

**LEASE NO. GS-03P-LVA00063**

This Lease is made and entered into between

**USAA Real Estate Company**

(Lessor), whose principal place of business is 9830 Colonnade Boulevard, San Antonio, Texas 78230-2209, 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

**5850 Lake Herbert Drive  
Norfolk, VA 23502-2235**

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 June 27, 2017 and continuing for a period of

**10 Years, 10 Years Firm,**

subject to termination rights, if any, 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:**

PH

Name: STANLEY R. ALTERMAN  
Executive Managing Director  
Title: \_\_\_\_\_  
Entity Name: USAA REAL ESTATE COMPANY  
Date: 8/17/16

**FOR THE GOVERNMENT:**

Name: Joe Beck  
Title: Lease Contracting Officer  
General Services Administration, Public Buildings Service  
Date: 9/20/2016

**WITNESSED FOR THE LESSOR BY:**

Name: Carol N. Bordemay  
Title: ADMINISTRATIVE ASSISTANT  
Date: 8/17/16

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.

**SECTION 1 THE PREMISES, RENT, AND OTHER TERMS**

**1.01 THE PREMISES (JUN 2012)**

The Premises are described as follows:

- A. Office and Related Space: **53,917** rentable square feet (RSF), yielding **50,591** ANSI/BOMA Office Area (ABOA) square feet (SF) of office and related Space located on the 1<sup>st</sup> through 3<sup>rd</sup> floor(s) 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 **7** 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.

**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: **234** Parking spaces as depicted on the plan attached hereto as Exhibit B, reserved for the exclusive use of the Government. 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. 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. All costs associated with such equipment shall be borne by the Government. The Government's right to affix [REDACTED], parapet or building envelope shall be at no additional cost, but shall be subject to space availability, code compliance, governmental approvals, screening and aesthetic requirements and the right of other tenants (if any), and shall not interfere with the Building's systems or warranties.

**1.03 RENT AND OTHER CONSIDERATION (AAP VARIATION (APR 2015))**

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

	FIRM TERM 6/27/2017 – 6/26/2027
	ANNUAL RENT
SHELL RENT <sup>1</sup>	\$ 933,403.95
TENANT IMPROVEMENTS RENT <sup>2</sup>	\$ 101,182.00
OPERATING COSTS <sup>3</sup>	\$ 363,749.29
BUILDING SPECIFIC AMORTIZED CAPITAL (BSAC) <sup>4</sup>	\$ 30,354.60
<b>TOTAL ANNUAL RENT</b>	<b>\$1,428,689.84</b>

<sup>1</sup>Shell rent calculation:  
(Firm Term) \$18.45 per ABOA SF multiplied by 50,591 ABOA SF  
<sup>2</sup>The Tenant Improvement Allowance of \$20.00 per ABOA (total TI amount \$1,011,820.00) is amortized at a rate of 0 percent per annum over 10 years.  
<sup>3</sup>Operating Costs rent calculation: \$7.19 per ABOA SF multiplied by 50,591 ABOA SF  
<sup>4</sup>Building Specific Amortized Capital (BSAC) of \$6.00 per ABOA are amortized at a rate of 0 percent per annum over 10 years

- B. 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.
- C. If the Government leases the Premises for less than a full calendar month at the beginning or end of the lease term, then rent shall be prorated based on the actual number of days the lease is in effect for that month.
- D. 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.
- 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 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.

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."

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.

G. The Government shall be entitled to free rent in the amount of \$582,808.32, to be applied against the monthly fully serviced rental payment until exhausted. The free rent shall commence with the first month of the Lease and continue until the free rent has been fully recaptured in equal monthly installments over the shortest time practicable. It is anticipated that the free rent will be exhausted following the six month of the lease.

1.04 INTENTIONALLY DELETED

1.05 INTENTIONALLY DELETED

1.06 INTENTIONALLY DELETED

1.07 DOCUMENTS INCORPORATED IN THE LEASE (AAP VARIATION (APR 2015))

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

DOCUMENT NAME	NO. OF PAGES	EXHIBIT
FLOOR PLAN(S)	3	A
PARKING PLAN(S)	1	B
SECURITY REQUIREMENTS	6	C
GSA FORM 3517B GENERAL CLAUSES	15	D
GSA FORM 3518-SAM, ADDENDUM TO SYSTEM FOR AWARD MANAGEMENT (SAM) REPRESENTATIONS AND CERTIFICATIONS (ACQUISITIONS OF LEASEHOLD INTERESTS IN REAL PROPERTY)	2	E

1.08 TENANT IMPROVEMENT RENTAL ADJUSTMENT (SEP 2015)

A. The Tenant Improvement Allowance (TIA) for purposes of this Lease is \$20.00 per ABOA SF. The TIA is the amount that the Lessor shall make available for the Government to be used for TIs. This amount is amortized in the rent over the Firm Term of this Lease at an annual interest rate of 0 percent.

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 additional free rent to be taken at a time of the Government's choosing.

C. 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 INTENTIONALLY DELETED

1.10 BUILDING SPECIFIC AMORTIZED CAPITAL (SEP 2012)

For purposes of this Lease, the Building Specific Amortized Capital (BSAC) is \$6.00 per ABOA SF. The Lessor will make the total BSAC amount available to the Government, which will use the funds for security related improvements. This amount is amortized in the rent over the Firm Term of this lease at an annual interest rate of 0 percent.

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 additional free rent to be taken at a time of the Government's choosing.

B. 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 100 percent. The Percentage of Occupancy is derived by dividing the total Government Space of 53,917 RSF by the total Building space of 53,917 RSF.

**1.13 INTENTIONALLY DELETED**

**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 \$7.19 per ABOA SF (\$363,749.29/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 by \$1.50 per ABOA SF of Space vacated by the Government.

**1.16 HOURLY OVERTIME HVAC RATES (AUG 2011)**

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

- \$ 50.00 per hour for the entire Space.

**1.17 INTENTIONALLY DELETED**

**1.18 INTENTIONALLY DELETED**

If the Lessor is a qualified HUBZone small business concern (SBC) that did not waive the price evaluation preference then as required by 13 C.F.R. 126.700, the HUBZone SBC must spend at least 50% of the cost of the contract incurred for personnel on its own employees or employees of other qualified HUBZone SBC's and must meet the performance of the work requirements for subcontracting in 13 C.F.R. § 125.6(c). If the Lessor is a HUBZone joint venture, the aggregate of the qualified HUBZone SBC's to the joint venture, not each concern separately, must perform the applicable percentage of work required by this clause.



**34. 52.233-1 DISPUTES (MAY 2014)**

*This clause is incorporated by reference.*

**35. 52.222-26 EQUAL OPPORTUNITY (APR 2015)**

*This clause is incorporated by reference.*

**36. 52.222-21 PROHIBITION OF SEGREGATED FACILITIES (APR 2015)**

*This clause is incorporated by reference.*

**37. 52.219-28 POST-AWARD SMALL BUSINESS PROGRAM REREPRESENTATION (JUL 2013)**

(Applicable to leases exceeding the micro-purchase threshold.)

*This clause is incorporated by reference.*

**38. 52.222-35 EQUAL OPPORTUNITY FOR VETERANS (OCT 2015)**

(Applicable to leases \$150,000 or more, total contract value.)

(a) Definitions. As used in this clause—

“Active duty wartime or campaign badge veteran,” “Armed Forces service medal veteran,” “disabled veteran,” “protected veteran,” “qualified disabled veteran,” and “recently separated veteran” have the meanings given at FAR [22.1301](#).

(b) Equal opportunity clause. The Contractor shall abide by the requirements of the equal opportunity clause at 41 CFR 60-300.5(a), as of March 24, 2014. This clause prohibits discrimination against qualified protected veterans, and requires affirmative action by the Contractor to employ and advance in employment qualified protected veterans.

(c) Subcontracts. The Contractor shall insert the terms of this clause in subcontracts of \$150,000 or more unless exempted by rules, regulations, or orders of the Secretary of Labor. The Contractor shall act as specified by the Director, Office of Federal Contract Compliance Programs, to enforce the terms, including action for noncompliance. Such necessary changes in language may be made as shall be appropriate to identify properly the parties and their undertakings.

**39. 52.222-36 EQUAL OPPORTUNITY FOR WORKERS WITH DISABILITIES (JUL 2014)**

(Applicable to leases over \$15,000 total contract value.)

(a) *Equal opportunity clause.* The Contractor shall abide by the requirements of the equal opportunity clause at 41 CFR 60-741.5(a), as of March 24, 2014. This clause prohibits discrimination against qualified individuals on the basis of disability, and requires affirmative action by the Contractor to employ and advance in employment qualified individuals with disabilities.

(b) *Subcontracts.* The Contractor shall include the terms of this clause in every subcontract or purchase order in excess of \$15,000 unless exempted by rules, regulations, or orders of the Secretary, so that such provisions will be binding upon each subcontractor or vendor. The Contractor shall act as specified by the Director, Office of Federal Contract Compliance Programs of the U.S. Department of Labor, to enforce the terms, including action for noncompliance. Such necessary changes in language may be made as shall be appropriate to identify properly the parties and their undertakings.

**40. 52.222-37 EMPLOYMENT REPORTS ON VETERANS (FEB 2016)**

(Applicable to leases \$150,000 or more, total contract value.)

*This clause is incorporated by reference.*

INITIALS: SA & AB  
LESSOR & GOVERNMENT

**41. 52.209-6 PROTECTING THE GOVERNMENT'S INTEREST WHEN SUBCONTRACTING WITH CONTRACTORS DEBARRED, SUSPENDED, OR PROPOSED FOR DEBARMENT (OCT 2015)**

(Applicable to leases over \$35,000 total contract value.)

*This clause is incorporated by reference.*

**42. 52.215-12 SUBCONTRACTOR CERTIFIED COST OR PRICING DATA (OCT 2010)**

(Applicable if over \$750,000 total contract value.)

*This clause is incorporated by reference.*

**43. 52.219-8 UTILIZATION OF SMALL BUSINESS CONCERNS (OCT 2014)**

(Applicable to leases over the Simplified Lease Acquisition Threshold.)

*This clause is incorporated by reference.*

**44. 52.219-9 SMALL BUSINESS SUBCONTRACTING PLAN (OCT 2015) ALTERNATE III (OCT 2015)**

(Applicable to leases over \$700,000 total contract value.)

*This clause is incorporated by reference.*

**45. 52.219-16 LIQUIDATED DAMAGES—SUBCONTRACTING PLAN (JAN 1999)**

(Applicable to leases over \$700,000 total contract value.)

*This clause is incorporated by reference.*

**46. 52.204-10 REPORTING EXECUTIVE COMPENSATION AND FIRST-TIER SUBCONTRACT AWARDS (OCT 2015)**

(Applicable if over \$30,000 total contract value.)

*This clause is incorporated by reference.*

**47. 52.219-73 GOALS FOR SUBCONTRACTING PLAN (JUN 2005), ALTERNATE I (SEP 1999)**

(Applicable if over \$700,000 total contract value.)

*This clause is incorporated by reference.*

INITIALS: SA & [Signature]  
LESSOR & GOVERNMENT

## EXHIBIT E

**ADDENDUM to the System for Award Management (SAM)  
REPRESENTATIONS AND CERTIFICATIONS (Acquisitions  
of Leasehold Interests in Real Property)**

**Request For Lease Proposals  
Number: 16-Reg3**

**Dated**

*Complete appropriate boxes, sign the form, and attach the offer.*

*The Offeror makes the following additional Representations. NOTE: The "Offeror," as used on this form, is the owner of the property offered, not an individual or agent representing the owner.*

### **1. ANNUAL REPRESENTATIONS AND CERTIFICATIONS FOR LEASEHOLD ACQUISITIONS (APR 2015)**

- (a) (1) The North American Industry Classification System (NAICS) code for this acquisition is 531120, unless the real property is self-storage (#531130), land (#531190), or residential (#531110).
- (2) The small business size standard is 38.5 Million in annual average gross revenue of the concern for the last 3 fiscal years.
- (3) The small business size standard for a concern which submits an offer in its own name, other than on a construction or service contract, but which proposes to furnish a product which it did not itself manufacture, is 500 employees.
- (b) The System for Award Management (SAM) is a centrally located, searchable database which assists in the development, maintenance, and provision of sources for future procurements. The Offeror, by signing this addendum, hereby certifies he is registered in SAM.

Registration Active and Copy Attached


### **2. 552.203-72 REPRESENTATION BY CORPORATIONS REGARDING AN UNPAID DELINQUENT FEDERAL TAX LIABILITY OR A FELONY CONVICTION UNDER ANY FEDERAL LAW (DEVIATION) (OCT 2013)**

- (a) In accordance with Sections 630 and 631 of Division of the Consolidated Appropriations Act, 2012 (Pub. L. 112-74), and Section 101 of the Continuing Appropriations Act, 2014 (Pub. L. 113-16) none of the funds made available by the Continuing Appropriations Act 2014 may be used to enter into a contract action with any corporation that---
  - (1) Has any unpaid Federal tax liability that has been assessed, for which all judicial and administrative remedies have been exhausted or have lapsed, and that is not being paid in a timely manner pursuant to an agreement with the authority responsible for collecting the tax liability, where the awarding agency is aware of the unpaid tax liability, unless the agency has considered suspension or debarment of the corporation and made a determination that this further action is not necessary to protect the interests of the Government, or
  - (2) Was convicted, or had an officer or agent of such corporation acting on behalf of the corporation convicted of a felony criminal violation under any Federal law within the preceding 24 months, where the awarding agency is aware of the conviction, unless the agency has considered suspension or debarment of the corporation or such officer

or agent and made a determination that this action is not necessary to protect the interests of the Government.

(b) The Contractor represents that—

- (1) It is  is not  a corporation that has any unpaid Federal tax liability that has been assessed, for which all judicial and administrative remedies have been exhausted or have lapsed, and that is not being paid in a timely manner pursuant to an agreement with the authority responsible for collecting the tax liability.
- (2) It is  is not  a corporation that was convicted, or had an officer or agent of the corporation acting on behalf of the corporation, convicted of a felony criminal violation under any Federal law within the preceding 24 months.

OFFEROR OR LEGALLY AUTHORIZED REPRESENTATIVE	NAME, ADDRESS (INCLUDING ZIP CODE) NAME: USAA Real Estate Company STREET: 9830 Colonnade Boulevard CITY, STATE, ZIP: San Antonio, Texas 78230   Signature	TELEPHONE NUMBER  <u>8/17/16</u> Date
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*Handwritten initials/signatures in blue ink.*