree herein that a monetary remedy for breach of this Agreement, at some later date, may be inadequate, impracticable and difficult of proof, and further agree that such breach may cause Indemnitee irreparable harm. Accordingly, the parties hereto agree that Indemnitee may enforce this Agreement by seeking injunctive relief and/or specific performance hereof, without any necessity of showing actual damage or irreparable harm and that by seeking injunctive relief and/or specific performance, Indemnitee shall not be precluded from seeking or obtaining any other relief to which he may be entitled. Indemnitee shall further be entitled to such specific performance and injunctive relief, including temporary restraining orders, preliminary injunctions and permanent injunctions, without the necessity of posting bonds or other undertakings in connection therewith. The Company acknowledges that, in the absence of a waiver, a bond or undertaking may be required of Indemnitee by a court, and the Company hereby waives any such requirement of such a bond or undertaking.

Section 20. Section 409A. It is intended that any indemnification payment or advancement of Expenses made hereunder shall be exempt from Section 409A of the Internal Revenue Code of 1986, as amended, and the guidance issued thereunder ("Section 409A") pursuant to Treasury Regulation Section 1.409A-1(b)(10).

Notwithstanding the foregoing, if any indemnification payment or advancement of Expenses made hereunder shall be determined to be “nonqualified deferred compensation” within the meaning of Section 409A, then (i) the amount of the indemnification payment or advancement of Expenses during one taxable year shall not affect the amount of the indemnification payments or advancement of Expenses during any other taxable year, (ii) the indemnification payments or advancement of Expenses must be made on or before the last day of the Indemnatee’s taxable year following the year in which the expense was incurred, and (iii) the right to indemnification payments or advancement of Expenses hereunder is not subject to liquidation or exchange for another benefit.

Section 21. Severability. If any provision or provisions of this Agreement shall be held to be invalid, illegal or unenforceable for any reason whatsoever: (a) the validity, legality and enforceability of the remaining provisions of this Agreement (including, without limitation, each portion of any Section, paragraph or sentence of this Agreement containing any such provision held to be invalid, illegal or unenforceable that is not itself invalid, illegal or unenforceable) shall not in any way be affected or impaired thereby and shall remain enforceable to the fullest extent permitted by law; (b) such provision or provisions shall be deemed reformed to the extent necessary to conform to applicable law and to give the maximum effect to the intent of the parties hereto; and (c) to the fullest extent possible, the provisions of this Agreement (including, without limitation, each portion of any Section, paragraph or sentence of this Agreement containing any such provision held to be invalid, illegal or unenforceable, that is not itself invalid, illegal or unenforceable) shall be construed so as to give effect to the intent manifested thereby.

Section 22. Identical Counterparts. This Agreement may be executed in one or more counterparts, each of which shall for all purposes be deemed to be an original but all of which together shall constitute one and the same Agreement. One such counterpart signed by the party against whom enforceability is sought shall be sufficient to evidence the existence of this Agreement.

Section 23. Headings. The headings of the paragraphs of this Agreement are inserted for convenience only and shall not be deemed to constitute part of this Agreement or to affect the construction thereof.

Section 24. Modification and Waiver. No supplement, modification or amendment of this Agreement shall be binding unless executed in writing by both of the parties hereto. No waiver of any of the provisions of this Agreement shall be deemed or shall constitute a waiver of any other provisions hereof (whether or not similar) nor shall such waiver constitute a continuing waiver.

Section 25. Notices. All notices, requests, demands and other communications hereunder shall be in writing and shall be deemed to have been duly given if (i) delivered by hand and receipted for by the party to whom said notice or other communication shall have been directed or (ii) mailed by certified or registered mail with postage prepaid, on the third business day after the date on which it is so mailed:

- (a) If to Indemnatee, to the address set forth on the signature page hereto.
- (b) If to the Company, to:

Kay Tidwell, EVP, General Counsel
Hudson Pacific Properties, Inc.
11601 Wilshire Blvd., Suite 900
Los Angeles, CA 90025

or to such other address as may have been furnished in writing to Indemnatee by the Company or to the Company by Indemnatee, as the case may be.

Section 26. Governing Law. The parties agree that this Agreement shall be governed by, and construed and enforced in accordance with, the laws of the State of Maryland, without regard to its conflicts of laws rules.

Section 27. Miscellaneous. Use of the masculine pronoun shall be deemed to include usage of the feminine pronoun where appropriate.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

HUDSON PACIFIC PROPERTIES, INC.:

By: /s/ VICTOR J. COLEMAN
Name: Victor J. Coleman
Title Chief Executive Officer

INDEMNITEE:

/s/ ARTHUR X. SUAZO
Name: Arthur X. Suazo
Address:

EXHIBIT A

FORM OF UNDERTAKING TO REPAY EXPENSES ADVANCED

The Board of Directors of Hudson Pacific Properties, Inc.

Re: Undertaking to Repay Expenses Advanced

Ladies and Gentlemen:

This undertaking is being provided pursuant to that certain Indemnification Agreement dated the _____ day of _____, 20____, by and between Hudson Pacific Properties, Inc., a Maryland corporation (the "Company"), and the undersigned Indemnitee (the "Indemnification Agreement"), pursuant to which I am entitled to advance of Expenses in connection with **[Description of Proceeding]** (the "Proceeding").

Terms used herein and not otherwise defined shall have the meanings specified in the Indemnification Agreement.

I am subject to the Proceeding by reason of my Corporate Status or by reason of alleged actions or omissions by me in such capacity. I hereby affirm my good belief that at all times, insofar as I was involved as **[a director]** **[an officer]** of the Company, in any of the facts or events giving rise to the Proceeding, I (1) did not act with bad faith or active or deliberate dishonesty, (2) did not receive any improper personal benefit in money, property or services and (3) in the case of any criminal proceeding, had no reasonable cause to believe that any act or omission by me was unlawful.

In consideration of the advance of Expenses by the Company for reasonable attorneys' fees and related Expenses incurred by me in connection with the Proceeding (the "Advanced Expenses"), I hereby agree that if, in connection with the Proceeding, it is established that (1) an act or omission by me was material to the matter giving rise to the Proceeding and (a) was committed in bad faith or (b) was the result of active and deliberate dishonesty or (2) I actually received an improper personal benefit in money, property or services or (3) in the case of any criminal proceeding, I had reasonable cause to believe that the act or omission was unlawful, then I shall promptly reimburse the portion of the Advanced Expenses relating to the claims, issues or matters in the Proceeding as to which the foregoing findings have been established.

IN WITNESS WHEREOF, I have executed this Affirmation and Undertaking on this ____ day of _____, 20____.

Name:
Address:

SUBSIDIARIES OF HUDSON PACIFIC PROPERTIES, INC.

Name	Jurisdiction of Formation / Incorporation
EquiBlue Management, LLC	Delaware
HCTD, LLC	Delaware
Howard Street Associates, LLC	Delaware
HPP-MAC WSP, LLC	Delaware
Hudson 1000 Olive Way, LLC	Delaware
Hudson 1003 4th Place, LLC	Delaware
Hudson 10900 Washington, LLC	Delaware
Hudson 10950 Washington, LLC	Delaware
Hudson 1099 GP, LLC	Delaware
Hudson 1099 Stewart REIT, LLC	Delaware
Hudson 1099 Stewart Street, LLC	Delaware
Hudson 1099 Stewart, L.P.	Delaware
Hudson 11601 Wilshire, LLC	Delaware
Hudson 1455 GP, LLC	Delaware
Hudson 1455 Market Street, LLC	Delaware
Hudson 1455 Market, LP	Delaware
Hudson 1740 Technology, LLC	Delaware
Hudson 1918 Eighth Avenue, LLC	Delaware
Hudson 1918 Eighth REIT, LLC	Delaware
Hudson 1918 Eighth, L.P.	Delaware
Hudson 1918 GP, LLC	Delaware
Hudson 275 Brannan, LLC	Delaware
Hudson 3176 Porter Drive, LLC	Delaware
Hudson 333 Twin Dolphin Plaza, LLC	Delaware
Hudson 3400 Hillview Avenue, LLC	Delaware
Hudson 3401 Exposition, LLC	Delaware
Hudson 405 Mateo, LLC	Delaware
Hudson 4th & Traction, LLC	Delaware
Hudson 555 Twin Dolphin Plaza, LLC	Delaware
Hudson 604 Arizona, LLC	Delaware
Hudson 6040 Sunset, LLC	Delaware
Hudson 625 Second, LLC	Delaware
Hudson 6922 Hollywood, LLC	Delaware
Hudson 901 Market, LLC	Delaware
Hudson Bentall GP, LLC	Delaware
Hudson Bentall Holdings, LLC	Delaware
Hudson Bentall, LP	Ontario
Hudson Bentall Tenant, LLC	Delaware
Hudson Campus Center Land, LLC	Delaware
Hudson Campus Center, LLC	Delaware
Hudson Canada Management ULC	British Columbia

Hudson Clocktower Square, LLC	Delaware
Hudson Concourse, LLC	Delaware
Hudson Del Amo Office, LLC	Delaware
Hudson Element LA, LLC	Delaware
Hudson First & King, LLC	Delaware
Hudson Foothill Research Center, LLC	Delaware
Hudson Gateway Place, LLC	Delaware
Hudson Media and Entertainment Management, LLC	Delaware
Hudson Merrill Place, LLC	Delaware
Hudson Met Park North, LLC	Delaware
Hudson Metro Center, LLC	Delaware
Hudson Metro Plaza, LLC	Delaware
Hudson New York Holdings, LLC	Delaware
Hudson Northview, LLC	Delaware
Hudson One Ferry GP, LLC	Delaware
Hudson One Ferry JV, L.P.	Delaware
Hudson One Ferry Operating GP, LLC	Delaware
Hudson One Ferry Operating, L.P.	Delaware
Hudson One Ferry REIT GP, LLC	Delaware
Hudson One Ferry REIT, L.P.	Delaware
Hudson One Ferry, LLC	Delaware
Hudson OP Management, LLC	Delaware
Hudson Pacific Properties, L.P.	Maryland
Hudson Pacific Services, Inc.	Maryland
Hudson Page Mill Center, LLC	Delaware
Hudson Page Mill Hill, LLC	Delaware
Hudson Palo Alto Square, LLC	Delaware
Hudson Rincon Center, LLC	Delaware
Hudson SDS Holdings, LLC	Delaware
Hudson Shorebreeze, LLC	Delaware
Hudson Skyport Plaza Land, LLC	Delaware
Hudson Skyport Plaza, LLC	Delaware
Hudson Skyway Landing, LLC	Delaware
Hudson Techmart Commerce Center, LLC	Delaware
Hudson Towers at Shore Center, LLC	Delaware
Hudson UK Holdings Limited	United Kingdom
Hudson WSP, LLC	Delaware
Macerich Westside Pavilion Property Successor Borrower, LLC	Delaware
New L.E.D. Productions, LLC	California
NEW LED ASSETS ATL, LLC	Georgia
New RSD Studio Rentals, LLC	California
One Westside, LLC	Delaware
Rincon Center Commercial, LLC	Delaware
Services Holdings, LLC	Delaware

Star Waggon, LLC	California
Star Waggon North, Inc.	California
Stdio Services, LLC	California
Sunset Bond Holdings, LLC	Delaware
Sunset Bronson Entertainment Properties, LLC	Delaware
Sunset Bronson Services, LLC	Delaware
Sunset Gower Entertainment Properties, LLC	Delaware
Sunset Gower Services, LLC	Delaware
Sunset Las Palmas Entertainment Properties, LLC	Delaware
Sunset Las Palmas Services, LLC	Delaware
Sunset Services Holdings, LLC	Delaware
Sunset Studios Holdings, LLC	Delaware
Sun Valley Peoria, LLC	California
Transpoman, LLC	Delaware
UK Management Company Limited	United Kingdom
Zio Entertainment Network OPS, LLC	California
Zio Entertainment Network, LLC	Delaware
ZEN OPS ATL, LLC	Georgia

Consent of Independent Registered Public Accounting Firm

We consent to the incorporation by reference in the following Registration Statements:

- (1) Registration Statement (Form S-8 No. 333-170914) pertaining to Hudson Pacific Properties, Inc.'s Directors Stock Plan;
- (2) Registration Statement (Form S-3 No. 333-176543) of Hudson Pacific Properties, Inc.;
- (3) Registration Statement (Form S-8 No. 333-185497) pertaining to the Hudson Pacific Properties, Inc. and Hudson Pacific Properties, L.P. 2010 Incentive Award Plan;
- (4) Registration Statement (Form S-8 No. 333-218804) pertaining to the Amended and Restated Hudson Pacific Properties, Inc. and Hudson Pacific Properties, L.P. 2010 Incentive Award Plan and the Hudson Pacific Properties, Inc. Director Stock Plan;
- (5) Registration Statement (Form S-3 No. 333-255579) of Hudson Pacific Properties, Inc.; and
- (6) Registration Statement (Form S-8 No. 333-259201) pertaining to the Second Amended and Restated Hudson Pacific Properties, Inc. and Hudson Pacific Properties, L.P. 2010 Incentive Award Plan;

of our reports dated February 18, 2022, with respect to the consolidated financial statements of Hudson Pacific Properties, Inc. and Hudson Pacific Properties, L.P., and the effectiveness of internal control over financial reporting of Hudson Pacific Properties, Inc., incorporated by reference in this Annual Report (Form 10-K) for the year ended December 31, 2021, and the financial statement schedule of Hudson Pacific Properties, Inc. and Hudson Pacific Properties, L.P. included herein.

/s/ Ernst & Young LLP

Los Angeles, California
February 18, 2022

CERTIFICATION

I, Victor J. Coleman, certify that:

1. I have reviewed this annual report on Form 10-K of Hudson Pacific Properties, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 18, 2022

/s/ VICTOR J. COLEMAN

Victor J. Coleman
Chief Executive Officer

CERTIFICATION

I, Harout K. Diramerian, certify that:

1. I have reviewed this annual report on Form 10-K of Hudson Pacific Properties, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 18, 2022

/s/ HAROUT K. DIRAMERIAN

Harout K. Diramerian
Chief Financial Officer

CERTIFICATION

I, Victor J. Coleman, certify that:

1. I have reviewed this annual report on Form 10-K of Hudson Pacific Properties, L.P.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 18, 2022

/s/ VICTOR J. COLEMAN

Victor J. Coleman
Chief Executive Officer

CERTIFICATION

I, Harout K. Diramerian, certify that:

1. I have reviewed this annual report on Form 10-K of Hudson Pacific Properties, L.P.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 18, 2022

/s/ HAROUT K. DIRAMERIAN

Harout K. Diramerian
Chief Financial Officer

WRITTEN STATEMENT
PURSUANT TO
18 U.S.C. SECTION 1350

The undersigned, Victor J. Coleman, Chief Executive Officer, and Harout K. Diramerian, Chief Financial Officer of Hudson Pacific Properties, Inc. (the “Company”), hereby certify as of the date hereof, solely for the purposes of 18 U.S.C. §1350, that:

- (i) the Annual Report on Form 10-K for the period ended December 31, 2021, of the Company (the “Report”) fully complies with the requirements of Section 13(a) and 15(d), as applicable, of the Securities Exchange Act of 1934; and
- (ii) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company at the dates and for the periods indicated.

Date: February 18, 2022

/s/ VICTOR J. COLEMAN

Victor J. Coleman
Chief Executive Officer

Date: February 18, 2022

/s/ HAROUT K. DIRAMERIAN

Harout K. Diramerian
Chief Financial Officer

The foregoing certification is being furnished solely pursuant to 18 U.S.C. Section 1350 and is not being filed as part of the Report or as a separate disclosure document.

WRITTEN STATEMENT
PURSUANT TO
18 U.S.C. SECTION 1350

The undersigned, Victor J. Coleman, Chief Executive Officer, and Harout K. Diramerian, Chief Financial Officer of Hudson Pacific Properties, Inc. in its capacity as sole general partner of Hudson Pacific Properties, L.P. (the “Company”), hereby certify as of the date hereof, solely for the purposes of 18 U.S.C. §1350, that:

(i) the Annual Report on Form 10-K for the period ended December 31, 2021, of the Company (the “Report”) fully complies with the requirements of Section 13(a) and 15(d), as applicable, of the Securities Exchange Act of 1934; and

(ii) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company at the dates and for the periods indicated.

Date: February 18, 2022

/s/ VICTOR J. COLEMAN

Victor J. Coleman

Chief Executive Officer

Hudson Pacific Properties, Inc., sole general partner of Hudson Pacific Properties, L.P.

Date: February 18, 2022

/s/ HAROUT K. DIRAMERIAN

Harout K. Diramerian

Chief Financial Officer

Hudson Pacific Properties, Inc., sole general partner of Hudson Pacific Properties, L.P.

The foregoing certification is being furnished solely pursuant to 18 U.S.C. Section 1350 and is not being filed as part of the Report or as a separate disclosure document.