

STANDARD FORM 2
FEBRUARY 1965 EDITION
GENERAL SERVICES ADMINISTRATION
FPR (41CFR) 1D16.601

U.S. GOVERNMENT
LEASE FOR REAL PROPERTY

DATE OF LEASE: APR 21 2009

LEASE #GS-11B- 02087

THIS LEASE, is made and entered into this date between:
Whose address is:

ELEVEN EIGHTEEN LIMITED PARTNERSHIP
c/o Cushman & Wakefield
1717 Pennsylvania Avenue, NW
Washington, DC 20004

And whose interest in the property hereinafter described is that of owner, hereinafter called the Lessor, and the UNITED STATES OF AMERICA, hereinafter called the Government.

WITNESSETH: The parties hereto for the considerations hereinafter mentioned, covenant and agree as follows:

1. The Lessor hereby leases to the Government the following described premises:

A total of approximately **19,440 Rentable Square Feet (RSF)**, being **16,579 ANSI BOMA Office Area Square Feet (BOASF)**, and being the entire Second Floor of the building known as 1801 L Street, as noted on the floor plans attached to and made a part of this lease, with the address being 1801 L Street, NW, Washington, DC 20036, to be used for office and related purposes as determined by the Government.

2. TO HAVE AND TO HOLD the said premises with their appurtenances for the five (5) YEAR FIRM term beginning upon on the commencement date determined in accordance with section 3.17 "Construction Schedule of Tenant Improvements" of the SFO, and ending five (5) years later.

3. The Government shall pay the Lessor an annual rent of \$774,736.67 (\$46.73/BOASF [\$45.73/BOASF + \$1.00/BOASF daytime cleaning premium]) at the rate of \$64,561.39 per month in arrears. Rent for a lesser period shall be prorated. The annual rent includes an operating cost base of \$249,845.53 (\$15.07/BOASF), base real estate taxes, and \$66,316 to amortize a tenant improvement allowance of \$331,580 (\$20.00/BOASF) at zero percent (0%) annual interest. The operating cost base includes the daytime cleaning premium. Rent checks shall be payable to ELEVEN EIGHTEEN LIMITED PARTNERSHIP at the address shown above.

4. The government may terminate this lease at any time by giving at least _____ days notice in writing to the Lessor and no rental shall accrue after the effective date of termination. Said notice shall be computed commencing with the day after the date of mailing.

5. This lease may be renewed at the option of the Government, for the following term and at the following rental:

The Government shall have the right to one (1) renewal option for a FIVE-YEAR TERM at an annual rent of \$N/A, payable at the rate of \$N/A per month in arrears. The operating cost base and base year real estate taxes shall be recalculated for a new 12-month period at the beginning of the option term. The Government shall exercise its renewal option if at all by providing the Lessor with written notice of the Government's intent to exercise such option at least 180 days before the end of the original lease term; all other terms and conditions of this lease shall remain the same during any renewal term. Said notice shall be computed commencing with the day after the date of mailing.

LESSOR

GOVT

(rev. 1/6/2009)

6. The Lessor shall furnish to the Government, as part of the rental consideration, the following:
EXCEPT AS SET FORTH BELOW OR ELSEWHERE IN THIS LEASE, ALL SERVICES, IMPROVEMENTS, ALTERATIONS, REPAIRS, AND UTILITIES AS DEFINED BY THIS LEASE. THIS LEASE IS FULL SERVICE.
- a) Prior to substantial completion of the leased premises, Lessor shall correct all deficiencies and comply with all recommendations and findings of the completed Attachment #4, Fire Protection & Life Safety Evaluation which has been prepared by a Certified Fire Protection Engineer, as well as the recommendations and findings of the GSA Fire Protection Engineering Section's review of Attachment #4, which are set forth in Rider No. 1 attached hereto and made a part hereof.
 - b) Tenant Improvements: Upon completion of tenant improvements, if any, by Lessor and acceptance thereof by the Government, the cost of such tenant improvements shall be memorialized in a Supplemental Lease Agreement (SLA) along with the amortization payment amount and revised rent. In the event the total cost of tenant improvements is greater or less than the initial Tenant Improvement Allowance of \$20.00/BOASF, the rent shall be adjusted accordingly. (See SFO Section 3.2) Tenant improvements financed by the Lessor above the initial \$20.00/BOASF shall be amortized at the annual interest rate of eleven and one half percent (11.5%). Notwithstanding any provisions of the SFO to the contrary, the Lessor shall not be obligated to provide to the Government as part of the rent a total tenant improvement allowance in excess of \$697,644.32 (\$42.08/BOASF). Any tenant improvements funded by the Lessor in excess of \$42.08/BOASF amount shall be repaid by the Government via lump sum payment. Refer paragraph 6(d) below regarding fees payable by the Government for improvements and change orders.
 - c) The Government's percentage of occupancy for real estate tax purposes shall be 9.43%, based on 19,440 RSF / 206,180 RSF, subject to confirmation of the total rentable square footage of the building.
 - d) The general contractor's total fees for overhead and profit shall be 8% and the general contractor's fees for general conditions shall be 6%. The Lessor's total construction management and coordination fees for the tenant improvements for the Government's space shall be 8% and Architecture & engineering fees, if any, shall not exceed 10%. Any such fees will be paid for out of the T/I Allowance. The Government shall have the right to renegotiate these fees in the event that the scope of work is substantially reduced from that contemplated by the SFO.
 - e) Normal hours of operation shall be 7 am to 6 pm Monday through Friday, Federal Holidays excepted. Cleaning shall be provided between the hours of 8:30 a.m. and 4:30 p.m., Monday through Friday, excluding Federal holidays. The rate for daytime cleaning shall be \$1.00 per BOASF which is added to both the annual rent and base operating expense amounts. The HVAC overtime rate shall be \$60/hour to include labor and engineering (stationary) service.
 - f) During the term of the lease, the Lessor shall make available up to 20 monthly parking permits for unreserved spaces for rental by Government employees occupying the space under this lease. Permits for such parking spaces shall be purchased directly by individual employees at prevailing market rates.
 - g) In the event the Government vacates a portion of the premises equal to one or more full floors after the commencement of the term of this Lease, the Government shall be entitled to a credit against the operating expense portion of the rent determined in accordance with Section 3.15 - Adjustment for Vacant Premises - of the SFO attached to and made a part of this Lease. There shall be no credit for other than full floor increments.
7. The following are attached and made a part hereof:
1. Solicitation For Offers (SFO) # 07-014, 49 pages
 2. Solicitation Attachment #1, Rate Structure, 1 page
 3. Solicitation Attachment #2, Construction Schedule, Below 92,000 BOMA OASF, 1 page
 4. Solicitation Attachment #3, Scope of Work for DID's and Construction Schedule Tasks, 2 pages
 5. Solicitation Attachment #4, Fire and Life Safety Report 12 pages
 6. GSA Form 1217, Lessor's Annual Cost Statement, 1 page
 7. GSA Form 3517, General Clauses, 32 pages
 8. GSA Form 3518, Representations and Certifications, 8 pages
 9. Floor Plans of Leased Area, 1 page
 10. Rider #1 - Fire & Life Safety, 1 page
 11. Rider #2 - Security, 1 page
8. In the event of a conflict between the terms of this SF-2 and the SFO or its attachments, the terms contained in this SF-2 shall prevail.

INITIALS

Lessor	Gov't
<i>[Signature]</i>	<i>[Signature]</i>

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


OWNER: ~~ELEVEN EIGHTEEN LIMITED PARTNERSHIP~~

BY 
Edward H. Kaplan SIGNATURE

General Partner
TITLE


BY 
Steven B. Gewirtz SIGNATURE

General Partner
TITLE

IN PRESENCE OF:

C. Richard Beyda SIGNATURE


ADDRESS

UNITED STATES OF AMERICA:

BY  CONTRACTING OFFICER, GSA, NCR

STANDARD FORM 2

EXCEPTION TO SF2 APPROVED