

# LEASE NO. GS-11B-12566

Standard Lease  
GSA FORM L201C (June 2012)

This Lease is made and entered into between

Lessor's Name: **Federal Center Office Associates LLC**

(Lessor), whose principal place of business is 2101 Wisconsin Avenue, NW, Washington, DC 20007, and whose interest in the Property described herein is that of Fee Owner, and

The United States of America

(Government), acting by and through the designated representative of the General Services Administration (GSA), upon the terms and conditions set forth herein.

Witnesseth: The parties hereto, for the consideration hereinafter mentioned, covenant and agree as follows:

Lessor hereby leases to the Government the Premises described herein, being all or a portion of the Property located at

**400 C Street, SW, Washington, DC, 20024-2800**

and more fully described in Section 1 and Exhibit A, together with rights to the use of parking and other areas as set forth herein, to be used for such purposes as determined by GSA.

## LEASE TERM

To Have and To Hold the said Premises with its appurtenances for the term beginning on **January 3, 2013** and continuing for a period of

**5 Years Firm, or to January 2, 2018,**

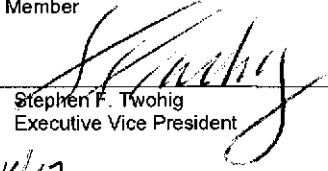
In Witness Whereof, the parties to this Lease evidence their agreement to all terms and conditions set forth herein by their signatures below, to be effective as of the date of delivery of the fully executed Lease to the Lessor.

## FOR THE LESSOR:

Federal Center Office Associates LLC

By: 400 C Street, LLC  
Managing Member

By: Federal Center Plaza Corporation  
Sole Member

By:   
Stephen F. Twohig  
Executive Vice President

Date: 11/14/12

## FOR THE GOVERNMENT:

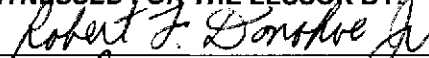
  
Name: Santoni W. Graham

Title: Lease Contracting Officer

General Services Administration, Public Buildings Service

Date: 12-06-12

## WITNESSED FOR THE LESSOR BY:

  
Name: Robert F. Donohue, JR.

Title: SVP

Date: 11/14/12

The information collection requirements contained in this Solicitation/Contract, that are not required by the regulation, have been approved by the Office of Management and Budget pursuant to the Paperwork Reduction Act and assigned the OMB Control No. 3090-0163.

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## SECTION 1 THE PREMISES, RENT, AND OTHER TERMS

### 1.01 THE PREMISES (JUN 2012)

The Premises are described as follows:

A. Office and Related Space: 388,523 rentable square feet (RSF), yielding 352,979 ANSI/BOMA Office Area (ABOA) square feet (SF) of office and related Space located on the P1 and P2 levels, mezzanine level and floors one (1) through eight(8) of the Building, as depicted on the floor plan(s) attached hereto as Exhibit A. The breakout by floor is as follows:

Floor	ABOASF	RSF
P1/P2	6,400	6,400
1	20,782	22,894
Mezzanine	27,727	31,482
2	42,773	46,821
3	42,326	46,821
4	42,773	46,821
5	42,773	46,821
6	42,326	46,821
7	42,326	46,821
8	42,773	46,821
Total	352,979	388,523

B. Common Area Factor: The Common Area Factor (CAF) is established as 10.07 percent. This factor, which represents the conversion from ABOA to rentable square feet, rounded to the nearest whole percentage, shall be used for purposes of rental adjustments in accordance with the Payment Clause of the General Clauses.

C. Current Condition: The Government accepts the Leased Premises, Building, Garage and Building Shell (Section 3 of the Lease) and Tenant Improvements (Section 4 of the Lease) in its existing condition, with only the following exceptions further outlined more thoroughly in the lease exhibits, the items agreed to be performed by the Lessor in the Security Attachment, Exhibit C—(including [REDACTED] in the Building Assessment Report (if any) Exhibit H as well as compliance with all applicable local codes and ordinances. Any changes to the current configuration and existing condition, changes to security or green building requirements, except as required in this Section will be at the expense of the Government. Lessor represents that the Leased Premises are in good repair and tenantable condition, and agrees at its expense, to maintain and repair (or replace, if necessary) such items or conditions that relate to the building shell so that they remain in good repair and tenantable condition. If any replacement of building systems shall become necessary during the term of this Lease, such replacement shall meet the performance requirements of the Lease. The Government accepts the condition of the Lease Premises at delivery and the required standard for maintenance and repair set forth above, notwithstanding any provision of the Lease other than this Subparagraph 1.01(C) including, but not limited to Paragraphs 1.03(F)(3); 3.09(A); 3.22(C) (first sentence); 3.28 (except for new installations); 3.30(A) (last sentence); 3.35(B); 3.36; 3.43(B) and (C)(Government provided switch rooms, CER rooms, or wire closets); 3.45(B)(except for new installations); 6.03(A) and 6.12(A) (as it relates to private bathrooms).

## 1.02 EXPRESS APPURTENANT RIGHTS (JUN 2012)

The Government shall have the non-exclusive right to the use of Appurtenant Areas, and shall have the right to post Rules and Regulations Governing Conduct on Federal Property, Title 41, CFR, Part 102-74, Subpart C within such areas. The Government will coordinate with Lessor to ensure signage is consistent with Lessor's standards. Appurtenant to the Premises and included in the Lease are rights to use the following:

A. **Parking:** 21 structured parking spaces as depicted on the plan attached hereto as Exhibit B, reserved for the exclusive use of the Government. In addition, the Lessor shall provide such additional parking spaces as required by the applicable code of the local government entity having jurisdiction over the Property. The Government and its employees may obtain additional parking spaces on a monthly basis at the rate of \$5,580.00 per year or \$465.00 per month. Lessor and the Government shall mutually cooperate to provide security control of the parking garage. The security arrangements for the parking garages is accepted as existing.

B. **Antennas, Satellite Dishes, and Related Transmission Devices:** Space located on the roof of the Building sufficient in size for the installation and placement of the telecommunications equipment as such may be described herein, together with the right to access the roof and use of, all Building areas (e.g., chases, plenums) necessary for the use, operation and maintenance of such equipment at all times during the term of this Lease, subject to the approval of the Lessor, which shall not be unreasonably withheld.

## 1.03 RENT AND OTHER CONSIDERATION (JUN 2012)

A. The Government shall pay the Lessor annual rent, payable in monthly installments in arrears, at the following rates:

	FIRM TERM	NON FIRM TERM
	ANNUAL RENT	ANNUAL RENT
SHELL RENT <sup>1</sup>	\$14,993,102.57	\$N/A
TENANT IMPROVEMENTS RENT	\$0.00	\$N/A
OPERATING COSTS <sup>2</sup>	\$2,272,477.00	\$ N/A
BUILDING SPECIFIC SECURIT	\$0.00	\$ N/A
PARKING <sup>3</sup>	\$117,180.00	\$ N/A
<b>TOTAL ANNUAL RENT</b>	<b>\$17,382,759.57</b>	<b>\$N/A</b>

<sup>1</sup>Shell rent (Firm Term) calculation: \$38.59 per RSF multiplied by 388,523 RSF

<sup>2</sup>Operating Costs rent calculation: \$5.849 per RSF multiplied by 388,523 RSF (net of electricity and water)

<sup>3</sup>Parking costs are for the required 21 reserved structured spaces

B. Rent is subject to adjustment based upon a mutual on-site measurement of the Space upon acceptance, not to exceed **352,979** ABOA SF based upon the methodology outlined under the "Payment" clause of GSA Form 3517. Notwithstanding the foregoing, the space has been mutually measured and the measurement has been accepted by the Government.

C. Rent is subject to adjustment based upon the final Tenant Improvement (TI) cost to be amortized in the rental rate, as agreed upon by the parties subsequent to the Lease Award Date.

D. If the Government occupies the Premises for less than a full calendar month, then rent shall be prorated based on the actual number of days of occupancy for that month.

E. Rent shall be paid to Lessor by electronic funds transfer in accordance with the provisions of the General Clauses. Rent shall be payable to the Payee designated in the Lessor's Central Contractor Registration (CCR). If the payee is different from the Lessor, both payee and Lessor must be registered in CCR.

F. Lessor shall provide to the Government, in exchange for the payment of rental and other specified consideration, the following:

1. The leasehold interest in the Property described in the paragraph entitled "The Premises."

2. All costs, expenses and fees to perform the work required for acceptance of the Premises in accordance with this Lease, including all costs for labor, materials, and equipment, professional fees, contractor fees, attorney fees, permit fees, inspection fees, and similar such fees, and all related expenses;

3. Performance or satisfaction of all other obligations set forth in this Lease; and all services, maintenance required for the proper operation of the Property, the Building, and the Leased Premises, in accordance with the terms of the Lease, including, but not limited to, all inspections, modifications, repairs, replacements and improvements required to be made thereto to meet the requirements of this Lease. The Government shall be responsible for paying the cost of electricity and water directly to the utility provider. The Lessor shall ensure that such utilities are separately metered. The Lessor shall provide and install as part of shell rent, separate meters for utilities. Sub-meters are not acceptable. The Lessor shall furnish in writing to the LCO, prior to occupancy by the Government, a record of the meter numbers and verification that the meters measure Government usage only. Proration is not permissible. In addition, an automatic control system shall be provided to assure compliance with heating and air conditioning requirements.

4. The Government shall be responsible for the cost of utilities, maintenance, repair and replacement of all dedicated/self-contained HVAC equipment servicing the Premises that are not part of the Building Shell systems. The Government shall also be responsible for the utilities, maintenance, repair and replacement of any special equipment, including but not limited to special storage systems, telecommunications equipment, vending facilities, audio-visual equipment, kitchens (including all fixtures and equipment), restrooms within the Occupied Space, conference room equipment, emergency power systems, [REDACTED].

G. Intentionally deleted.

#### 1.04 BROKER COMMISSION AND COMMISSION CREDIT (JUN 2012)

A. **Studley, Inc.** (Broker) is the authorized real estate Broker representing GSA in connection with this Lease transaction. The total amount of the Commission is [REDACTED] and is earned upon Lease execution, payable according to the Commission Agreement signed between the two parties. Only [REDACTED] of the Commission will be payable to **Studley, Inc.** with the remaining [REDACTED], which is the Commission Credit, to be credited to the shell rental portion of the annual rental payments due and owing to fully recapture this Commission Credit. The reduction in shell rent shall commence with the first month of the rental payments and continue until the credit has been fully recaptured in equal monthly installments over the shortest time practicable.

B. Notwithstanding the "Rent and Other Consideration" paragraph of this Lease, the shell rental payments due and owing under this Lease shall be reduced to recapture fully this Commission Credit. The reduction in shell rent shall commence with the first month of the rental payments and continue as indicated in this schedule for adjusted Monthly Rent:

Month 1 Rental Payment \$1,448,563.30 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted 1<sup>st</sup> Month's Rent.\*

\* Subject to change based on adjustments outlined under the paragraph "Rent and Other Consideration."

#### 1.05 INTENTIONALLY DELETED

#### 1.06 INTENTIONALLY DELETED

#### 1.07 DOCUMENTS INCORPORATED IN THE LEASE (JUN 2012)

The following documents are attached to and made part of the Lease:

DOCUMENT NAME	NO. OF PAGES	EXHIBIT
FLOOR PLAN(S)	11	A
PARKING PLAN	1	B
SECURITY REQUIREMENTS	5	C
GSA FORM 3517B GENERAL CLAUSES	46	D
GSA FORM 3518, REPRESENTATIONS AND CERTIFICATIONS	10	E
SMALL BUSINESS SUBCONTRACTING PLAN	12	F
AMENDMENTS TO RLP No.0DC2170	2	G
BUILDING ASSESSMENT REPORT	9	H
GSA FORM 1217, LESSOR'S ANNUAL COST STATEMENT	1	I

#### 1.08 TENANT IMPROVEMENT ALLOWANCE (AUG 2011)

The Tenant Improvement Allowance (TIA) for purposes of this Lease is \$0.00 per ABOA SF. The TIA is the amount that the Lessor shall make available for the Government to be used for TIs. This amount is amortized in the rent over the Firm Term of this Lease at an annual interest rate of 0 percent. However, the Government has \$1,817,656.45 in unused TIA from Lease No. GS-11B-01552 which it is entitled to receive in TIs or in the form of free rent. By Supplemental Lease Amendment in Lease No. GS-11B-01552, the Government and Lessor agree to release Lessor of its obligations to credit the Government \$1,817,656.45 in Lease No. GS 11B-01552, in exchange for Lessor providing an equal amount of TIA or \$1,817,656.45 to the Government in this Lease at no additional cost to the Government to be utilized as set forth in Paragraph 1.09 below. In addition, in lieu of correcting items A001 through A036, A038, A40, A41, A42 and A044 of the Building Assessment Report, the Lessor hereby increases the TIA credit as noted above by \$13,811.36 bringing the total TIA credit to \$1,831,467.81.

#### 1.09 TENANT IMPROVEMENT RENTAL ADJUSTMENT (AUG 2011)

A. The Government, at its sole discretion, shall make all decisions as to the use of the TIA. The Government may use all or part of the TIA. The Government may return to the Lessor any unused portion of the TIA in exchange for a credit to the Government in the form of free rent.

B. If it is anticipated that the Government will spend more than the allowance identified above, the Government shall have the right to either:

1. Reduce the TI requirements;
2. Pay lump sum for the overage upon substantial completion in accordance with the "Acceptance of Space and Certificate of Occupancy" paragraph;
3. Negotiate an increase in the rent.

#### 1.10 TENANT IMPROVEMENT FEE SCHEDULE (JUN 2012)

	INITIAL BUILD-OUT
ARCHITECT/ENGINEER FEES (\$ PER ABOA SF OR % OF TI CONSTRUCTION COSTS)	\$3.50/ABOA
LESSOR'S PROJECT MANAGEMENT FEE (% OF TI CONSTRUCTION COSTS)	7%
GENERAL CONDITIONS FEE (% OF TI CONSTRUCTION COSTS)	8%
GENERAL CONTRACTOR FEE (% OF TI CONSTRUCTION COSTS)	4%

**1.11 PERCENTAGE OF OCCUPANCY FOR TAX ADJUSTMENT (JUN 2012)**

As of the Lease Award Date, the Government's Percentage of Occupancy, as defined in the "Real Estate Tax Adjustment" paragraph of this Lease is 96.2 percent. The Percentage of Occupancy is derived by dividing the total Government Space of 388,523 RSF by the total Building space of 403,844 RSF.

**1.12 REAL ESTATE TAX BASE (JUN 2012)**

The Real Estate Tax Base is defined in the "Real Estate Tax Adjustment" paragraph of the Lease the unadjusted Real Estate Taxes for the calendar year in which the Lease commences (January 1, 2013 – December 31, 2013)

**1.13 OPERATING COST BASE (AUG 2011)**

The parties agree that for the purpose of applying the paragraph titled "Operating Costs Adjustment" that the Lessor's base rate for operating costs shall be \$5.849 per RSF (\$2,272,477.00/annum).

**1.14 RATE FOR ADJUSTMENT FOR VACANT LEASED PREMISES (JUN 2012)**

In accordance with the paragraph entitled "Adjustment for Vacant Premises," if the Government fails to occupy or vacates the entire or any portion of the leased Premises prior to expiration of the term of the Lease, the operating costs paid by the Government as part of the rent shall be reduced by \$1.00 per ABOA SF of Space vacated by the Government.

**1.15 HOURLY OVERTIME HVAC RATES (AUG 2011)**

The following rates shall apply in the application of the paragraph titled "Overtime HVAC Usage:"

- \$35.00 per hour for the entire Space or a portion thereof. If an engineer is requested by the Government the rate is \$114.00 per hour for the entire space or a portion thereof.

**1.16 INTENTIONALLY DELETED**

**1.17 BUILDING IMPROVEMENTS (JUN 2012)**

The Lessor shall complete the following additional Building improvements within six (6) months of Lease Term Commencement, provided the Government does not cause scheduling delays:

- All building shell deficient items as outlined in the attached Building Assessment Report (Exhibit H)

**1.18 INTENTIONALLY DELETED**