

GENERAL SERVICES ADMINISTRATION PUBLIC BUILDINGS SERVICE LEASE AMENDMENT	LEASE AMENDMENT NO. 2
	TO LEASE NO. GS-11P-LDC12711
ADDRESS OF PREMISES 250 E STREET SW WASHINGTON, DC 20024-3208	PDN Number:

THIS AMENDMENT is made and entered into between: **Piedmont – Independence Square, LLC**

whose address is:

c/o Piedmont Office Realty Trust, Inc.
 11695 Johns Creek Parkway, Suite 350
 Johns Creek, GA 30097

hereinafter called the Lessor, and the **UNITED STATES OF AMERICA**, hereinafter called the Government:

WHEREAS, the parties hereto desire to amend the above Lease to order additional tenant improvements, establish the lease and rent commencement date, and reconcile the rent with an adjustment for the unused portion of the building specific amortized capital (BSAC) allowance.

NOW THEREFORE, these parties for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, covenant and agree that the said Lease is amended, effective UPON EXECUTION as follows:

1. The Government hereby acknowledges that the leased premises are substantially complete and accepted as of October 24, 2016. The Term of this Lease shall commence on October 24, 2016 and expire on October 23, 2031.
2. The Government hereby returns to the Lessor all of the unused Building Specific Amortized Capital (BSAC) allowance consisting of \$302,457.60. Per Lease Paragraph 1.12 – Building Specific Amortized Capital Rental Adjustment, the Government hereby returns to the Lessor unused allowance in the amount of \$302,457.60 in exchange for a reduction in rent according to the agreed-upon amortization rate of 0% over the 15-year firm term of the Lease. All rent payments owing however are subject to the 12-month free rent period.


Therefore Lease Paragraph 1.03(A) and (B) is hereby deleted in its entirety and replaced with the following:

This Lease Amendment contains 3 pages.

All other terms and conditions of the Lease shall remain in force and effect.
 IN WITNESS WHEREOF, the parties subscribed their names as of the below date.

FOR THE LESSOR:

FOR THE GOVERNMENT:

Signature: 

Name: Carroll A. "Bo" Reddic, IV
 Title: Executive Vice President
 Entity Name: Piedmont – Independence Square, LLC
 a Delaware limited liability company

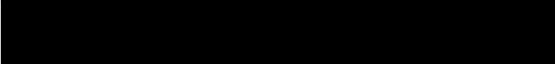
Date: 12/6/16

Signature: _____

Name: Maria S. Medina
 Title: Lease Contracting Officer
 General Services Administration, Public Buildings Service

Date: _____

WITNESSED FOR THE LESSOR BY:

Signature: 

Name: Trish Toolen
 Title: Executive Admin. Asst
 Date: 12/6/16

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

	FIRM TERM
	ANNUAL RENT
SHELL RENT ¹	\$1,087,271.30
TENANT IMPROVEMENTS RENT ²	\$100,690.42
OPERATING COSTS ³	\$361,040.67
BUILDING SPECIFIC AMORTIZED CAPITAL ⁴	\$1,378.83
PARKING ⁵	\$ 0.00
TOTAL ANNUAL RENT⁶	\$1,550,381.22

¹Shell rent (Firm Term) calculation: \$29.42229 per RSF multiplied by 36,954 RSF

²The Tenant Improvement Allowance of \$1,510,356.36.14 is amortized at a rate of 0 percent per annum over 15 years.

³Operating Costs rent calculation: \$9.77000 per RSF multiplied by 36,954 RSF

⁴Building Specific Amortized Capital (BSAC) of \$20,682.40 are amortized at a rate of 0 percent per annum over 15 years

⁵Parking costs described under sub-paragraph H in Paragraph 1.03 of Lease below

⁶Rent for the first twelve (12) months of the lease term (inclusive of tenant improvement amortization, building specific amortized capital amortization, and operating costs) shall be abated in its entirety.

B. Rent is subject to adjustment based upon a mutual on-site measurement of Space upon acceptance, not to exceed 36,954 ABOA SF based upon the methodology outlined under the "Payment" clause of GSA Form 3517.

3. Lease Paragraph 1.04 is hereby deleted in its entirety and replaced with the following:

A. Savills 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 Savills 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:

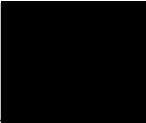
Month 13 Rental Payment **\$129,198.44** minus the Commission Credit of [REDACTED] equals [REDACTED] adjusted 13th Month's Rent.*

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

4. Initial Tenant Improvement Costs of \$2,941,100.00 were approved and ordered by a Notice to Proceed letter prior to the start of construction. Subsequently, the Government has requested additional work and changes to the original tenant improvements which are listed below:

ITEM	COST
CO TI-01 - BLOCKING FOR HUTCHES	[REDACTED]
CO TI-02 - LOBBY MILLWORK TRIM	
CO TI-03 - TIE-CABLING CHANGE	
CO TI-04 - DOOR 7070 & 7073 CHANGES	
CO TI-05	
CO TI-06 - REVISED WEST END HVAC	
CO TI-07	
CO TI-08 - WINDOW FILM CHANGES	
CO TI-09	

INITIALS: C. A. [Signature] & _____
 LESSOR GOV'T

CO TI-10 - ADD ELEC RECEPTACLES	
CO TI-11 - ADD DATA DROPS	
CO TI-12 - MILLWORK REVISIONS	
TOTAL ADDITIONAL TI COSTS	\$ 97,499.25

The Government shall reimburse the Lessor in a lump sum payment in the amount of \$97,499.25, upon receipt of an original invoice.

INITIALS: *E.A.Z* & _____
LESSOR GOV'T