

U.S. GOVERNMENT  
LEASE FOR REAL PROPERTY

DATE OF LEASE:

AUG 30 2010

LEASE #GS-11B-02191

THIS LEASE, made and entered into this date between CESC Mall L.L.C.

c/o Vornado Charles E. Smith L.P.  
2345 Crystal Drive, Suite 1000  
Arlington, Virginia 22202

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.

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

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

A total of 102,238 BOMA rentable square feet (BRSF) equivalent to 83,456 ANSI/BOMA Office Area square feet (ABOA SF) of office, storage and related space, hereinafter referred to as the "Leased Premises", consisting of a portion of the 3<sup>rd</sup> Floor (5,266 BRSF/4,322 ABOA SF), and the entirety of Floors 4 thru 9; (4<sup>th</sup> Floor-16,162 BRSF/13,197 ABOA SF), (5<sup>th</sup> Floor-16,162 BRSF/13,186 ABOA SF), (6<sup>th</sup> Floor-16,162 BRSF/13,198 ABOA SF), (7<sup>th</sup> Floor-16,162 BRSF/13,188 ABOA SF), (8<sup>th</sup> Floor-16,162 BRSF/13,180 ABOA SF), (and 9<sup>th</sup> Floor-16,162 BRSF/13,185 ABOA SF), as noted on the attached floor plans, "Exhibit A" and made part hereof, in the building known as 1800 South Bell Street, located at 1800 South Bell Street, Arlington, Virginia 22202.

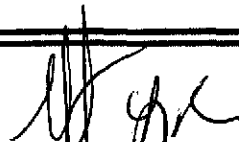
To be used for office and related purposes as determined by the Government.

2. TO HAVE AND TO HOLD the said premises with their appurtenances for a ten (10) year lease term, with cancellation rights after five (5) years, commencing on October 2, 2010, and ending on October 1, 2020, subject to cancellation rights as shown in paragraph 4.
3. The Government shall pay the Lessor annual rent of \$3,782,806.00 (\$37.00 per BRSF) payable at a rate of \$315,233.83 per month in arrears. Rent for a lesser period shall be prorated. This rent is inclusive of a Tenant Improvement Allowance as provided in Paragraph 6.B below, a base for operating expenses and real estate taxes. Rent checks shall be made payable to: CESC Mall L.L.C., c/o Vornado/Charles E. Smith L.P., P.O. Box 642006, Pittsburgh, PA 15264-2006 or in accordance with the provisions of electronic payment of funds.
4. The Government shall have the right to cancel this lease, in whole and not in part, effective at any time after October 1, 2015 with one year prior written notice delivered to the Lessor. Notice shall be computed from the date of receipt by Lessor.
5. (This Paragraph has been intentionally deleted.)
6. The Lessor shall furnish to the Government, as part of the rental consideration, the following:
  - A. All services including utilities, alterations, repairs, and janitorial services during "normal hours", and maintenance, as well as any other rights and privileges stipulated by this Lease, the SFO and its Attachments included as a component of the rent. The normal working hours for the building shall be 7:00 AM to 6:00 PM except Saturdays, Sundays and

  
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federal holidays. Notwithstanding the foregoing, the Government shall reimburse the Lessor for all electricity consumed by the Liebert Units (see Rider #1, item #1) and any new special equipment required by the Government and for the sole use of the Government.

- B. The Lessor shall provide to the Government a Tenant Improvement Allowance of \$417,280.00 (\$5.00 per ABOA SF). Such Allowance shall be available, in full, immediately upon execution of this Lease, but shall be held by the Lessor until directed by the Government on how the disbursement of funds shall occur. The Government shall have the full latitude to direct the disbursement of funds in accordance with the SFO and/or to offset the Government's rental obligation to the Lessor. This Tenant Improvement Allowance is included in the rent, with the \$5.00 per ABOA SF being amortized at a rate of 0% over the first five (5) years of the Lease Term. If the Government does not utilize the entire Tenant Improvement Allowance included in the rent, the Government pursuant to SFO paragraphs 3.3 shall adjust the rent for the remaining portion of the first five (5) years of the Lease Term downward using the 0% amortization rate.
- C. In accordance with Paragraph 2.6 "Broker Commissions" of the SFO, CB Richard Ellis is the authorized real estate broker representing the Government in connection with this lease transaction. The Lessor and CB Richard Ellis have agreed to a cooperating lease commission of [REDACTED] of the Lease value for the firm five (5) year portion of the Lease Term only. The total amount of the commission is [REDACTED]. CB Richard Ellis has agreed to forego [REDACTED] of the commission that it is entitled to receive in connection with this lease transaction ("Commission Credit"). The Government's Commission Credit is [REDACTED] and shall be paid as a rent credit applied to the first month's rent from October 2, 2010 thru October 31, 2010. The balance due to the Lessor, representing the first month's rent shall be [REDACTED]. The Lessor agrees to pay CB Richard Ellis the Commission less the Commission Credit in the amount of [REDACTED] which shall be due 50% upon the Lessor and the Government's mutual execution of this Lease, with the balance of the payment due upon the commencement date of the Lease Term. The commission shall be paid within 30 days of the Lessor's receipt of an invoice.
- D. For purposes of Paragraph 4.2 of the SFO, as of the date hereof, the Government's percentage of occupancy for tax purposes is 47.10%, based on occupancy of 102,238 BRSF in a building of 217,083 BRSF.
- E. The base amount for operating costs adjustments is \$575,204.79 (\$5.63 per BRSF) which shall be adjusted annually by the CPI in accordance with Paragraph 4.3 of the SFO.
- F. For purposes of this Lease, the "Common Area Factor" is determined to be 1.2251 calculated as follows: 102,238 BRSF / 83,456 ABOA SF.
- G. Notwithstanding anything to the contrary, pursuant to SFO paragraph 4.4, the adjustment to the rent for space previously occupied by the Government and then vacated is \$1.21 per ABOA SF. The adjustment for vacant space premises shall only be applicable for fully vacated floors.
- H. The cost for HVAC Overtime services shall be \$50.00 per hour for the first year of the lease only and such rate shall not apply to more than 200 hours of usage. Thereafter, the HVAC overtime rate shall be negotiated, but shall not exceed \$62.00 per hour. The overtime HVAC rate does not include the cost of engineer services or a maintenance mechanic during such overtime hours. In the event that an engineer or maintenance mechanic is requested by the tenant, the rate for said services shall be negotiated. The Government reserves the right to have the Lessor provide documentation confirming the overtime HVAC rate which reflects the actual costs incurred by the Lessor.

  
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I. The rate for non-reserved parking shall be \$1,920.00 per permit per year and \$3,840.00 per permit per year for reserved parking during the first lease year. Thereafter the annual rate for parking shall be subject to annual escalations in accordance with prevailing market rates for Crystal City, Virginia. A separate agreement will be required for parking.

J. If there is any conflict between this SF-2 and the Rider #1 and the balance of the lease, the terms specified in this SF-2 and Rider #1 shall govern.

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

- A. Floor plans of leased area, 7 pages;
- B. Solicitation for Offers #8VA2049, 57 pages;
- C. Rider #1 – 2 pages;
- D. Rider #2 – Fire Protection and Life Safety Corrections; 1 page;
- E. Rider #3 – HVAC Unit List – 2 pages;
- F. GSA Form 1364 – Proposal to Lease Space, 2 pages;
- G. GSA Form 1217 – Lessor's Cost Statement, 2 pages;
- H. Attachment #4 – Fire Protection and Life Safety Evaluation; 12 pages;
- I. Pre-Lease Security Plan, 8 pages;
- J. Certificate of Seismic Certification, 1 Page;
- K. GSA Form 3517B, General Clauses, 33 pages;
- L. GSA Form 3518, Representations And Certifications, 7 pages;
- M. Small Business Subcontracting Plan, 13 pages.

8. The following changes were made in this lease prior to its execution:  
Paragraph 5 has been deleted in the entirety.

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

Le \_\_\_\_\_  
By \_\_\_\_\_ 2345 Crystal Dr, suite 1000  
Arlington, VA 22202  
\_\_\_\_\_  
(Address)  
resident

\_\_\_\_\_ 2345 Crystal Dr, suite 1000  
Arlington, VA 22202  
\_\_\_\_\_  
(Address)

U \_\_\_\_\_  
B \_\_\_\_\_ CONTRACTING OFFICER, GSA, NCR  
Lisa Richmond