STANDARD FORM 2 **FEBRUARY 1965 EDITION** GENERAL SERVICES ADMINISTRATION FPR (41CFR) 1D16.601

U.S. GOVERNMENT LEASE FOR REAL PROPERTY

DATE OF LEASE:

Jan. 7

2011

LEASE No.:

GS-11B-<u>02</u>Z69

THIS LEASE, made and entered into this date by and between:

Wilson Plaza East, LLC

whose address is:

c/o The Wade Company, LLC 1800 N. Kent Street, Suite 906 Arlington, VA 22209

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

A. A total of 243,000 BOMA Rentable Square Feet (BRSF) of which 176,676 BRSF is existing leased premises and 66,324 BRSF is expansion premises [yielding approximately 206,390 ANSI/BOMA Office Area Square Feet (ABOA) of which 150,113 ABOA is existing leased premises and 56,277 ABOA is expansion premises] located on full floors 1-8 and partial floors on PL, B4, and 9-12 of the building known as Pomponio Plaza East or Plaza East, located at 1800 N Kent Street, Arlington, Virginia 22209, to be used for SUCH OFFICE AND RELATED PURPOSES AS DETERMINED BY THE GOVERNMENT (See table below and Rider No. 1, SFO #2010 and its Attachments paragraph #2 for breakdown of existing leased premises and expansion space to be leased).

B. Included in the rent are 14 reserved structured parking spaces for exclusive use of official Government vehicles.

Premises	Location of Space within Building	BRSF	ABOA	
Existing Leased Premises	Full Floors 1-8, Partial Floors: PL, B-4, 10, 11, 12	176,676	150,113	
Expansion Premises A	Partial Floors: 11 and 12 (balance of floors)	27,563	23,110	
Expansion Premises B	Partial Floors: 9, 10, PL	38,761		
Totals		243,000	206,390	

2. Rent Commencement Date and Lease Term: TO HAVE AND TO HOLD the said premises with their appurtenances for a term beginning on May 1, 2010 and ending on November 30, 2020 for up to 243,000 BRSF of leased space, subject to renewal rights as may be hereinafter set forth. This is a succeeding lease to lease GS-11B-00201.

CONTINUED ON PAGE 2

1 of 4

STANDARD FORM 2 LEASE No.: GS-11B-02269

3. Annual Rent:

- A. Effective May 1, 2010, the Government shall pay the Lessor annual base rent of \$6,697,787.16 (\$37.91/BRSF) at the rate of \$558,148.93 per month in arrears for 176,676 BRSF of existing leased premises.
- B. Effective September 1, 2011 (the inclusion of Expansion Premises A), the square footage shall increase to 204,239 BRSF and the Government shall pay the Lessor annual base rent of \$7,742,700.49 (\$37.91/BRSF) at the rate of \$645,225.04 per month in arrears. Base Rent shall be in addition to Operating Cost Adjustments and Tax Adjustments provided during the Lease term pursuant to the terms of the Lease.
- C. Effective October 1, 2012 (the inclusion of Expansion Premises B), the square footage shall increase to 243,000 BRSF and the Government shall pay the Lessor annual base rent of \$9,212,130.00 (\$37.91/BRSF net of escalations) at the rate of \$767,677.50 per month in arrears. Base Rent shall be in addition to Operating Cost Adjustments and Tax Adjustments provided during the Lease term pursuant to the terms of the Lease.
- D. (See Rider No. 1, SFO #2010 and its Attachments paragraph #2 for rent commencement dates of the Expansion Premises).
- E. Rent checks shall be made payable to: Wilson Plaza East, LLC, c/o The Wade Company, LLC, 1800 N Kent Street, Suite 906, Arlington, VA 22209 or in accordance with the provision on electronic payment of funds.
- 4. (Intentionally Deleted.)
- 5. (Intentionally Deleted.)
- 6. The Lessor shall furnish to the Government, as part of the rental consideration, the following:
 - A. All services, utilities, alterations, repairs, and maintenance, as well as any other right and privilege stipulated by this Lease, the SFO and its Attachments are included in the rent. This lease is intended to be a full service lease. Nothing herein shall be construed as requiring the Lessor to maintain or repair any equipment, machinery or system owned by the Government. The Government shall accept space "as-existing" which is further defined in the attached Rider No. 1, SFO #2010 and its Attachments.
 - B. In accordance with the SFO paragraph 4.2 "Tax Adjustment", the annual real estate tax base year of 2010 shall be \$677,299.00. The Government's initial percentage of occupancy is established as 70.77% (based on current occupancy of 176,676 BRSF in a building of 249,640 BRSF). Evidence of payment of taxes shall be furnished as required in Paragraph 4.2(C) of the SFO. See Rider No. 1, SFO #2010 and its Attachments paragraph #20 for breakdown of percentage of occupancy for the purpose of computing tax adjustments as interval expansion premises are leased.
 - C. In accordance with the SFO paragraph 4.3 "Operating Costs", the operating cost base for the entire building is \$1,688,242 for escalation purposes. For the existing premises, the cost for the Government leased area is established as \$1,194,768.86 (\$6.7625/BRSF; \$7.9620/ABOA). Beginning with the second lease year and each year thereafter, the annual rent shall be adjusted by applying the change in the C.P.I. to the operating cost base as detailed in SFO Paragraph 4.3. See Rider No. 1, SFO #2010 and its Attachments paragraph #22 for breakdown of percentage of occupancy for the purpose of computing operating cost base as interval expansion premises are leased.
 - D. Pursuant to Paragraph 4.5 "Normal Hours" of the SFO, as part of the rental consideration set forth in Paragraph 3 of this SF-2, services, utilities and maintenance shall be provided daily, extending from 8:00 am to 6:00 pm, Saturdays, Sundays and federal holidays excluded ("Normal Hours"). Pursuant to SFO Paragraph 4.6 "Overtime Usage", beyond the aforementioned hours, the overtime HVAC service rate shall be \$121.56 per hour for the entire building for years 1-5 of the lease term and \$131.28 per hour for the entire building for the remainder of the lease term. These charges are inclusive of all labor and service fees and are subject to a four (4) hour minimum period. Notwithstanding the hours of HVAC service, the Government shall have access to the leased space and appurtenant areas at all times without additional payment, including the use, during other than normal hours, of necessary services and utilities such as elevators, toilets, lights, and electric power.

CONTINUED ON PAGE 3

STANDARD FORM 2 LEASE No.: GS-11B-02269 ESSOR K GOV'T

- E. Pursuant to SFO Section 4.4, "Adjustment for Vacant Premises", if the Government fails to occupy any portion of the leased premises or vacate the premises in whole or in part prior to the expiration of the term of the lease, the rental rate will be reduced by \$2.06/ABOA per year for that portion of space unoccupied or vacated. The Government must vacate a minimum of 5,000 RSF of contiguous space prior to receiving any such credit. In the event the Government vacates the entire leased premises, the rental rate will be reduced by \$3.00/ABOA per year. Further, the Government shall not occupy with personnel any space under which this adjustment is applied.
- F. Pursuant to SFO Paragraph 2.3 "Broker Commission and Commission Credit", Jones Lang LaSalle is the authorized real estate broker representing GSA in connection with this lease transaction. The Lessor and Jones Lang LaSalle have agreed to a cooperating lease commission of the aggregate lease value, for the lease term. Jones Lang LaSalle has agreed to forego of the total commission that it is entitled to receive in connection with this lease transaction ("Commission Credit"). The total amount of the commission for the Existing Leased Premises is The Commission Credit for the Existing Leased Premises is shall be applied in equal monthly amounts of against the base rental payments in the first (1st) and shall be applied in equal monthly amounts of against the base remai payments in the mist (1.7 and second (2nd) months of the Lease term. The Total Commission Amount minus the Commission Credit is for the Existing Leased Premises, which amount is due to Jones Lang LaSalle and shall be paid by the Lessor.

For each Expansion Premises (A & B), the Lessor and Jones Lang LaSalle have agreed to a cooperating lease commission of I of the aggregate lease value for the lease term. The total amount of the commission for Expansion Premises A is The total amount of the commission for Expansion Premises B is Jones Lang LaSalle has agreed to forego of the total commission that it is entitled to receive in connection with this lease transaction ("Commission Credit"), and the Commission Credits of for Expansion Premises B shall be applied against base rent payments Expansion Premises A and due September 30, 2011 and October 30, 2012 respectively. The Total Commission Amount minus the Commission Credit is for Expansion Premises B, which Commission Credit is for Expansion Premises A and amount is due to Jones Lang LaSalle and shall be paid by the Lessor.

Based upon the foregoing, the base rent schedule for the lease term is as follows:

(a)	(b)	(c)	(d) =(b)-(c)
Period	Monthly Rent Due* Before Rent Abatements	Rent Abatement (Commission Credit)	Monthly Rent Due* After Rent Abatements
05/01/10 to 06/30/10	\$558,148.93		
07/01/10 to 08/31/11	\$558,148.93	n/a	\$558.148.93
09/01/11 to 09/30/11	\$645,225.04		
10/01/11 to 09/30/12	\$645,225.04	n/a	\$645 225 04
10/01/12 to 10/30/12	\$767,677.50		
11/01/12 to 11/30/20	\$767,677.50	n/a	\$767,677.50
Total Rent Abatement			<u>-</u>

^{*} Rent shall be in addition to Operating Cost Adjustments and Tax Adjustments provided during the Lease term pursuant to the terms of the Lease.

G. In the event of a conflict between this SF2 and Rider No. 1, SFO #2010 and its Attachments and other documents that are part of the Lease, the SF2 and Rider No. 1, SFO #2010 and its Attachments shall govern. In the event of a conflict between this SF2 and Rider No. 1, SFO #2010 and its Attachments, the Rider No. 1, SFO #2010 and its Attachments shall govern.

CONTINUED ON PAGE 4

3 of 4

STANDARD FORM 2 LEASE No.: GS-11B- 02269

7. The following are attached and made a part hereof: A. Rider No. 1, SFO #2010 and its Attachments - 9 pages B. Rider No. 2 - Construction Duration Schedule - 1 page C. Exhibit A - Building Assessment Report Items - 6 pages D. Exhibit B - Floor Plans & Global Summary of Areas- 14 pages E. Solicitation For Offers No. 2010 - 55 pages F. Fire Safety/Protection and Life Safety Report/Repairs/Evaluations - 20 pages dated December 15, 2008 G. Fire Safety/Protection and Life Safety Report/Repairs/Evaluations - 5 pages updated March 4, 2010 H. FLS Findings and Evaluation - 1 page I. Pre-Lease Building Security Plan - 11 pages J. GSA Form 1364 – 2 pages K. GSA Form 1217 – Lessor's Annual Cost Statement – 1 page L. GSA Form 3517B - General Clauses - 33 pages M. GSA Form 3518 - Representations and Certifications - 7 pages IN WITNESS WHEREOF, the parties hereto have hereunto subscribed their names as of the date first above written. LESSOR: Wilson Plaza East, LLC, a Wisconsin limited liability company, By: Bristol Group, Inc., a California corporation, its Man By: By: Todd J.Mclay, CFO IN THE PRESENCE OF (witnessed by): (Address) Contracting Officer, GSA (Official Title)

STANDARD FORM 2 02269 LEASE No.: GS-11B-02269 LESSOR) GOVT