

Standard Form 2 Feb. 1965 Edition
General Services Administration FPR (41 CFR) 1-16.601

JUN 03 2009

Lease Number: GS-11B-02097

Date:

JUN 03 2009

THIS LEASE, made and entered into this date by and between 2000 L CO LLC, whose address is:

c/o Brookfield Properties Management LLC
750 9th Street NW
Suite 700
Washington, DC 20001

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 consideration hereinafter mentioned, covenant and agree as follows:

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

A total of 9,953 BOMA rentable square feet (BRSF) equivalent to 8,580 ANSI/BOMA Office Area square feet (BOASF) of office and related space, consisting of a portion of the Sixth (6th) Floor, being the area cross hatched on the floor plan attached as Exhibit A and made part hereof in the building known as 2000 L Street NW, located at 2000 L Street NW, Washington, DC 20036.

2. TO HAVE AND TO HOLD the said premises with their appurtenances for a ten (10) year firm term beginning on the commencement date determined in accordance with Paragraph 3.19 of Solicitation for Offers No. 08-035. The parties will execute a supplemental lease agreement after the commencement date to memorialize the commencement and expiration dates of the lease term.
3. The Government shall pay the Lessor the annual rent of \$437,931.78 (\$51.041 per BOASF or \$44.00 per BRSF) at the rate of \$36,494.32 per month in arrears. Rent for a lesser period shall be prorated. The annual rent shall be in addition to operating expense and tax adjustments during the lease term as per the attached Solicitation for Offers. Rent checks shall be made payable to: [REDACTED]
4. [Intentionally Deleted]
5. [Intentionally Deleted]
6. Commission and Commission Credit – The Lessor has agreed to pay a lease commission of [REDACTED] of the firm term value of this lease, payable in accordance with the SFO. The total amount of the Commission is [REDACTED]. In accordance with the "Broker Commission and Commission Credit" paragraph of the SFO, the Government's Broker (CB Richard Ellis, Inc.) shall forego [REDACTED] of the Commission ("Commission Credit"). The Commission Credit is [REDACTED]. The Lessor agrees to pay the Commission less the Commission Credit to the Broker in accordance with the "Broker Commission and Commission Credit" paragraph in the SFO.

Notwithstanding Paragraph 3 of this Standard Form 2, the shell rental payments due and owing under this lease for the first three (3) months of the lease term shall be reduced as follows to fully recapture this Commission Credit. The credit for the first (1st) month shall be [REDACTED], and thus the total rent due for the first (1st) month shall be [REDACTED]. The credit for the second (2nd) month shall be [REDACTED], thus the total rent due for the second (2nd) month shall be [REDACTED]. The credit for the third (3rd) month shall be [REDACTED], thus the total rent due for the third (3rd) month shall be [REDACTED].

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

- A) All services, improvements, alterations, repairs, and utilities as defined by this lease.
- B) The annual rent set forth in Paragraph 3 of this Standard Form 2 includes a \$45.59 per BOASF (\$39.30 per BRSF) Tenant Improvement allowance amortized at 7.0% over the initial firm term, which amortization amount equals \$6.352 per BOASF (\$5.476 per BRSF) per year. The total amount of the Tenant Improvement allowance is \$391,162.20. The Government shall be entitled to utilize the Tenant Improvement allowance to pay for any improvements performed by the Lessor at the Government's expense.
- C) The adjustment for vacant premises shall be \$1.10 per BRSF per annum in accordance with Paragraph 3.15 of SFO No. 08-035, which shall only be applicable in the event the Government vacates the entirety of the leased premises.
- D) The shell lease rate is \$35.236 per BOASF (\$30.375 per BRSF), which shall be flat during the term of the Lease.
- E) Pursuant to Paragraph 3.5 of the SFO, the Government's Percentage of Occupancy is 2.60% for tax purposes. If any tax credit is due to the Government as a result of Lessor's appeal of the tax assessment during the lease term, the credit to the Government will be net of the Government's percentage of occupancy share of the Lessor's reasonable and actual out-of-pocket costs of the appeal.
- F) Pursuant to Paragraph 3.11 of the SFO, the "Common Area Factor" is calculated to be 1.1600, as calculated: 9,953 BRSF/ 8,580 BOASF.
- G) The base amount for annual operating costs adjustments is \$81,108.01 (\$9.453 per BOASF/ \$8.149 per BRSF), which shall be adjusted annually by the CPI in accordance with Paragraph 3.7 of SFO No. 08-035.
- H) Notwithstanding anything in the SFO or the attachments thereto to the contrary, the rate for overtime HVAC services per year shall be \$155.25 per hour. There will be no minimum number of hours associated with overtime HVAC when the requested overtime represents a continuation of extension of service extending beyond normal hours (as defined by SFO Paragraph 7.2) into the evening. However, if overtime is requested outside of normal hours (Saturdays, Sundays and federal holidays) where the service is not an extension of normal service, there is a four (4) hour minimum charge.
- I) The provisions of SFO No. 08-035, Amendment Number One and Rider Number One shall govern security measures at the Building. The Government and the Lessor shall bear their respective costs for such security measures in accordance with the terms of SFO No. 08-035, Amendment Number One and Rider Number One. The Lessor and the Government mutually agree to [REDACTED].
[REDACTED] The Lessor and Diplomatic Security shall work together to obtain the necessary level of security for the leased premises. If increased security is required for the building beyond that outlined in the SFO and not otherwise governed by Amendment Number One or Rider Number One, such security measures shall be performed at the Government's sole expense.
- J) The Lessor shall pay for all reasonable, out-of-pocket costs to move the Government from 2401 Pennsylvania Avenue NW to 2000 L Street NW, up to \$22,000.00.
- K) In accordance with the SFO, the Lessor shall provide a tentative construction schedule to the Government within ten (10) days of lease award. If the Government requires more time for design, or other phases of the construction schedule, the Lessor shall not penalize the Government for any resulting lease hold-over at 2401 Pennsylvania Avenue NW, for up to six (6) months, and the current lease at 2401 Pennsylvania Avenue NW may remain in place at the current rental rate and conditions until the Government takes occupancy at 2000 L Street NW.
- L) Pursuant to paragraph 1.3(B) of the SFO, the Lessor shall make available for lease parking spaces for Government use based on the Government's prorata share of on-site parking available at the building, which shall at least meet current local code requirements. The cost for such parking shall be an additional charge and shall be at the Government employee's expense. The cost for Unreserved Parking shall be at the prevailing market rate of [REDACTED] per parking space per month for the first (1st) lease year.

M) The Lessor, at its sole cost, shall complete all of the correction items on Rider Number Two prior to Lease Commencement.

N) If there is any conflict between this SF2 and Amendment Number One and the balance of the Lease, the terms specified in this SF2 and Amendment Number One shall govern.

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

- A) Floor plan of leased area, 1 page;
- B) Solicitation for Offers #08-035, 50 pages;
- C) GSA Form 1364A, 2 pages;
- D) Attachment #1, Rate Structure, 1 page;
- E) Attachment #2, Pre-Lease Security Plan, 7 pages;
- F) Attachment #4, Fire Protection & Life Safety Evaluation, 14 pages;
- G) GSA Form 1217, Lessor's Cost Statement, 1 page;
- H) GSA Form 3517B, General Clauses, 33 pages;
- I) GSA Form 3518, Representations And Certifications, 7 pages;
- J) Amendment #1, 3 pages;
- K) Rider #1, 2 pages;
- L) Rider #2, Fire Protection & Life Safety Recommendations, 1 page

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

2000 LCO LLC

By

Date: 5/27/09 Paul L. Schulman

3 WFC, NY NY 10281

(Address)

IN PRESENCE OF:

Margaret Gera
(Signature)

3 WFC NY NY 10281

(Address)

UNITED STATES OF AMERICA

GENERAL SERVICES ADMINISTRATION

BY

Tawanda Beverly

Contracting Officer

(Official title)