

LEASE NO. GS-11P-LVA00263

Standard Lease
GSA FORM L201C (September 2013)

This Lease is made and entered into between

Third Crystal Park Associates Limited Partnership

("the Lessor") whose principal place of business is c/o Vornado/Charles E. Smith L.P., 2345 Crystal Drive, Suite 1100, Arlington, Virginia 22202-4801 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

2231 Crystal Drive, Arlington, Virginia 22202-4801

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

10 Years, 5 Years Firm,

Beginning on December 22, 2016 (the "Lease Term Commencement Date") and continuing through December 21, 2026.

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

Name: Mitchell N. Shear

Title: Executive Vice President

Entity Name: Third Crystal Park Associates Limited Partnership

Date: 1/10/2017

WITNESSED FOR THE LESSOR BY:

Name: Claire Folts

Title: Executive Assistant

Date: 1/10/17

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.

FOR THE GOVERNMENT:

Name: Lisa Richmond

Title: Lease Contracting Officer

General Services Administration, Public Buildings Service

Date: _____

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: 15,236 rentable square feet (RSF), yielding 12,590 ANSI/BOMA Office Area (ABOA) square feet (SF) of office and related Space located on a portion of the 5th floor in Suite 520 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 1.210166799 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) MODIFIED IN SECTION 7

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: No parking spaces are included in the rent. If required by the Government, the Lessor shall make available to lease such additional parking up to nineteen (19) parking permits at the rates listed below in Paragraph 1.03.
- B. Antennas, Satellite Dishes, and Related Transmission Devices: Space located on the roof of the Building sufficient in size for the installation and placement of telecommunications equipment, the right to access the roof of the Building, and 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.

1.03 RENT AND OTHER CONSIDERATION (SEP 2013)

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

	FIVE YEAR FIRM TERM DECEMBER 22, 2016 THROUGH DECEMBER 21, 2021	NON FIRM TERM DECEMBER 22, 2021 THROUGH DECEMBER 21, 2026
	ANNUAL RENT	ANNUAL RENT
SHELL RENT	\$469,355.20 ¹	\$534,823.20
TENANT IMPROVEMENTS RENT	\$50,360.00 ²	\$0.00
OPERATING COSTS	\$91,025.70 ³	\$91,025.70
BUILDING SPECIFIC AMORTIZED CAPITAL (BSAC)	\$15,108.00 ⁴	\$0.00
PARKING PERMITS	N/A ⁵	N/A
TOTAL ANNUAL RENT	\$625,848.90	\$625,848.90

¹Shell rent (Firm Term) calculation: \$30.80567078 per RSF (or \$37.28 per ABOA) multiplied by 15,236 BRSF.
²The Tenant Improvement Allowance is \$50,360.00 amortized at \$4.00 per ABOA at a rate of 0.00 percent per annum over 5 years.
³Operating Costs rent calculation: \$91,025.70 amortized at \$5.97438304 per RSF (or \$7.23 per ABOA) multiplied by 15,236 BRSF.
⁴The total Building Specific Security Costs is \$15,108.00 amortized at \$.991598844 per BRSF (or \$1.20 per ABOA) at a rate of 0.00% percent per annum over 5 years.
⁵The rental rate does not include parking permits.

In instances where the Lessor amortizes either the TI or BSAC 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 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 15,236 ABOA SF based upon the methodology outlined under the "Payment" clause of GSA Form 3517.
- C. 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.
- 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 is subject to adjustments 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.

F. 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 Central Contractor Registration (CCR), now the System for Award Management (SAM). If the payee is different from the Lessor, both payee and Lessor must be registered in SAM.

G. 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.

H. Parking shall be provided at a rate of \$412.70 per parking permit per month (reserved/inside), and \$206.35 per parking permit per month (unreserved/inside).

1.04 RENT CONCESSIONS (JUN 2012)

The Government shall be entitled to 10.30 (ten and three tenths) months of free rent in the amount of \$537,186.97 to be applied against the monthly fully serviced rental payment until exhausted. Plus an additional [REDACTED] Broker Commission in the amount of [REDACTED] which has been converted into free rent. For a grand total of \$640,869.27 in free rent. 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.

1.05 TERMINATION RIGHTS (AUG 2011)

The Government may terminate this Lease, in whole or in part, at any time effective after the Firm Term of this Lease, by providing not less than 180 days' prior written notice to the Lessor. The effective date of the termination shall be the day following the expiration of the required notice or the Government's removal of telephones, furniture, equipment and all personal property, whichever is later. No rental shall accrue after the effective date of termination. The Government's right to terminate the lease for a portion of the leased premises, shall be subject to the terminated premises being configured to be marketable and meeting local code fire and lift safety distances.

1.06 DOCUMENTS INCORPORATED IN THE LEASE (SEP 2013)

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

DOCUMENT NAME	NO. OF PAGES	EXHIBIT
FLOOR PLAN(S)	1	A
SECURITY REQUIREMENTS – LEVEL II	6	B
GSA FORM 3517B GENERAL CLAUSES	46	C
GSA FORM 3518-SAM, ADDENDUM TO SYSTEM FOR AWARD MANAGEMENT (SAM) REPRESENTATIONS AND CERTIFICATIONS (ACQUISITIONS OF LEASEHOLD INTERESTS IN REAL PROPERTY)	2	D
SMALL BUSINESS SUBCONTRACTING PLAN	8	E
SOLICITATION ATTACHMENT #1 – RATE STRUCTURE	1	F
SOLICITATION ATTACHMENT #2 – CONSTRUCTION SCHEDULE	1	G
PRE-LEASE FIRE PROTECTION AND LIFE SAFETY EVALUATION	15	H
FIRE PROTECTION LIFE SAFETY RIDER #1	2	I
GSA FORM 1217 – LESSOR'S ANNUAL COST STATEMENT	1	J
SECURITY RIDER #2	1	K
LESSOR'S LETTER OF ENERGY STAR IMPROVEMENTS	1	L

1.07 TENANT IMPROVEMENT ALLOWANCE (AUG 2011)

The Tenant Improvement Allowance (TIA) for purposes of this Lease is \$251,800.00. The TIA is the amount that the Lessor shall make available for the Government to be used for TIs. This total amount of \$251,800.00 is amortized in the rent over the Firm Term of this Lease at an annual interest rate of zero percent (0%). The tenant improvement allowance is available solely for tenant improvements required by the Government for occupancy of the existing user. Upon completion of improvements in the Leased Premises by the Lessor and acceptance thereof by the Government, the cost of improvements shall be memorialized in a Lease Amendment (LA) along with the amortization payment amount and revised rent. In the event the total cost of tenant improvements is greater than the \$251,800.00 already included in the annual rent as set forth in Paragraph 1.03, then the rent shall be

adjusted accordingly. The Government reserves the right to convert any unused portion of the \$251,800.00 of this allowance as a rental abatement (which shall be applied to the most current installments of rent then due until exhausted) or to reduce the annual rent as set forth in Paragraph 1.03; any such action thus taken shall be memorialized by LA along with the amortization payment amount and revised rent.

1.08 TENANT IMPROVEMENT RENTAL ADJUSTMENT (SEP 2013)

A. 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 a decrease in rent according to the agreed-upon amortization rate over the Firm Term.

B. The Government may elect to make lump sum payments for any or all work covered by the TIA. That part of the TIA amortized in the rent shall be reduced accordingly. At any time after occupancy and during the Firm Term of the Lease, the Government, at its sole discretion, may elect to pay lump sum for any part or all of the remaining unpaid amortized balance of the TIA. If the Government elects to make a lump sum payment for the TIA after occupancy, the payment of the TIA by the Government will result in a decrease in the rent according to the amortization rate over the Firm Term of the Lease.

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, and
3. Negotiate an increase in the rent to amortize additional TI funds into the rent, subject to the approval of the Lessor.

1.09 TENANT IMPROVEMENT FEE SCHEDULE (JUN 2012)

For pricing TI costs, the following rates shall apply for the initial build-out of the Space.

	INITIAL BUILD-OUT
ARCHITECT/ENGINEER FEES (\$ PER ABOA SF OR % OF TI CONSTRUCTION COSTS)	\$4.85
LESSOR'S PROJECT MANAGEMENT FEE (% OF TI CONSTRUCTION COSTS)	10.00%

*Lessor's Project Management Fee includes General Contractor's overhead and profit, General contractor's general conditions, and Offeror's construction and management/coordination fees.

1.10 BUILDING SPECIFIC AMORTIZED CAPITAL (SEP 2012)

For purposes of this Lease, the Building Specific Amortized Capital (BSAC) is \$1.20 per ABOA SF annually. 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 zero 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 a decrease in rent (where applicable) according to the agreed-upon amortization rate over the Firm Term.

B. The Government may elect to make lump-sum payments for any work covered by the BSAC. The part of the BSAC amortized in the rent shall be reduced accordingly. At any time after occupancy and during the Firm Term of the Lease, the Government, at its sole discretion, may elect to pay a lump sum for any part or all of the remaining unpaid amortized balance of the BSAC. If the Government elects to make a lump-sum payment for the BSAC after occupancy, the payment of the BSAC by the Government will result in a decrease in the rent according to the amortization rate over the Firm Term of the Lease.

C. 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 3.25% percent. The Percentage of Occupancy is derived by dividing the total Government Space of 15,236 RSF by the total Building space of 468,679 RSF.

1.13 REAL ESTATE TAX BASE (SEP 2013)

The Real Estate Tax Base, shall be as defined in the "Real Estate Tax Adjustment" paragraph of the Lease. Tax adjustments shall not occur until the tax year following lease commencement has passed.

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 \$7.23 per ABOA (or \$5.97438304 per BRSF) or \$91,025.70/annum for the entire premises.

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 \$1.00 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:"

The Lessor and the Government shall mutually agree upon an acceptable rate for overtime HVAC services. No engineer or building staff shall be provided during overtime hours. In the event the Government requires staff on site during overtime hours, the Government shall reimburse the Lessor at the then current hourly rate applicable to such overtime hours, with a four hour minimum charge applicable to such overtime labor.

1.17 24-HOUR HVAC REQUIREMENT (APR 2011)

The hourly overtime HVAC rate specified above shall not apply to any portion of the Premises that is required to have heating and cooling 24 hours per day. If 24-hour HVAC is required by the Government for any designated rooms or areas of the Premises, such services shall be provided by the Lessor at a rate to be negotiated when service is requested. Notwithstanding the foregoing, Lessor shall provide this service at no additional cost to the Government if the Lessor provides this service to other tenants in the Building at no additional charge.

1.18 BUILDING IMPROVEMENTS (SEP 2012)

The Lessor shall complete the following additional Building improvements:

A. Fire & Life Safety: Lessor shall, at Lessor's sole cost and expense, shall perform all fire and life safety upgrades outlined in the attached Exhibit I, Fire and Life Safety Rider Number within 120 calendar days of the Lessor and the Government mutual execution of the lease.

1.19 HUBZONE SMALL BUSINESS CONCERNS ADDITIONAL PERFORMANCE REQUIREMENTS (MAR 2012)

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.

SECTION 2 GENERAL TERMS, CONDITIONS, AND STANDARDS

2.01 DEFINITIONS AND GENERAL TERMS (SEP 2013)

Unless otherwise specifically noted, all terms and conditions set forth in this Lease shall be interpreted by reference to the following definitions, standards, and formulas:

- A. Appurtenant Areas. Appurtenant Areas are defined as those areas and facilities on the Property that are not located within the Premises, but for which rights are expressly granted under this Lease, or for which rights to use are reasonably necessary or reasonably anticipated with respect to the Government's enjoyment of the Premises and express appurtenant rights.
- B. Broker. If GSA awarded this Lease using a contract real estate broker, Broker shall refer to GSA's broker.
- C. Building. The building(s) situated on the Property in which the Premises are located shall be referred to as the Building(s).
- D. Commission Credit. If GSA awarded this Lease using a Broker, and the Broker agreed to forego a percentage of its commission to which it is entitled in connection with the award of this Lease, the amount of this credit is referred to as the Commission Credit.
- E. Common Area Factor (CAF). The Common Area Factor (CAF) is a conversion factor determined by the Building owner and applied by the owner to the ABOA SF to determine the RSF for the leased Space. The CAF is expressed as a percentage of the difference between the amount of rentable SF and ABOA SF, divided by the ABOA SF. For example 11,500 RSF and 10,000 ABOA SF will have a CAF of 15% [(11,500 RSF-