

LEASE NO. GS-11P-LDC00292

Global Lease
GSA FORM L100 (09/2015)

This Lease is made and entered into between

TMG 801 Eye Street, LLC

(Lessor), whose principal place of business is 3 Bethesda Metro Center, Suite 610, Bethesda, MD 20814-5392, 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:

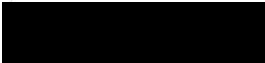
Lessor hereby leases to the Government the Premises described herein, being all or a portion of the Property in Anthem Row located at

801 I Street, NW, Washington, DC 20001-3710

and more fully described in Section 1 and Exhibit B, 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

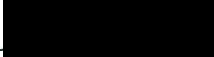
To Have and To Hold the said Premises with its appurtenances for the term beginning **November 21, 2017** and continuing for a period of



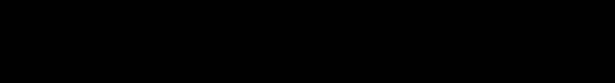
subject to termination and renewal rights as may be hereinafter set forth.

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.

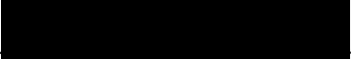
FOR THE LESSOR:


Name: Gary Block
Title: Managing Director
Entity Name: TMG 801 Eye Street LLC
Date: 10/17/17

FOR THE GOVERNMENT:


Name: Joel T. Berelson
Title: Lease Contracting Officer
General Services Administration, Public Buildings Service
Date: NOV 16 2017

WITNESSED FOR THE LESSOR BY:


Name: Tom Boylan
Title: Vice President
Date: 10/17/17

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.

LESSOR: GB GOVERNMENT: JB

SECTION 1 THE PREMISES, RENT, AND OTHER TERMS

1.01 THE PREMISES (SEP 2015)

The Premises are described as follows:

- A. **Office and Related Space:** 69,480 rentable square feet (RSF), yielding 60,462 ANSII/BOMA Office Area (ABOA) square feet (SF) of office and related Space, comprised of 9,139 RF on the 2nd floor, 3,077 RSF on the 3rd floor, 28,632 RSF on the 4th floor, and 28,632 RSF on the 5th floor of the Building, as depicted on the floor plan(s) attached hereto as Exhibit A.
- B. **Common Area Factor:** The Common Area Factor (CAF) is established as 14.92 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. Unless otherwise noted, the Government accepts the Premises and tenant improvements in their existing condition, except where specifications or standards are contained elsewhere in this Lease. These standards include security improvements, Fire Protection and Life Safety requirements, ABAAS compliance, as well as compliance with all local codes and ordinances. Such acceptance by the Government of existing Premises shall not relieve Lessor of continuing obligations for cleaning, janitorial, maintenance, repair, etc. as set forth in the Lease paragraphs and attached General Clauses.

1.02 EXPRESS APPURTENANT RIGHTS (SEP 2013)

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:** 192 parking spaces as depicted on the plan attached hereto as Exhibit B, reserved for the exclusive use of the Government, of which 192 shall be structured/inside parking spaces, and 0 shall be surface/outside parking spaces. 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. Parking spaces will meet the requirements described in Exhibit C ("Agency Specific Requirements").
- B. **Antennas, Satellite Dishes, and Related Transmission Devices:** (1) Space located on the roof of the Building sufficient in size for the installation and placement of telecommunications equipment, (2) the right to access the roof of the Building, and (3) use of all Building areas (e.g., chases, plenums, etc.) necessary for the use, operation, and maintenance of such telecommunications equipment at all times during the term of this Lease.

1.03 RENT AND OTHER CONSIDERATION (SEP 2015)

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

	FIRM TERM	
	ANNUAL RENT (YEARS 1-5)	ANNUAL RENT (YEARS 6-10)
SHELL RENT ¹	\$2,889,667.49	\$3,027,938.40
TENANT IMPROVEMENTS RENT ²	\$0.00	\$0.00
OPERATING COSTS ³	\$659,970.00	\$659,970.00
BUILDING SPECIFIC AMORTIZED CAPITAL (BSAC) ⁴	\$0.00	\$0.00
PARKING ⁵	\$0.00	\$0.00
TOTAL ANNUAL RENT⁶	\$3,549,637.49	\$3,687,908.40

¹Shell rent calculation:
 (Years 1-5) \$41.59 per RSF (rounded) multiplied by 69,480 RSF
 (Years 6-10) \$43.58 per RSF (rounded) multiplied by 69,480 RSF

²Tenant Improvements of \$3,061,191.06 are amortized at a rate of 0.00 percent per annum over 10 years. The Government reserves the option to utilize the Tenant Improvement Allowance and tenant improvement charges will be added to the annual rental rate upon acceptance of the completed improvements. The improvements are not scheduled to begin until after the effective date of the lease. Upon acceptance of the tenant improvements, a lease amendment will be completed to adjust the annual rental rates. Refer to Paragraph 1.08.

³Operating Costs rent calculation: \$9.50 per RSF (rounded) multiplied by 69,480 RSF

⁴Building Specific Amortized Capital (BSAC) of \$1,511,550.00 is amortized at a rate of 0.00 percent per annum over 10 years. The Government reserves the option to utilize the BSAC and BSAC charges will be added to the annual rental rate upon acceptance of the completed improvements. The BSAC improvements are not scheduled to begin until after the effective date of the lease. Upon acceptance of the tenant improvements, a lease amendment will be completed to adjust the annual rental rates.

⁵Parking costs described under sub-paragraph I below

⁶Twelve (12) months of free rent described under sub-paragraph J below. The Lessor shall provide the Government with an additional cash allowance equal to \$1,719,630.00. This cash allowance is further described in Section 7.04 and is in addition to the Tenant Improvement Allowance and the Building Specific Amortized Capital.

LESSOR:  GOVERNMENT: 

- B. In instances where the Lessor amortizes either the TI or BSAC for a period exceeding the Firm Term of the Lease, should the Government terminate the Lease after the Firm Term or does not otherwise renew or extend the term beyond the Firm Term, the Government shall not be liable for any costs, including unamortized costs beyond the Firm Term.
- C. Rent is subject to adjustment based upon a mutual on-site measurement of the Space upon acceptance, not to exceed 60,462 ABOA SF based upon the methodology outlined under the "Payment" clause of GSA Form 3517.
- D. 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. Rent is subject to adjustment upon reconciliation from quantities in the Lease to the approved DIDs and post-DID change orders, based on unit costs negotiated and agreed upon prior to Lease award.
- E. Rent is subject to adjustment based on the final Building Specific Amortized Capital (BSAC) cost to be amortized in the rental rate, as agreed upon by the parties subsequent to the Lease Award Date.
- F. 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.
- G. 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 by the Lessor in the System for Award Management (SAM). If the payee is different from the Lessor, both payee and Lessor must be registered and active in SAM.
- H. 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, utilities, and maintenance required for the proper operation of the Property, the Building, and the 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.
- I. Parking in excess of the parking required within Section 1.02 A shall be provided at negotiated market rates per parking space, per month (structured/inside).
- J. In accordance with the Lease negotiations, the Lessor has offered free rent to the Government for the first twelve (12) months of the Lease, equal to \$ 3,549,637.49. Therefore, the first twelve (12) months of the Lease shall be provided at no cost to the Government.

1.04 BROKER COMMISSION AND COMMISSION CREDIT (SEP 2015)

A. CUSHMAN & WAKEFIELD U.S., INC., formerly DTZ Americas, 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 CUSHMAN & WAKEFIELD U.S., INC., formerly DTZ Americas, 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. Total Commission amount, Broker portion and the Commission Credit will be adjusted following completion of Tenant Improvement and BSAC buildout of the leased space and shall be captured in a lease amendment. Refer to Paragraph 1.03 A of this Lease and Broker Commission Agreement.

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 13 Rental Payment \$295,803.12 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted 13th Month's Rent.*
 Month 14 Rental Payment \$ 295,803.12 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted 14th Month's Rent.*
 Month 15 Rental Payment \$ 295,803.12 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted 15th Month's Rent.*

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

1.05 TERMINATION RIGHTS (AUG-2014)

THIS PARAGRAPH INTENTIONALLY DELETED

1.06 RENEWAL RIGHTS (SEP 2013)

This Lease may be renewed upon the mutual agreement of the Lessor and Government for a term of 5 YEARS at the following rental rate(s):

	OPTION TERM, YEARS	
	ANNUAL RENT	ANNUAL RATE / RSF
SHELL RENTAL RATE	\$3,624,861.60	\$52.17
OPERATING COSTS	OPERATING COST BASIS SHALL CONTINUE FROM THE EFFECTIVE YEAR OF THE LEASE. OPTION TERM IS SUBJECT TO CONTINUING ANNUAL ADJUSTMENTS.	

provided notice is given to the Lessor at least 180 days before the end of the original Lease term, all other terms and conditions of this Lease, as same may have been amended, shall remain in full force and effect during any renewal term. If the Government chooses to exercise the renewal option, the Real Estate Tax Base shall be negotiated at that time.

1.07 DOCUMENTS INCORPORATED IN THE LEASE (SEP 2015)

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

DOCUMENT NAME	NO. OF PAGES	EXHIBIT
FLOOR PLANS	4	A
PARKING PLANS	2	B
AGENCY SPECIFIC REQUIREMENTS	1	C
SECURITY REQUIREMENTS FOR LEVEL III	10	D
GSA Form 1217, Lessor's Annual Cost Statement	2	E
GSA FORM 3517B GENERAL CLAUSES	15	F
GSA FORM 3518-SAM, ADDENDUM TO SYSTEM FOR AWARD MANAGEMENT (SAM) REPRESENTATIONS AND CERTIFICATIONS (ACQUISITIONS OF LEASEHOLD INTERESTS IN REAL PROPERTY)	2	G
PARKING RENOVATION PLAN	3	H
ENERGY EFFICIENCY STATEMENT	1	I
FIRE PROTECTION LIFE SAFETY REPORT	20	J

1.08 TENANT IMPROVEMENT RENTAL ADJUSTMENT (SEP 2015)

A. The Lessor shall make available a Tenant Improvement Allowance (TIA) of up to **\$50.63 per ABOA SF**. This TIA would be amortized in the rent over the remaining Firm Term of this Lease at an annual interest rate of zero percent. The Government shall have two (2) years from the Lease Commencement Date to issue a Notice to Proceed (NTP) directing the Lessor to utilize the Tenant Improvement Allowance.

B. 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 decrease in rent according to the agreed-upon amortization rate over the Firm Term.

C. The Government may elect to make lump sum payments for any or all work covered by the TIA. That part of the TIA amortized in the rent shall be reduced accordingly. At any time after occupancy and during the Firm Term of the Lease, the Government, at its sole discretion, may elect to pay lump sum for any part or all of the remaining unpaid amortized balance of the TIA. If the Government elects to make a lump sum payment for the TIA after occupancy, the payment of the TIA by the Government will result in a decrease in the rent according to the amortization rate over the Firm Term of the Lease.

D. If it is anticipated that the Government will spend more than the allowance identified above, the Government may elect to:

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.

1.09 TENANT IMPROVEMENT FEE SCHEDULE (JUN 2012)

For pricing TI costs, the following rates shall apply for the initial build-out of the Space.

	INITIAL BUILD-OUT
ARCHITECT/ENGINEER FEES (\$ PER ABOA SF)	\$4.00
LESSOR'S PROJECT MANAGEMENT FEE (% OF TI CONSTRUCTION COSTS)	3.00%

1.10 BUILDING SPECIFIC AMORTIZED CAPITAL (SEP 2012)

For purposes of this Lease, the Building Specific Amortized Capital (BSAC) is \$25.00 per ABOA SF. The Lessor shall make available Building Specific Amortized Capital (BSAC) of \$1,511,550.00, which will use the funds for security related improvements. The BSAC would be amortized in the rent over the remaining Firm Term of this Lease at an annual interest rate of zero percent. The Government shall have two (2) years from the Lease Commencement Date to issue a Notice to Proceed (NTP) directing the Lessor to utilize the BSAC.

1.11 BUILDING SPECIFIC AMORTIZED CAPITAL RENTAL ADJUSTMENT (SEP 2013)

A. The Government, at its sole discretion, shall make all decisions about the use of the Building Specific Amortized Capital (BSAC). The Government may use all or part of the BSAC. The Government may return to the Lessor any unused portion of the BSAC in exchange for a decrease in rent (where applicable) according to the agreed upon amortization rate.

B. The Government may elect to make lump-sum payments for any work covered by the BSAC. The part of the BSAC amortized in the rent shall be reduced accordingly. At any time after occupancy and during the Firm Term of the Lease, the Government, at its sole discretion, may elect to pay a lump sum for any part or all of the remaining unpaid amortized balance of the BSAC. If the Government elects to make a lump-sum payment for the BSAC after occupancy, the payment of the BSAC by the Government will result in a decrease in the rent according to the amortization rate over the Firm Term of the Lease.

C. If it is anticipated that the Government will spend more than the BSAC identified above, the Government may elect to:

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

1.12 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 23.23 percent. The Percentage of Occupancy is derived by dividing the total Government Space of 69,480 RSF by the total Building space of 299,159 RSF.

1.13 REAL ESTATE TAX BASE (SEP 2013)

Notwithstanding anything to the contrary in Section 2.07, the Real Estate Tax Base shall be established as the actual real estate taxes incurred during the first twelve (12) months (full year) of the lease. The amount of the Real Estate Tax Base shall be established in a lease amendment.

1.14 OPERATING COST BASE (SEP 2013)

The parties agree, for the purpose of applying the paragraph titled "Operating Costs Adjustment," that the Lessor's base rate for operating costs shall be \$659,970.00/annum.

1.15 RATE FOR ADJUSTMENT FOR VACANT LEASED PREMISES (SEP 2013)

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 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. For vacant contiguous units of space totaling at least 5,000 ABOA SF, the operating costs paid by the Government shall be reduced by \$2.00 per ABOA SF, and for vacant full floors of the building (4th and 5th floors), the rent shall be reduced by \$2.55 per ABOA SF. There will be no rent reduction for vacant units of space that measure less than 5,000 ABOA SF.

1.16 HOURLY OVERTIME HVAC RATES (AUG 2011)

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

\$45.00 per hour per floor, not to exceed \$90.00 per hour in total

1.17 24-HOUR HVAC REQUIREMENT (SEP 2014)

THIS PARAGRAPH INTENTIONALLY DELETED

1.18 BUILDING IMPROVEMENTS (SEP 2012)

Prior to December 17, 2017, the Lessor shall complete the following additional Building Improvements:

Lessor shall be responsible for the correction and all costs associated with remedy of all findings identified by the surveying Fire Protection Engineer in the report dated March 24, 2016.

1.19 ~~HUBZONE SMALL BUSINESS CONCERNS ADDITIONAL PERFORMANCE REQUIREMENTS (MAR 2012)~~

THIS PARAGRAPH INTENTIONALLY DELETED