

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

**U.S. GOVERNMENT
LEASE FOR REAL PROPERTY**

DATE OF LEASE:

6/3/2010

LEASE #GS-11B- 02155

THIS LEASE, made and entered into this date between 1575 EYE STREET ASSOCIATES

Whose address is: 1776 Eye Street, NW
Suite 500
Washington, DC 20006

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 63,798 ANSI BOMA Rentable Square Feet (RSF) being 55,637 ANSI BOMA Office Area Square Feet (BOASF) of office space consisting of the entire 2nd (15,075 BOASF), 6th (16,308 BOASF) and 10th (15,644 BOASF) floors, as well as portions of the 3rd (1,951 BOASF) and 5th (6,659 BOASF) floors of the building known as 1575 Eye Street, with the address being 1575 Eye Street, NW, Washington, DC 20005, as noted on the attached floor plans and made a part hereof. On or before June 30, 2010, the Lessor shall provide as-built CAD drawings in accordance with SFO 07-014. In the event that these as-built CAD drawings reveal a different BOASF than that recited above, the square footage and total annual rent (but not the rental rate per BOASF) shall be modified accordingly.

To be used for office and related purposes.

2. TO HAVE AND TO HOLD the said premises with their appurtenances for the ten (10) YEAR FIRM term beginning on December 1, 2010, and ending on November 30, 2020. Rent commencement will be in two phases. Notwithstanding the foregoing, the lease commencement date and rent commencement date with respect to the Early Occupancy space consisting of 5,621 BOASF (Suite 240 and 325) shall be the rent commencement date for the Early Occupancy space as determined in accordance with Paragraph 6F below, and the expiration date for the Early Occupancy Term shall be November 30, 2010. Supplemental lease agreements (SLA) shall be issued to memorialize the commencement dates upon the delivery of each phase of space.

3. Effective December 1, 2010, the Government shall pay the Lessor an annual rent of \$2,629,404.62 (\$47.26/BOASF) at the rate of \$219,117.05 per MONTH in arrears. Rent for a lesser period shall be prorated. The annual rent includes an operating cost base of \$527,438.76 (\$9.48/BOASF), base real estate taxes, and \$22,254.80 to amortize a tenant improvement allowance of \$222,548.00 (\$4.00 /BOASF) at zero percent (0%) annual interest. Rent checks shall be payable to 1575 Eye Street Associates at the address listed above.

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:

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) The Lessor shall perform all work required by Rider #2, Fire & Life Safety, attached hereto, in the timeframes specified therein. The Lessor shall repaint the Government's demised premises, including both the existing space and expansion space, at the Lessor's expense consistent with SFO Paragraph 5.9 (B). This work (painting) shall include; coordinating with the Government in moving standard office furniture less than 100lbs per piece within the space (no offsite moving or storage). Unloading / reloading file cabinets & desks (including personal property) are the Government's responsibility, any systems furniture that requires disassembly and reassembly is the Government's responsibility. Office electronics (i.e. personal computers), personal property are to be removed and replaced by the Government. The contractor will take reasonable care to protect all furniture, fixtures and equipment left in place. Any item requiring extraordinary care (i.e. computer servers, copies, etc) are the Government's responsibility. Insurance requirements are to be determined on a case by case basis, and will be at the Government's expense.

- 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. In the event the total cost of tenant improvements is greater or less than \$4.00/BOASF, the rent shall be adjusted accordingly. (See SFO Section 3.2) Tenant improvements financed by the Lessor above \$4.00/BOASF and up to \$20.00/BOASF shall be amortized at zero percent (0%) annual interest. Tenant improvements financed by the Lessor above \$20.00/BOASF shall be financed at the annual interest rate of eleven percent (11%). Notwithstanding any provisions of the SFO to the contrary, the Government shall not amortize more than \$2,341,204.96 BOASF (\$42.08/BOASF) in tenant improvements (inclusive of the \$222,548.00 [\$4.00/BOASF] referenced in Paragraph 3). Any tenant improvements funded by the Lessor in excess of this amount shall be repaid by the Government via lump sum payment.
- c) The Government's percentage of occupancy for real estate tax purposes shall be 30.33%, based on 63,798 RSF / 210,372 RSF, subject to confirmation of the total rentable area of the entire building.
- d) The rate for HVAC overtime shall not exceed \$65/hour per floor, which rate shall include all necessary components to provide this service, including but not limited to, electricity, maintenance, repair and replacement of systems, and engineering service. If requested by the Government, the Lessor shall provide documentation to support this HVAC overtime rate, including but not limited to, utility bills and equipment inventories.
- e) In the event that the Lessor performs tenant improvements in the Government's demised premises at the Government's direction, the following maximum fees shall apply: the general contractor's total fees for overhead and profit shall not exceed 7%, the total fees for general conditions shall not exceed 6% and the total fees for construction management/coordination fees shall not exceed 4%. Architectural and engineering fees, if any, shall not exceed 6%. Any such fees will be paid for out of the tenant improvement allowance. The Government shall have the right to negotiate lower fees in the event that the actual scope of work is less extensive than that contemplated by Attachment #3, Scope of Work, or in the event that the quoted fees are otherwise not fair and reasonable for the work performed.
- f) Early Occupancy: The Government shall have the right to occupy Suites 240 & 325, totaling 5,621 BOASF, commencing upon completion of the below-described work required to prepare these suites for Government Occupancy. Such work shall commence upon vacation of these suites by existing tenants. Lessor shall notify any remaining existing tenants of the need to vacate the premises (subject to any required notice periods between Lessor and existing tenants) immediately upon delivery of the fully executed lease by the Government to the Lessor. This Early Occupancy shall continue through November 30, 2010 (the Early Occupancy Term). The Government shall occupy this space in its current configuration and no tenant improvement allowance shall be provided during this Early Occupancy Term. The Lessor shall terminate the existing leases encumbering these suites and prepare these suites for Government occupancy, at the Lessor's expense, prior to commencement of the Early Occupancy Term. Such work shall include, but not be limited to, removal of existing wallpaper, repair of walls as necessary, painting / re-painting of the walls, cleaning of carpets, and removal of abandoned furniture and personal property. The Government shall pay Early Occupancy Rent at the rate of \$21,950.00 per month (\$46.86/BOASF per annum x 5,621 BOASF / 12) during the Early Occupancy Term. Rent for a lesser period shall be prorated. The provisions of this paragraph notwithstanding, the determination of base year real estate taxes per SFO Section 3.5 (B) shall be based upon a lease commencement date of December 1, 2010.
- g) The Government shall be entitled to a rent credit in the amount of \$1,533,819.35 to be applied against the first month's rent of the Early Occupancy Term at the rate of \$21,950.00 per month, and continuing into subsequent months of said term, until the expiration thereof. The remaining rent credit shall be applied against the first month's rent of the regular lease term at the rate of \$219,117.05 per month and shall continue into subsequent months of the regular lease term until exhausted.
- h) The Government's end user shall be entitled to enter into contracts with the garage operator for up to 49 parking spaces during the term of this Lease. Parking spaces shall be acquired via separate service contract between the Government's end user and the garage operator, at a market monthly rent not to exceed \$490 per reserved space and \$245 per unreserved space. The annual parking contract fee is subject to periodic adjustments based on prevailing market rates.
- i) If requested by the Government, the Lessor shall provide daytime cleaning services at a market rate, not to exceed \$1.23/BOASF.
- j) In the event of a conflict between this SF-2 and the balance of the Lease, the terms specified in this SF-2 shall govern.
7. The following are attached and made a part hereof:
1. Solicitation For Offers (SFO) # 07-014, 52 pages
 2. Solicitation Attachment #1, Rate Structure, 1 pages
 3. Solicitation Attachment #2, Construction Schedule, Below 92,000 BOMA OASF, 1 page.
 4. Solicitation Attachment #3, Scope of Work for DID's and Construction Schedule Tasks, 2 pages
 5. Solicitation Attachment #4, Fire and Life Safety Report, Including GSA Fire Protection Branch Review, 22 pages
 6. GSA Form 1217, Lessor's Annual Cost Statement, 1 page
 7. GSA Form 3517, General Clauses, 3 pages
 8. GSA Form 3518, Representations and Certifications, 7 pages
 9. Floor Plans of Leased Area, 5 pages
 10. Rider #1 - Security Requirements, 1 pages
 11. Rider #2 - Fire & Life Safety, 1 pages
 12. GSA Form 3518, 4 pages
 13. Appendix to GSA Form 3517, 2 pages

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

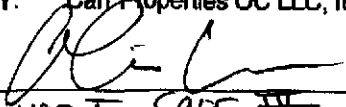
LESSOR : 1575 EYE STREET ASSOCIATES, a District of Columbia limited partnership

BY: Carr Capital 1575 Eye, LLC, its General Partner

BY: Columbia Equity, LP, its Managing Member

BY: Carr Properties OC LLC, its General Partner

BY


Oliver T. Carr III

TITLE

President

Date

3/10/2010

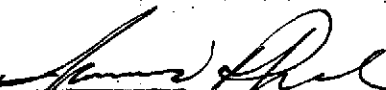
IN PRESENCE OF

SCOTT J. Killie

ADDRESS

UNITED STATES OF AMERICA

BY



CONTRACTING OFFICER, GSA, NCR

STANDARD FORM 2
FEBRUARY 1965 EDITION

EXCEPTION TO SF2 APPROVED
Revised 3/4/2010