

U.S. GOVERNMENT
LEASE FOR REAL PROPERTY

DATE OF LEASE

APR 24 2003

LEASE NO.

GS-11B- 01638

(MD0802)

THIS LEASE, made and entered into this date by and between: **JBG/Market Square I, L.L.C.**

Whose address is **c/o The JBG Companies**
5301 Wisconsin Ave, Suite 300
Washington, DC 20015-2015

and whose interest in the property hereinafter described is that of an Owner, hereinafter called the Lessor, and the UNITED STATES OF AMERICA, hereinafter called the Government:

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

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

228,020 BOMA Rentable Square Feet (213,932 BOMA Office Usable Square Feet), which comprises all of the office and related space in SAMHSA Buidling, One Choke Cherry Road, Rockville, MD 20850. Eight (8) parking spaces for government vehicles included at no additional cost.

to be used for such purpose as determined by the Government.

2. TO HAVE AND TO HOLD the said premises with their appurtenances for the TEN YEAR FIRM TERM beginning upon acceptance of the space by the Government, subject to termination and renewal rights as may be hereinafter set forth.

3. The Government shall pay the Lessor annual rent of **\$4,993,172.88** at the rate of **\$416,097.74** per month in arrears.

Rent for a lesser period shall be prorated. Rent checks shall be made payable to: JBG/Market Square I, L.L.C., c/o The JBG Companies, 5301 Wisconsin Avenue, Suite 300, Washington, DC 20015-2015.

~~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 terms and at the following rentals:~~

~~Provided notice be given in writing to the Lessor at least 180 days before the end of the original lease term or any renewal term; all other terms and conditions of this lease shall remain the same during any renewal term. Said notice shall be computed commencing with the day after the date of mailing.~~

LESSOR	GOVT
RL	y.g.

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

All services, improvements, alterations, repairs, and utilities as defined by this lease and its attachments hereto and are included as a component of the rental considerations.

- a. Base Operating Costs are \$1,647,987.00 (\$7.70332 per BOMA Office Usable Square Foot) for the purposes of calculating future Operating Cost Adjustments as provided by the Lease.
- b. In addition to the eight (8) spaces included in the rent, the Lessor will make available to the Government up to 450 additional spaces on a monthly permit (unreserved) basis. The monthly cost for additional parking during the initial year of the lease will be \$60. The rate shall escalate each year at 3%.
- c. The percentage of occupancy for Real Estate Tax adjustment purposes as provided by the lease is 100%.
- d. The overtime rate for utilities shall be \$15.00 per hour for all or any portion of the leased space during the lease term.
- e. The mark-ups and fees for the Tenant Improvement build out shall be 3% for General Contractor's Overhead, 2% for the General Contractor's Fee; and 5% for the Lessor's Fee & Overhead for a total mark-up for the construction of the initial tenant improvements of 10.31%.
- f. The reduction for vacant premises is \$1.00 per BOMA Office Usable Square Foot.
- g. The rental rate in paragraph 3 includes \$30.00 per BOMA Office Usable Square foot for initial Tenant Improvements. The annual percentage interest rate, compounded monthly, to be used by the Lessor to amortize the cost of these improvements is 0%. The total dollars available is calculated as follows: \$30.00 X 213,932 USF = \$6,417,960.00.
- h. Pursuant to the SFO a commission of [REDACTED] is payable to Crown Partnership, Inc. by check for endorsement over to the Government (General Services Administration). One half the commission is payable at lease award and one half is payable at lease commencement.

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

- 1. Solicitation For Offers #02-024
- 2. Attachment #1, Rate Structure
- 3. Attachment #2, Construction Schedule
- 4. Attachment #3, Scope of Work for DID's
- 5. Attachment #4, Fire & Life Safety Evaluation
- 6. Space Data Sheets
- 7. Prospectus #PMD-03W11
- 8. GSA Form 1364, Proposal to Lease Space
- 9. GSA Form 1217, Lessor's Cost Statement & Hourly Overtime Utilities Rate Chart
- 10. GSA Form 3517B, General Clauses
- 11. GSA Form 3518, Representations and Certifications
- 12. Architectural Rendering of the Leased Building
- 13. Phase I and Phase II Environmental Site Assessment
- 14. Rider I - Environmental Contingency Requirement
- 15. Shuttle Bus Proposal
- 16. Construction & Lessor Mark Ups

8. The following changes were made in this lease prior to its execution:

Paragraphs 4 & 5 have been deleted in their entirety.

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

LESSOR: JBG/Market Square I, L.L.C.

BY [REDACTED] (Signature) Robert A. Stewart

Managing Member (Title)

IN PRE [REDACTED] (Signature)

5301 Wisconsin Ave., Wash., D.C. 20015 (Address)

UNITED STATES OF AMERICA GENERAL SERVICES ADMINISTRATION

BY Mary L. Hewson Yvette M. Gr [REDACTED] (Signature)

Contracting Officer (Official title)