

LEASE NO. GS-11P-LMD12622

Standard Lease
GSA FORM L201WH (MAR 2013)

This Lease is made and entered into between

BDC Capital Properties, LLC

(Lessor), whose principal place of business is c/o Bernstein Management Corp., 5301 Wisconsin Avenue, Suite 600, Washington, DC 20015, 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 located at
9140 East Hampton Drive, Capitol Heights, MD 20743-3809

and more fully described in Section 1 and Exhibit A, 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 **December 22, 2013** and continuing through **December 21, 2023**, for a period of:

10 Years Firm

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 Less

[Redacted Signature]

FOR THE GOVERNMENT
[Redacted Signature]

Name: ROBERT S. SANDLER

Name: Larry Sutton

Title: EXP OF MANAGER

Title: Lease Contracting Officer

Entity Name: BDC CAPITAL PROPERTIES, LLC

General Services Administration, Public Buildings Service, NCR

Date: 2/25/2014

Date: 2/17/2014

WIT [Redacted Signature]

Name: Austin Herndon

Title: Vice President

Date: 2.25.14.

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: [Signature] GOVERNMENT: L.M.S

SECTION 1 THE PREMISES, RENT, AND OTHER TERMS

1.01 THE PREMISES (SUCCEEDING) (MAR 2013)

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.

The Premises are described as follows:

Warehouse and Related Space: 45,601 rentable square feet in accordance with ANSI/BOMA Standard Z65.2-2009 (for industrial buildings), not to include mezzanine space (hereinafter referred to as ANSI/BOMA RSF).

1.02 EXPRESS APPURTENANT RIGHTS (MAR 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: 21 parking spaces shall be reserved for the exclusive use of the Government, of which 21 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.
- B. INTENTIONALLY DELETED
- C. Antennas, Satellite Dishes, and Related Transmission Devices: Space located on the roof of the Building sufficient in size for the installation and placement of the telecommunications equipment as such may be described herein, together with the right to access the roof and use of, all Building areas (e.g., chases, plenums) necessary for the use, operation and maintenance of such equipment at all times during the term of this Lease.
- D. Route:
 - (1) At least one accessible route having no steps or abrupt changes in level shall connect with all accessible elements, spaces, buildings, and courses of passage. The minimum clear width of an accessible route shall be 36 inches. If an accessible route is less than 60 inches in width then it shall have level passing zones, spaced at no more than 200 feet apart, measuring a minimum of 60 inches by 60 inches.
 - (2) Objects projecting from walls with their leading edges between 27 and 80 inches above the finished floor shall protrude no more than 4 inches into an accessible route. Freestanding objects mounted on posts or pylons may overhang 12 inches maximum from 27 to 80 inches above the ground or the finished floor. Objects mounted with their leading edges at or below 27 inches above the finished floor may protrude any distance. However, no protruding objects shall reduce the clear width of an accessible route or maneuvering space. If vertical clearance of an area adjoining an accessible route is reduced to less than 80 inches, a barrier to warn blind or visually impaired persons shall be provided.
 - (3) Mechanical rooms and spaces which are not normally frequented by the public or occupants and are not part of an accessible or emergency route are excepted and need not be accessible.
 - (4) Gratings in a route surface shall have spaces no wider than ½ inch in one direction and shall be placed so that the long dimension of openings is perpendicular to the dominant direction of travel.
- E. Ramps: Any part of an accessible route with a slope greater than 1 foot rise in 20 feet shall be considered a ramp. Where ramps are necessary, they shall have a non-slip surface with a slope no greater than 1 foot rise in 12 feet. Ramps must have a minimum clear width of 3 feet with level landings at the top and bottom of each ramp run. Each landing shall be at least 5 feet in length and as wide as any ramp run leading into it. The maximum rise for any run shall be 30 inches. Intermediate landings for turning ramps shall measure a minimum of 5 feet by 5 feet. Handrails complying with "HANDRAILS" shall be provided on both sides of all ramps with a vertical rise greater than 6 inches. Ramps with drop-offs shall have curbs (minimum 2 inches high), walls, railings or projecting surfaces. Curb ramps shall

be provided wherever an accessible route crosses a curb. Curb ramps shall not interfere with walks or vehicular traffic. The maximum slope of a curb ramp shall be a 1 inch rise per 12 inch run. The maximum length of a curb ramp shall be 6 feet with a minimum width of 36 inches, exclusive of flared sides. If no other alternative is feasible, accessible platform lifts may be used in lieu of a ramp or elevator. Lifts shall have accessible controls and clearances, shall comply with applicable safety regulations, and should facilitate unassisted entry and exit.

1.03 RENT AND OTHER CONSIDERATION (SEP 2012)

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

	FIRM TERM ANNUAL RENT				
	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
SHELL RENT ¹	\$ 381,252.96	\$ 388,086.01	\$ 395,055.73	\$ 402,164.83	\$ 409,416.12
TENANT IMPROVEMENTS RENT ²	N/A	N/A	N/A	N/A	N/A
OPERATING COSTS ³	\$ 72,933.00	\$ 72,933.00	\$ 72,933.00	\$ 72,933.00	\$ 72,933.00
BUILDING SPECIFIC AMORTIZED CAPITAL ⁴	N/A	N/A	N/A	N/A	N/A
PARKING ⁵	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
TOTAL ANNUAL RENT⁶	\$ 454,185.96	\$ 461,019.01	\$ 467,988.73	\$ 475,097.83	\$ 482,349.12

	FIRM TERM ANNUAL RENT (CONTINUED)				
	YEAR 6	YEAR 7	YEAR 8	YEAR 9	YEAR 10
SHELL RENT ¹	\$ 416,812.44	\$ 424,356.68	\$ 432,051.81	\$ 439,900.84	\$ 447,906.85
TENANT IMPROVEMENTS RENT ²	N/A	N/A	N/A	N/A	N/A
OPERATING COSTS ³	\$ 72,933.00	\$ 72,933.00	\$ 72,933.00	\$ 72,933.00	\$ 72,933.00
BUILDING SPECIFIC AMORTIZED CAPITAL ⁴	N/A	N/A	N/A	N/A	N/A
PARKING ⁵	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
TOTAL ANNUAL RENT⁶	\$ 489,745.44	\$ 497,289.68	\$ 504,984.81	\$ 512,833.84	\$ 520,839.85

¹Shell Rent (Firm Term) calculation: \$8.360627 per RSF multiplied by 45,601 RSF (in Year 1). Shell Rent (less real estate taxes per Paragraph 1.14) escalates at 2.0% annually.

²There is no Tenant Improvement Allowance included in the rent.

³Operating Costs rent calculation: \$1.599373 per RSF multiplied by 45,601 RSF.

⁴There is no Building Specific Amortized Capital (BSAC) included in the rent.

⁵Parking costs are described under sub-paragraph G below.

⁶Operating Costs and Real Estate Taxes shall separately be adjusted in accordance with the terms of this Lease.

In instances where the Lessor amortizes either the TI or Building Specific Amortized Capital 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.

- B. Rent is subject to adjustment based upon a mutual on-site measurement of the Space upon acceptance, not to exceed 45,601 ABOA SF based upon the methodology outlined under the "Payment" clause of GSA Form 3517.
- C. Intentionally deleted.
- D. 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.
- E. 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 in the Lessor's System for Award Management (SAM). If the payee is different from the Lessor, both payee and Lessor must be registered in SAM.
- F. 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."

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- 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 (with the exclusion of janitorial, electricity, water and sewer, and gas), maintenance required for the proper operation of the Property, the Building, and the Leased 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. The Government shall be responsible for paying the cost of janitorial, electricity, water and sewer, and gas directly to the utility provider. The Lessor shall ensure that such utilities are separately metered. The Lessor shall provide and install as part of shell rent, separate meters for utilities. Sub-meters are not acceptable. The Lessor shall furnish in writing to the LCO, prior to occupancy by the Government, a record of the meter numbers and verification that the meters measure Government usage only. Proration is not permissible. In addition, an automatic control system shall be provided to assure compliance with heating and air conditioning requirements.
- G. Parking shall be provided at a rate of \$0.00 per parking space per month (Structure), and \$0.00 per parking space per month (Surface).

1.04 BROKER COMMISSION AND COMMISSION CREDIT (JUN 2012)

A. Jones Lang LaSalle 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 Jones Lang LaSalle 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.

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 1 Shell Rental Payment \$28,471.05 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted 1st Month's Shell Rent.*

Month 2 Shell Rental Payment \$28,471.05 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted 2nd Month's Shell Rent.*

Month 3 Shell Rental Payment \$28,471.05 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted 3rd Month's Shell Rent.*

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

1.05 ~~TERMINATION RIGHTS (AUG 2011)~~

INTENTIONALLY DELETED

1.06 ~~RENEWAL RIGHTS (AUG 2011)~~

INTENTIONALLY DELETED

1.07 DOCUMENTS INCORPORATED IN THE LEASE (SEP 2012)

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

DOCUMENT NAME	NO. OF PAGES	EXHIBIT
FLOOR PLAN(S)	1	A
BAR DEFICIENCIES RESPONSIBILITY MATRIX	1	B
GSA FORM 3517B GENERAL CLAUSES	47	C
GSA FORM 3518, REPRESENTATIONS AND CERTIFICATIONS	10	D
SMALL BUSINESS SUBCONTRACTING PLAN	15	E

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1.08 ~~TENANT IMPROVEMENT ALLOWANCE (AUG 2011)~~

INTENTIONALLY DELETED

1.09 ~~TENANT IMPROVEMENT RENTAL ADJUSTMENT (AUG 2011)~~

INTENTIONALLY DELETED

1.10 ~~TENANT IMPROVEMENT FEE SCHEDULE (JUN 2012)~~

INTENTIONALLY DELETED

1.11 ~~BUILDING SPECIFIC AMORTIZED CAPITAL (SEP 2012)~~

INTENTIONALLY DELETED

1.12 ~~BUILDING SPECIFIC AMORTIZED CAPITAL RENTAL ADJUSTMENT (SEP 2012)~~

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1.13 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 39.34 percent. The Percentage of Occupancy is derived by dividing the total Government Space of 45,601 RSF by the total Building space of 115,910 RSF.

1.14 REAL ESTATE TAX BASE (JUN 2012)

The Real Estate Tax Base, as defined in the "Real Estate Tax Adjustment" paragraph of the Lease is \$39,600.35.

1.15 OPERATING COST BASE (AUG 2011)

The parties agree that for the purpose of applying the paragraph titled "Operating Costs Adjustment" that the Lessor's base rate for operating costs shall be \$72,933.00 per annum (\$1.60 per RSF (rounded)).

1.16 ~~RATE FOR ADJUSTMENT FOR VACANT LEASED PREMISES (JUN 2012)~~

INTENTIONALLY DELETED

1.17 ~~HOURLY OVERTIME HVAC RATES (AUG 2011)~~

INTENTIONALLY DELETED

1.18 ~~24-HOUR HVAC REQUIREMENT (APR 2011)~~

INTENTIONALLY DELETED

1.19 BUILDING IMPROVEMENTS (SEP 2012)

The Lessor must also cure all deficiencies noted in Exhibit B, entitled "BAR DEFICIENCIES RESPONSIBILITY MATRIX."

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

INTENTIONALLY DELETED

LESSOR:  GOVERNMENT: 