

DATE OF LEASE: DEC 10 2009

LEASE #GS-11B-02135

THIS LEASE, made and entered into this date between **Square 516S Office Venture, LLC**

Whose address is: 2400 N Street, NW
Suite 600
Washington, DC 20037

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 **27,175 ANSI BOMA Rentable Square Feet (BRSF)** being **22,489 ANSI BOMA Office Area Square Feet (BOASF)** consisting of 4,743 BRSF (3,927 BOASF) on the 4th floor and 22,432 BRSF (18,562 BOASF) on the 5th floor in the building located at **455 Massachusetts Ave, NW, Washington, DC, 20001** as noted on the attached floor plan and made a part hereof.

To be used for standard office and related purposes as determined by the Government and purposes consistent with a first-class downtown office building.

2. TO HAVE AND TO HOLD the said premises with their appurtenances for the ten (10) YEAR FIRM term beginning on the lease commencement date determined in accordance with section 3.18 "Construction Schedule and Acceptance of Tenant Improvements" of the SFO, and ending ten (10) years later, subject to renewal rights as may be set forth hereinafter.

3. The Government shall pay the Lessor an annual rent of \$1,141,316.75 (\$50.75/BOASF) at the rate of \$95,109.73 per MONTH in arrears. Rent for a lesser period shall be prorated. The annual rent includes an operating cost base of \$281,787.17 (\$12.53/BOASF), estimated base real estate taxes, and \$44,978.00 to amortize a tenant improvement allowance of \$449,780.00 (\$20.00/BOASF) at zero percent (0%) annual interest and \$52,624.83 to amortize a tenant improvement allowance of \$338,909.23 (\$15.07) at nine and a half percent (9.5%) annual interest. The operating cost base includes the daytime cleaning premium of \$1.23 / BOASF. The Government shall be entitled to abatement of rent in the amount of \$570,658.38 to be applied against the monthly fully serviced rental payment for the first six (6) months of the least term. Rent checks shall be payable to **Square 516S Office Venture, LLC**, at the address shown below:

Square 516S Office Venture, LLC
2400 N Street, NW
Suite 600
Washington, DC 20037

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:

LESSOR TL GOV'T CO

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, the lessor shall correct all deficiencies and comply with all recommendations and findings of Attachment #4, Fire Protection & Life Safety Evaluation report prepared by a Certified Fire Protection Engineer, as well as the recommendations and findings of the GSA Fire Protection Engineering Section's review of the report which are memorialized on Rider #1 – Fire and Life Safety, attached hereto and made a part hereof.
- b) Tenant Improvements: Upon completion of improvements by Lessor and acceptance thereof by the Government, the cost of improvements shall be memorialized in a Supplemental Lease Agreement (SLA) along with the amortization payment amount and revised rent. Notwithstanding any provisions of the SFO to the contrary, the Government shall not amortize more than \$946,337.12 (\$42.08/BOASF) in tenant improvements. Any tenant improvements funded by the Lessor in excess of this amount shall be repaid by the Government via lump sum payment.
- c) Daytime Cleaning: Lessor shall cause all janitorial work in the Government's space to be performed between 8:30 am and 4:30 pm, Monday through Friday.
- d) The Government's percentage of occupancy for real estate tax purposes shall be 11.21%, based on 27,175 BRSF / 242,367 BRSF.
- e) The HVAC Overtime rate shall be \$50 per hour per leased premises.
- f) In connection with the buildout of tenant improvements, the following limits on markups shall apply: Offeror's general contractor's total fees for overhead and profit shall not exceed 15%, the total fees for general conditions shall not exceed 4% and the total fees for Lessor's overhead and profit shall not exceed 5%. Architectural and engineering fees, if any, shall not exceed \$3 per BOASF. Any such fees will be paid for out of the tenant improvement allowance. These markups are all subject to the right of the Government to reasonably negotiate individual markups based upon the actual scope of work of the requirement.
- g) In the case of discrepancies between this SF-2, its riders and the remainder of the Lease, this SF-2 and its riders shall govern.

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

1. Rider #1 – Fire & Life Safety, 1 page
2. Rider #2 – Security Requirements, 1 page
3. Rider #3
4. Solicitation For Offers (SFO) # 07-014, 49 pages
5. Solicitation Attachment #1, Rate Structure, 1 page
6. Solicitation Attachment #2, Construction Schedule, Below 92,000 BOMA OASF, 1 page.
7. Solicitation Attachment #3, Scope of Work for DID's and Construction Schedule Tasks, 2 pages
8. Solicitation Attachment #4, Fire and Life Safety Report, Including GSA Fire Protection Branch Review, pages
9. GSA Form 1217, Lessor's Annual Cost Statement, 1 page
10. GSA Form 3517, General Clauses, 32 pages
11. GSA Form 3518, Representations and Certifications, 8 pages
12. Floor Plans of Leased Area, 2 pages

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

LESSOR: Square 516S Office Venture, LLC

BY:

BY

NAME: THOMAS RUPER

IN PRESENCE OF

TITLE CHIEF FINANCIAL OFFICER

DATE 10/16/09

ADDRESS

2400 N ST, NW, ST. LOU
WASHINGTON, DC 20037

UNITED STATES OF AMERICA

BY

CONTRACTING OFFICER, GSA, NCR