

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

U.S. GOVERNMENT  
LEASE FOR REAL PROPERTY

DATE OF LEASE **MAR 29 2012**

LEASE # **GS-11B- 12523**

THIS LEASE, made and entered into this date between Potomac Creek Associates, LLC

Whose address is: c/o JBG Companies  
4445 Willard Avenue, Suite 400  
Chevy Chase, MD 20815-4641

And whose interest in the property hereinafter described is that of 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 **65,734 BOMA Rentable Square Feet (BRSF)** (equivalent to **55,707 ANSI /BOMA Office Area Square Feet (ABOA)**) of office and related space, located on a portion of the 3rd floor in suite 3200 (**7,628 BRSF/6,464 ABOA**) and suite 3203 (**1,004 BRSF/851 ABOA**), a portion of the 4th floor in suite 4102 (**15,357 BRSF/13,014 ABOA**), and suite 4100B (**11,624 BRSF/9,851 ABOA**), and a portion of the 7<sup>th</sup> floor in suite 7100 (**8,166 BRSF/6,920 ABOA**), and suite 7105 (**5,187 BRSF/4,396 ABOA**), and suite 7225 (**7,128 BRSF/6,041 ABOA**), and a portion of the 8<sup>th</sup> floor in suite 8100 (**7,016 BRSF/5,946 ABOA**), and suite 8101 (**2,624 BRSF/ 2,224 ABOA**) in the office building known as L'Enfant Plaza East Building, located at 470 L'Enfant Plaza SW, Washington DC 20024-2124. To be used for OFFICE AND SUCH RELATED PURPOSES AS DETERMINED BY THE GOVERNMENT (See floor plans of leased premises attached hereto).

2. TO HAVE AND TO HOLD said premises with their appurtenances for a Five (5)-Year Succeeding lease term beginning on August 1, 2011 through July 31, 2016, subject to termination and renewal rights as may be herein set forth in paragraph 5 (five) below.
3. The Government shall pay Lessor a total annual rent of **\$3,045,501.69 (\$46.33/BRSF (\$46.330692)) which is equivalent to (\$54.67/BOASF)** at the rate of **\$253,791.81** per MONTH paid in arrears. Rent for a lesser period shall be prorated. The annual rent includes an operating cost base of **\$732,547.05 (\$11.14 BRSF which is equivalent to \$13.15 ABOA (\$12.79 + \$.36/ ABOA for daytime cleaning)**, base year real estate taxes, and **\$199,044.00** to amortize a tenant improvement allowance of **\$995,220.00 (\$20.00/ABOA (excluding Suite 8100))** at zero percent (0%) annual interest. The operating cost base includes the daytime cleaning premium of [REDACTED]. Payment of CPI increases in operating cost and adjustments for real estate taxes shall be made by the Government in accordance with the provisions contained in SFO # 11-DC Amended 01. Notwithstanding the foregoing, the Government shall be entitled to abatement of rent in the sum of **\$761,375.43** to be applied against the fully serviced monthly rental payments for the first three (3) months of the Lease term until fully exhausted. Rent checks shall be made payable to: Potomac Creek Associates, LLC, c/o JBG Companies, 4445 Willard Avenue, Suite 400, Chevy Chase, MD 20815-4641.

The Government's percentage of occupancy for real estate tax purposes shall be **16.64%** based on **65,734 BRSF / 395,119 BRSF**.

- 4 (Intentionally deleted)

5. The Government shall have the right to one (1) renewal option for a five (5)-year term at an annual rental rate of **\$3,220,978.74 (\$49.00/ BRSF which is equivalent to \$57.82/ABOA)**, at the rate of **\$268,414.89** per month in arrears, plus cumulative operating expense adjustments from the initial Lease term. This renewal rate does not include daytime cleaning. Rent shall continue to be adjusted for operating cost escalations as provided in SFO 11-DC. The Government shall continue to make an annual lump sum adjustment for changes in real estate taxes as provided in SFO section 4.2 using the base year established for the initial firm term. The renewal option shall become effective only if the Government has provided notice in writing to the Lessor at least 180 days before the end of the original Lease term; except as expressly modified in this Paragraph, all other terms and conditions of this Lease shall remain the same during the renewal term. Said notice shall be computed commencing with the day after the date of mailing.
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.


LESSOR  GOV'T 

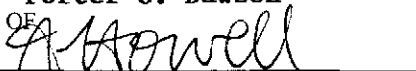
- a) **FIRE & LIFE SAFETY:** Notwithstanding any other provision of the Lease, Fire & Life Safety Rider # 2 addresses that the Lessor shall correct all deficiencies and comply with all recommendations and findings included therein.
- b) **TENANT IMPROVEMENTS:** The annual rental rate recited in paragraph 3 includes amortized Tenant Improvement Allowance (TIA) of **\$995,220.00 (\$20.00/49,761/ABOA)**. Note: No TIA is being provided for Suite 8100 containing 5,946 ABOA. Lessor has provided a turn-key buildout of Suite 8100 which the Government accepts per the pre-approved construction documents. The Government will amortize the TIA at an annual interest rate of zero percent (0%) per annum over the firm term of the Lease. The Government shall have the right to repay the TIA via lump sum payment to the Lessor as additional rent. Upon completion of tenant improvements and acceptance thereof by the Government a Supplemental Lease Agreement (SLA) shall be executed by both parties memorializing the amount of tenant improvement funds used by the Government, the payment method and any change in the rental payment. The Government's use of the TIA shall be subject to Paragraph 2 of Attachment 14.
- c) In connection with the build out of Tenant Improvements, the general contractor's fees for overhead and profit shall be **4%** and the general contractor's fees for general conditions shall be **8%**. The Lessor's total construction management & coordination fees for the Tenant Improvements for the Government's space shall be **3%**, architecture & engineering fees, shall be **4%**. All of these fees will be paid for out of the TIA.
- d) Pursuant to paragraph 4.5 & 4.6 of the SFO: Services, utilities and maintenance shall be provided daily, extending from 7:00 am to 6:00 pm, Monday through Friday, except on Saturdays, Sundays and federal holidays. The HVAC overtime rate shall reflect the Lessor's actual cost of providing overtime HVAC services, including personnel, and shall not exceed \$285.00 per hour for the term of this Lease. The Government reserves the right to require Lessor to provide actual bills for said services.
- e) **Daytime Cleaning:** The rate for daytime cleaning is [REDACTED] per ABOA which is included in the rent.
- f) Pursuant to section 4.4 of SFO # 11-DC the adjustment for vacant premises shall be \$2.50/ABOA. Such adjustment shall be given only if the Government vacates an entire suite.
- g) The Government, including individual Government employees, shall have the right to rent up to 59 parking permits at market rates, which are currently priced at \$200.00 per month for piggyback permit or \$267.00 per month for single permit. Rates are subject to increases.
7. The following are attached and made a part hereof:
- 1) SOLICITATION FOR OFFERS (SFO) #11-DC, 56 PAGES
  - 2) SECURITY RIDER # 1, 1 PAGE
  - 3) FIRE & LIFE SAFETY RIDER # 2, 2 PAGES
  - 4) ~~ATTACHMENT #1 TO THE SFO, RATE STRUCTURE, 1 PAGE~~
  - 5) ATTACHMENT #2 TO THE SFO, CONSTRUCTION SCHEDULE, 1 PAGE
  - 6) ATTACHMENT #3 TO THE SFO, SCOPE OF WORK, 2 PAGES
  - 7) ATTACHMENT # 4, FIRE AND LIFE SAFETY REPORT, 29 PAGES
  - 8) SMALL BUSINESS SUBCONTRACTING PLAN, 6 PAGES
  - 9) GSA FORM 1217 LESSOR'S ANNUAL COST STATEMENT, 3 PAGES
  - 10) GSA FORM 1364 & THE ATTACHMENT, 4 PAGES
  - 11) GSA FORM 3517B GENERAL CLAUSES WITH RIDER, 34 PAGES
  - 12) GSA FORM 3518 REPRESENTATIONS AND CERTIFICATIONS, 7 PAGES
  - 13) FLOOR PLAN "EXHIBIT A", 4 PAGES
  - 14) OFFER CLARIFICATIONS WITH EXHIBIT, 9 PAGES

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

LESSOR: Potomac Creek Associates, LLC  
By: JBG/L'Enfant Plaza Mezzanine, L.L.C., its Managing Member  
By: JBG/L'Enfant Plaza Member, L.L.C., its Managing Member  
By: JBG /Company Manager II, L.L.C., its Managing Member

  
Porter G. Dawson

  
Title

IN PRESENCE OF   
Name:

Address: 4445 Willard Avenue, Chevy Chase, Maryland  
20814-4641

UNITED STATES OF AMERICA

BY   
Kevin M. Terry

TITLE CONTRACTING OFFICER, GSA, NCR