

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

DATE OF LEASE:

4/25/2012

LEASE No. GS-11B-12522

THIS LEASE, made and entered into this date between 10401 Fernwood, LLC

whose address is

2 Overhill Road, Suite 425
Scarsdale, NY 10583-5323

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 99,583 BOMA Rentable Square Feet (BRSF) equivalent to 80,950 BOMA Office Area Square Feet (ABOA) of office and related space, consisting of space on the first (1st), second (2nd) and third (3rd) floors in the building known as The Atrium at Rock Spring Park located at 10401 Fernwood Road, Bethesda, MD 20817-1133 ('Building') along with seven (7) reserved parking spaces at the Building. The floor plans are attached as Exhibit A and made part hereof.

2. TO HAVE AND TO HOLD the said premises with their appurtenances for a twelve (12) YEAR firm term ("Initial Lease Term") commencing on April 1, 2012 and terminating twelve (12) years thereafter.

3. The Government shall pay the Lessor annual rent of \$3,236,447.50 (\$32.50/BRSF) at the rate of \$269,703.96 per month in arrears. Rent for a lesser period shall be prorated. Rental payments shall be made payable to 10401 Fernwood, LLC, 2 Overhill Road Suite 425, Scarsdale, NY 10583-5323 or in accordance with the provision on electronic payment of funds. Notwithstanding the foregoing, a portion of the monthly rent shall be credited during the seventh (7th), eighth (8th) and ninth (9th) months of the Initial Lease Term in the amount of \$503,571.12, as more fully set forth in Paragraph 5(J) below.

4. Free Rent: The Government shall have free rent in the amount of \$1,529,013.00 over approximately the first five and one half months of the Initial Lease Term as defined above in Paragraph 2. During the aforementioned period of free rent the Government's rent due to the Lessor is \$0.00; rents as defined in Paragraph 3 shall commence in the seventh (7th) month.

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

A. All services, improvements, alterations, repairs, maintenance, and utilities as defined by this lease.

B. The Government is continuing to occupy space which was leased to the Government under a prior lease. The premises, including the building shell is accepted in its current configuration and existing condition. Lessor represents that such items are in good repair and tenantable condition as of the execution date of this lease. Ceiling heights are accepted as existing. The cost of all Security Requirements except for shatter proof window protection will be paid for by the Government. The Lessor will pay for the cost of new carpet, including moving furniture, which shall be coordinated with the Government and installed within one (1) year of lease execution. The space is not required to achieve LEED-CI certification since the space was constructed prior to the commencement of this Lease. The Lessor and the Government acknowledge that a Program of Requirements was not included in the SFO. Notwithstanding any of the foregoing, the Owner shall maintain and repair (or replace) if necessary items that relate to the building shell so that they remain in good repair and tenantable condition throughout the term of the lease.

C. The annual rent in Paragraph 3 of this Standard Form 2 does not include a Tenant Improvement Allowance.

D. Pursuant to Paragraph 4.1(C) of the SFO, the "Common Area Factor" is calculated to be 1.23017912 as calculated: 99,583 BRSF / 80,950 ABOA.

- E. Pursuant to SFO Paragraph 4.2B (9), the Government's percentage of occupancy is 42.30% for tax purposes, as calculated: 99,583 BRSF / 235,417 BRSF. The Real Estate Tax Base shall be determined in accordance with Paragraph 4.2(B)(7) of the SFO. If any tax credit is due to the Government as a result of a Lessor's appeal of the tax assessment during the lease term, the credit to the Government will be net of the Government's percentage of occupancy share of the Lessor's reasonable and actual out-of-pocket costs of the appeal.
- F. The base amount for annual operating cost adjustments is \$905,808.00 (\$9.10 per BRSF) which shall be adjusted annually by the CPI in accordance with Paragraph 4.3 of the SFO. The operating expense base includes cleaning services to be performed during tenant working hours.
- G. In accordance with Section 4.7 of the SFO, UTILITIES, all utilities, and operating expenses will be the responsibility of Lessor. Notwithstanding the foregoing, the Government shall reimburse the Lessor for the cost of utilities, maintenance, repair and replacement of any special equipment installed by or for the Government, including, but not limited to dedicated/self-contained HVAC equipment and independent controls, special storage systems, telecommunication equipment, audio visual equipment, executive kitchens, additional bathrooms, conference room equipment and emergency power systems. Utilities for all equipment which is separately metered shall be paid for by the Government.
- H. The Adjustment for Vacant Premises rate is established as \$1.50 per ABOA per year.
- I. Notwithstanding SFO Paragraph 4.5 NORMAL HOURS, services, utilities and maintenance shall be provided daily, between 7:00 AM and 6:00 PM, excluding Saturdays, Sundays and Federal holidays.
- J. Pursuant to SFO Paragraph 2.7 "Broker Commission and Commission Credit", Jones Lang LaSalle is the authorized real estate broker representing the Government in connection with this lease transaction. The Lessor and Jones Lang LaSalle have agreed to a cooperating lease commission of [REDACTED] of the Aggregate Lease Value during the first ten (10) years of the Initial Lease Term and [REDACTED] of the Aggregate Lease Value during years eleven (11) and twelve (12) of the Initial Lease Term net any free rent noted in Paragraph 4. The total amount of the commission is [REDACTED] ("Total Commission Amount"). Jones Lang LaSalle has agreed to forego approximately [REDACTED] of the Total Commission Amount that it is entitled to receive in connection with this lease transaction ("Commission Credit"). The Commission Credit is [REDACTED] and shall be applied against the shell rental payments in the seventh (7th), eighth (8th) and ninth (9th) months of the Initial Lease Term. The Total Commission Amount minus the Commission Credit is [REDACTED] and is due to Jones Lang LaSalle, without further condition or contingency, (i) one-half (1/2) when the Lease is executed and (ii) one-half (1/2) upon the earlier of Tenant's occupancy of the premises leased pursuant to the Lease or the commencement date of the Lease.

Rent Schedule for the seventh (7th), eighth (8th) and ninth (9th) months of the Initial Lease Term is as follows:

Seventh (7th) Month's Rental Payment of \$269,703.96 (of which \$188,991.85 is shell rent) minus prorated Commission Credit of [REDACTED] equals [REDACTED].

Eighth (8th) Month's Rental Payment of \$269,703.96 (of which \$188,991.85 is shell rent) minus prorated Commission Credit of [REDACTED] equals [REDACTED].

Ninth (9th) Month's Rental Payment of \$269,703.96 (of which \$188,991.85 is shell rent) minus prorated Commission Credit of [REDACTED] equals [REDACTED].

- K. In the event of a conflict between this SF-2 and other documents that are part of the Lease, the SF-2 shall govern.
- 6. This paragraph was intentionally deleted.
- 7. In the event of a conflict between this SF-2 and other documents that are part of the Lease, the SF-2 shall govern.



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

- a. Solicitation For Offers No. OMD2004, 61 pages
- b. Pre-Lease Security Plan, 6 pages
- c. GSA Form 1217: Lessor's Annual Cost Statement, 1 page
- d. GSA Form 3517B: General Clauses, 33 pages
- e. GSA Form 3518: Representations and Certifications, 8 pages
- f. Exhibit A: floor plan, 3 pages
- g. Attachment No. 4 Fire and Life Safety Report, 7 pages
- h. Fire / Life Safety Rider, 4 pages
- i. Attachment B. Seismic Certification and Seismic Rider, 2 pages
- j. Small Business Subcontracting Plan, 10 pages
- k. Amendment #1 to SFO OMD2004, 2 pages
- l. Amendment #2 to SFO OMD2004, 1 page

15/1/02 

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

104

By: _____



Andrew Nathan Authorized Signatory
(Printed Name and Title)

Date: 3/27/12

IN PRESENCE OF _____



Address: 2 Overhill Rd, Ste 425 Sec 3, Lk Ny 10583

UNITED STATES OF AMERICA

BY _____

James Phelan

Contracting Officer

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- d. GSA Form 3517B: General Clauses, 33 pages
- e. GSA Form 3518: Representations and Certifications, 8 pages
- f. Exhibit A: floor plan, 3 pages
- g. Attachment No. 4 Fire and Life Safety Report, 7 pages
- h. Fire / Life Safety Rider, 4 pages
- i. Attachment B. Seismic Certification and Seismic Rider, ¹⁵ pages
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Andrew Nathan Authorized Signatory
(Printed Name and Title)

Date: 3/27/12

IN PRESENCE OF 

Address: 2 Overhill Rd, Ste 425 Scarsdale NY 10583

UNITED STATES OF AMERICA


Contracting Officer