

GENERAL SERVICES ADMINISTRATION PUBLIC BUILDING SERVICES SUPPLEMENTAL LEASE AGREEMENT	SUPPLEMENTAL AGREEMENT No. 3	DATE 7/21/2011
	TO LEASE NO. GS-03B-09605	
ADDRESS OF PREMISE 7210 Ambassador Road Baltimore, MD 21244-2709	PDN NO: PS0020802	

THIS AGREEMENT, made and entered into this date by and between

7210 Ambassador Road LLC
 c/o Corporate Office Properties Trust

whose address is 6711 Columbia Gateway Drive, Suite 300
 Columbia, MD 21046-2383

hereinafter called the Lessor, and the UNITED STATES OF AMERICA, hereinafter called the Government:

WHEREAS, the parties hereto desire to amend the above Lease to **commence rent**.

NOW THEREFORE, these parties for the considerations hereinafter mentioned covenant and agree that the said Lease is amended, effective **April 1, 2011**, as follows:

A. Paragraph 1 of Standard Form 2 of the lease is hereby deleted in its entirety and the following text is inserted in lieu thereof:

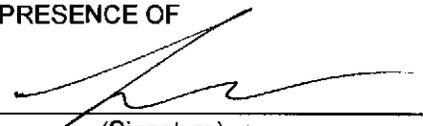
"1. Effective as of April 1, 2011, the Lessor hereby leases to the Government the following described premises: 64,535 ANSI/BOMA Office Area (66,458 rentable) square feet of office and related space on the first floor and 260 reserved surface parking spaces at the building located at 7210 Ambassador Road in Baltimore, Maryland 21244-2709, to be used for such purpose as may be determined by the General Services Administration."

B. Paragraph 2 of Standard Form 2 of the lease is hereby deleted in its entirety and the following text is inserted in lieu thereof:

"2. TO HAVE AND TO HOLD the said premises with their appurtenances for the term beginning on April 1, 2011 through March 31, 2021, subject to termination and renewal rights as may be hereinafter set forth."

All other terms and conditions of the lease shall remain in force and effect.

IN WITNESS WHEREOF, the parties subscribed their names as of the above date.

LESSOR: 7210 Ambassador Road LLC BY <u></u> (Signature) Roger A. Waesche, Jr. President	Roger A. Waesche, Jr. President _____ (Title)
IN THE PRESENCE OF <u></u> (Signature)	<u>6711 Columbia Gateway Dr., #300</u> <u>Columbia, MD 21046</u> (Address)

UNITED STATES OF AMERICA	
BY <u></u> (Signature)	Contracting Officer (Official Title)

Initials: DAW JH
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C. Paragraph 3 of Standard Form 2 of the lease is hereby deleted in its entirety and the following text is inserted in lieu thereof:

3. "Effective April 1, 2011 the Government shall pay the lessor annual rent in accordance with the following schedule:

Years 1 through 5:

The total annual rent is \$1,553,378.10 which equates to:

Shell Rent: \$797,005.60 per year,

Amortized annual cost for Tenant Improvement Allowance: \$306,446.64 per year,

(In accordance with lease negotiations, the Tenant Improvement rate stated above reflects an interest rate of 8% over a 120 month period, which exceeds the firm term of the lease. Should the Government exercise its termination rights, the Government shall have no obligation to pay the Lessor any remaining balance for the Tenant Improvement rent beyond the firm term of the lease. If the Government elects to terminate only a portion of the leased premises at the end of the five (5) year firm term, then the unamortized portion of the outstanding TIA as of the effective date of such termination shall be reduced on a pro rata basis based on the amount of space retained by the Government.)

Amortized annual cost for Building Specific Security: \$4,634.36 per year,

(Interest rate at which Building Specific Security and Tenant Alterations are amortized: 8%)

Annual Cost of Services: \$445,291.50 per year, plus accrued escalations per Paragraph 4.3, "Operating Costs."

Years 6 through 10:

The total annual rent is \$1,602,557.02 which equates to:

Shell Rent: \$846,184.52 per year,

Amortized annual cost for Tenant Improvement Allowance: \$306,446.64 per year,

Amortized annual cost for Building Specific Security: \$4,634.36 per year,

(Interest rate at which Building Specific Security and Tenant Alterations are amortized: 8%)

Annual Cost of Services: \$445,291.50 per year, plus accrued escalations per Paragraph 4.3, "Operating Costs."

Rent shall be paid in arrears. Rent for a lessor period shall be prorated. Rent checks shall be payable to:

7210 Ambassador Road LLC
c/o Corporate Office Properties Trust
6711 Columbia Gateway Drive, Suite 300
Columbia, MD 21046-2383."

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D. Paragraph 6 of Standard Form 2 of the lease is hereby deleted in its entirety and the following text is inserted in lieu thereof :

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

A. All services, utilities, maintenance, operations, and other considerations as set forth in this lease.

B. The Lessor and the Broker have agreed to a cooperating lease commission of [redacted] of the firm term value of this lease. The total amount of the commission is [redacted]. The Lessor shall pay the Broker no additional commissions associated with this lease transaction. In accordance with the "Broker Commission and Commission Credit" paragraph, the Broker has agreed to forego [redacted] of the commission that it is entitled to receive in connection with this lease transaction ("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 attached to and forming a part of this lease.

Notwithstanding Paragraph 3 of this Standard Form 2, the shell rental payments due and owing under this lease shall be reduced to fully recapture this Commission Credit. The Lessor is providing six (6) months' free rent to the Government during the base year of this lease. The reduction in shell rent shall commence with the seventh month of the rental payments and continue as indicated in this schedule for adjusted Monthly Rent:

Seventh Month's Shell Rental Payment of \$66,417.13 minus prorated Commission Credit of [redacted] equals [redacted] adjusted Seventh Month's Shell Rent.

Eighth Month's Shell Rental Payment \$66,417.13 minus prorated Commission Credit of [redacted] equals [redacted] adjusted Eighth Month's Shell Rent.

Ninth Month's Rental Payment shall commence in full."

E. Paragraph 11 of the Lease Rider is hereby deleted in its entirety and the following text is inserted in lieu thereof :
"For purposes of determining the base rate for future adjustments to the operating cost, the Government agrees that the base rate of \$6.90 per ANSI/BOMA Office Area (ABOA) square foot, is acceptable. This figure includes the Government's pro-rata share of operating costs."

F. Paragraph 13 of the Lease Rider is hereby deleted in its entirety and the following text is inserted in lieu thereof :
"In accordance with the lease negotiations, the lessor has offered free rent to the Government for the first 6 months of the lease. Therefore, the first 6 months of the lease shall be provided at no cost to the Government."

G. Paragraph 4.8 of the lease is hereby amended by including the following:

"14. *Daily*. Replenish paper towels and soap in break rooms. Clean microwaves (interior and exterior).

15. *Weekly (every Friday evening)*. Clean refrigerators in break rooms. Refrigerators should be wiped down (interior and exterior) and all contents in refrigerators should be disposed of. Items in the freezers may remain."

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H. The total Tenant Improvement amount represents the following: (1) Tenant Improvement of \$2,602,467.37, to be paid as follows, \$2,104,815.48 amortized in the rent at an interest rate of 8% over ten (10) years and the balance of \$497,651.89 to be paid via a one-time lump sum payment. All lump sum payments shall be paid upon inspection and acceptance by the Government of the said alterations.

The lessor hereby waives restoration as a result of all improvements.

Upon completion of the work, the Lessor shall notify the contracting officer to arrange for an inspection. After inspection and acceptance of the work by the Government, a properly executed invoice shall be submitted at:

<http://www.finance.gsa.gov>

- OR -

a properly executed original invoice shall be forwarded to:

General Services Administration
Greater Southwest Region (7BCP)
P.O. Box 17181
Fort Worth, TX 76102-0181

If invoicing either electronically or by mail, a copy of the invoice must also be mailed to the Contracting Officer at:

GSA, Public Buildings Service
Real Estate Acquisition Division (3PRSB)
20 North Eighth Street, 8th Floor
Philadelphia, PA 19107-3191
Attn: Jessica Herring

For an invoice to be considered proper, it must:

- ◆ Be received after the execution of this SLA,
- ◆ Reference the Pegasys Document Number (PDN) specified on this form (PS0020802),
- ◆ Include a unique, vendor-supplied, invoice number,
- ◆ Indicate the exact payment amount requested, and
- ◆ Specify the payee's name and address. The payee's name and address must EXACTLY match the Legal Business Name or DBA associated with it in Central Contractor Registration (CCR) for the DUNS included above.

Payment will be due within thirty (30) days after GSA's designated billing office receives a properly executed invoice or acceptance of the work by the Government, whichever is later.

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