

U.S. GOVERNMENT
LEASE FOR REAL PROPERTY

DATE OF LEASE **OCT 13 2011**

LEASE No. GS-11B- 02327

THIS LEASE, made and entered into this date between **National Place Lease Company, LLC**
whose address is

**1001 G 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 considerations hereinafter mentioned, covenant and agree as follows:

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

A total of 129,000 BOMA Rentable Square Feet (BRSF) (yielding 112,001 BOMA Office Area Square Feet (BOASF)) consisting of 33,046 BRSF (29,942 BOASF) located on the entire 15th floor; 13,898 BRSF (11,982 BOASF) located on a portion of the 14th floor; 23,193 BRSF (19,806 BOASF) located on a portion of the 13th floor; 14,693 BRSF (12,549 BOASF) located on a portion of the 12th floor; 22,228 BRSF (18,984 BOASF) located on a portion of the 9th floor; and 21,942 BRSF (18,738 BOASF) located on a portion of the 7th floor in the building known as National Place, located at 1331 Pennsylvania Avenue, NW, Washington, DC 20004-1710 to be used for SUCH OFFICE AND RELATED PURPOSES AS DETERMINED BY THE GOVERNMENT (See Exhibit A – Floor plans of leased premises). Additionally, the Government shall be entitled to the use of on-site reserved parking spaces for a total of ten (10) vehicles, as illustrated on the site plan labeled Exhibit "B", attached hereto and made a part hereof. The cost of these parking spaces is included in the shell rental rate.

2. TO HAVE AND TO HOLD the said premises with their appurtenances for the firm term beginning on January 1, 2012 through December 31, 2021, subject to termination and renewal rights as may be hereinafter set forth.

3. The Government shall pay the Lessor annual rent of \$6,041,070.00 (\$46.83/BRSF; \$53.9376/BOASF) at the rate of \$503,422.50 per month in arrears. Rent for a lesser period shall be prorated. Rent checks shall be made payable to: **National Place Lease Company, LLC**, 1001 G Street, NW, Suite 700, Washington, DC 20001 or in accordance with the provision on electronic payment of funds. Notwithstanding the foregoing, the Government shall be entitled to abatement of rent in the total amount of \$3,440,540.40 during the firm five (5) year term applied as follows: (a) rent for the first six (6) months of the lease term (inclusive of operating costs) in the total amount of \$3,020,535.00 shall be abated entirely; and (b) a portion of the monthly shell rent shall be partially abated during the 7th, and 8th months of the lease term, in equal monthly amounts of \$210,002.70 for a total amount of \$420,005.40, as related to the agreed upon commission credit as more fully set forth in paragraph 6(C) below. Additionally, rent for the first 1.20 months of each of Lease Years 6 through 10 shall be abated entirely.

4. The Government may terminate this Lease at any time effective after the expiration of the fifth (5th) year of the Lease upon 365 days prior written notice and without payment of any termination fee or penalty of any kind. Said notice shall be computed commencing with the day after the date of mailing. No rental shall accrue after the effective date of termination.

5. Intentionally Deleted

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

A. All services, utilities, alterations, repairs, and maintenance, as well as any other right and privilege stipulated by this Lease, the SFO and its Attachments are included as a component of the rent.

B. The rental rate set forth in Paragraph 3 above does not include a Tenant Improvement Allowance. The Government agrees to accept the Leased Premises and the Building Shell Requirements as "existing", and Lessor represents that such items are in good repair, and provide a tenantable condition. The intent of this qualification is to recognize that the Government finds such items or conditions to be at least minimally acceptable with regard to the Government's occupancy of the space. Nonetheless, such items or condition are to be "in good repair and tenantable condition" at the time of the Lease Commencement Date or any other specified dates(s). The acceptance of the Leased Premises "as existing" does not relieve the Lessor from the obligation in the Lease to maintain and repair the building shell and life safety in compliance with the standards set forth in the lease.

C. In accordance with Paragraph 2.5 "Broker Commission and Commission Credit" of the Lease, Studley, Inc. is the authorized real estate broker representing GSA in connection with this lease transaction. The Lessor and Studley have agreed to a cooperating lease commission of [REDACTED] of the lease value for the five (5) year firm term. The total amount of the commission is [REDACTED]. In accordance with the "Broker Commission and Commission Credit" paragraph, Studley, Inc. 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] and shall be paid as free rent in equal monthly installments of [REDACTED] during months seven (7) and eight (8) of the lease. The Lessor agrees to pay Studley, Inc., 555 13th Street, N.W., Suite 420 East, Washington, DC 20004, the Commission less the Commission Credit in the lump sum amount of [REDACTED], which shall be due to Studley, Inc. upon execution of this Lease by the Government and payable within 30 days of the receipt of an invoice.

Notwithstanding Paragraph 3 of the Standard Form 2, the shell portion of the rental payments due and owing under this lease shall be reduced to fully recapture this Commission Credit. The reduction in shell rent shall commence with the 7th month of the rental payments and continue as indicated in this schedule for adjusted Monthly Rent:

Seventh (7th) Month's Rental Payment of \$503,422.50 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted Seventh (7th) Month's Rent.

Eighth (8th) Month's Rental Payment of \$503,422.50 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted Eighth (8th) Month's Rent.

D. Pursuant to Paragraph 4.1(C) of the SFO, the Common Area Factor is determined to be 1.151775, calculated as follows: 129,000 BRSF/112,001 BOASF.

E. For purposes of Paragraph 4.2 of the SFO, as of the date hereof, the Government's percentage of occupancy is 30.8041%, based on occupancy of 129,000 BRSF in a building of 418,776 BRSF. 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 shall be net of the Government's percentage of occupancy share of the reasonable costs of the appeal.

F. For purposes of Paragraph 4.3 of the SFO, as of the date hereof, the operating cost base is \$1,406,100.00 (\$10.90 per BRSF; \$12.55432 per BOASF).

G. Pursuant to paragraph 4.4 of the SFO, the adjustment for vacant premises shall be \$1.50/BOASF if the Government vacates the leased space during the term of the lease.

H. Pursuant to Paragraph 4.6 of the SFO, the cost of overtime HVAC service within the leased space is as follows: 1) Within the North Tower of the building, the rate shall be \$56.00 per hour for the initial zone (3 zones per floor as detailed in Exhibit C to this lease), and \$11.00 per hour for each additional zone; 2) Within the South Tower (7th floor space as detailed in Exhibit C to the lease) of the building, the rate shall be \$25.00 per hour. Rates are not subject to any additional charges other than annual CPI adjustments. The overtime HVAC charge for all zones will be fully abated for the first 17 hours used per month, provided that the hours of requested overtime are consecutive with the end of standard building hours, which are 8:00AM to 6:00PM, Monday – Friday; and 9:00AM to 3:00PM on Saturdays.

I. Pursuant to Section 7.13(A)(4) of the SFO, cyclic carpet replacement shall only apply under this lease at no additional cost to the Government, if the Government extends this ten (10) year lease for an additional firm term of


LESSOR GOVT
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no less than five (5) years.

J. Cleaning shall be performed Monday through Friday, Federal holidays excepted, between the hours of 8:00 AM and 5:30 PM at no additional cost to the Government.

K. Lessor reserves the right, upon twelve (12) months prior written notice, and with the sole approval of the Government, to relocate the Government from Suites 720 N, and a portion of Suite 718 N (totaling 2,944 BOASF or 3,466 BRSF) to Suite 1415 and Storage Room 14 (as shown in Exhibit D, and totaling 2,957 BOASF or 3,466 BRSF). If the Government agrees to the relocation, Lessor must provide Design Intent Drawings to be reviewed and approved by the Government, and Lessor shall be responsible for all design and tenant improvement costs related to constructing the space, as well as pay for all other costs associated with the relocation.

L. In the event of a conflict between this SF2 and any other documents that comprise the Lease, the SF2 shall govern.

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

- A. Exhibit A - Floor Plans of the Leased Area, 7 pages
- B. Exhibit B - Parking Plan, 1 page
- C. Exhibit C - Floor Plans of Overtime HVAC Zones, 7 pages
- D. Exhibit D - Floor Plans of Relocation Option Space, 2 pages
- E. Rider #1 - Fire & Life Safety, 2 pages
- F. Solicitation For Offers # 9DC2543, 62 pages
- G. Fire Protection and Life Safety Evaluation - 16 pages
- H. Pre-Lease Building Security Plan, 12 pages
- I. GSA Form 1217 - Lessor's Annual Cost Statement, 1 page
- J. GSA Form 3517B - General Clauses, 33 pages
- K. GSA Form 3518 - Representations and Certifications, 7 pages
- L. Small Business Subcontracting Plan, 14 pages

8. The following changes were made in this lease prior to its execution:
Paragraph 5 has been deleted in its entirety.

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

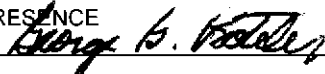
Lessor: **National Place Lease Company, LLC**

By: **National Place Company, LLC**
A Delaware limited liability company.
its sole member

By: 

IN PRESENCE

OF



ADDRESS

1001 G ST. N.W. WASHINGTON, D.C.

UNITED STATES OF AMERICA

BY


CONTRACTING OFFICER