

U.S. GOVERNMENT
LEASE FOR REAL PROPERTY

DATE OF LEASE

LEASE # GS-11B-02343

THIS LEASE, made and entered into on the date of **NOV 10 2011** between: INTERNATIONAL PLACE PROPERTY LLC

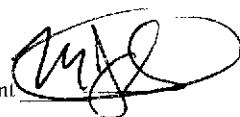
Whose address is: c/o Beacon Capital Partners
200 State Street, 5th Floor
Boston, MA 02109-2605

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. The Lessor hereby leases to the Government the following described premises:
A total of 40,054 BOMA Rentable Square Feet (BRSF) equivalent to 36,839 ANSI BOMA Office Area Square Feet (ABOASF) of office and related space, located on the entire third (3rd) and fourth (4th) floors in the building known as International Place, which is located at 1735 N. Lynn Street, Arlington, VA 22209-2013. The floor plans are attached hereto and made a part hereof.
2. TO HAVE AND TO HOLD the said premises with their appurtenances for a three (3) year firm term beginning on the commencement date which will be the day following the date of substantial completion and Government acceptance of the leased space as determined in accordance with Paragraph 5.11 "Construction Schedule and Acceptance of Tenant Improvements" of SFO No. 1VA2063, as amended, attached to and made a part of this lease (the "SFO"), and ending three (3) years later.
3. The Government shall pay the Lessor annual rent of \$1,600,286.16 (\$39.95/BRSF equivalent to \$43.44/ABOASF) at the rate of \$133,357.18, per month in arrears. If the lease term commences on a day other than the first day of the month, the rent for the first and last months of the lease term shall be pro-rated accordingly. The annual rent includes an operating cost base of \$324,267.00 (\$8.80/ABOASF), base real estate taxes, and \$245,593.33 to amortize a tenant improvement allowance of \$736,780.00 (\$20.00/ABOASF) at zero percent (0%) annual interest. Rent checks shall be made payable to International Place Property LLC, c/o Beacon Capital Partners, 200 State Street, 5th Floor, Boston, MA 02109-2605 or in accordance with the provisions for the electronic payment of funds.
- 4 (Intentionally Deleted).
5. This lease may be renewed at the option of the Government for the following terms and at the following rentals:
The Government shall have an option to extend the lease for two additional one year terms following the three year firm term. Each option shall be at the annual rate of \$1,600,286.16 (\$39.95/BRSF equivalent to \$43.44/ABOASF) at the rate of \$133,357.18 per month in arrears, plus cumulative operating expense adjustments. To exercise such options, the Government must provide notice to the Lessor in writing not less than 180 days before the end of the then current lease term. Rent shall continue to be adjusted for operating costs escalations as provided in the SFO. The Government shall continue to make annual lump sum adjustments for changes in real estate taxes as provided in the SFO using the agreed real estate base year amount established during the original firm term of the lease. All other terms and conditions of this lease shall remain the same during any renewal term. Said notice shall be computed commencing with the day after the date of mailing.
6. The Lessor shall furnish to the Government, as part of the rental consideration, the following:
 - A. All services improvements, alterations, repairs, maintenance, and utilities defined by this lease as being provided as part of the annual rent. This lease is full service.
 - B. Pursuant to SFO Paragraph 4.2 "Tax Adjustment", the Government's percentage of occupancy is 14.10%, calculated as: 40,054 BRSF/283,989 BRSF. The Real Estate Tax Base shall be determined in accordance with Paragraph 4.2(B)(7) of the SFO. If any tax credit is due to the Government as a result of a Lessor's appeal of the tax assessment during the lease term, the credit to the Government will be net of the Government's percentage of occupancy share of the Lessor's reasonable and actual out-of-pocket costs of the appeal.
 - C. Pursuant to SFO Paragraph 4.1(C) the "Common Area Factor" is calculated to be 1.09, calculated as: 40,054 BRSF / 36,839 ABOASF.

Lessor _____ Government _____



- D. Tenant Improvements: The leased space is being provided to the Government in its current existing condition (subject to the Lessor's agreement to replace any damaged or discolored ceiling tiles prior to Government occupancy). Any alterations, modifications or improvements to the leased space required or requested by the Government including but not limited to demolition of existing improvements and/or the provision of new paint and carpet will be funded from the tenant improvement allowance. As part of the annual rent set forth in paragraph 3 above, the Lessor shall provide the Government a tenant improvement allowance of \$736,780.00 (\$20.00/ABOASF) which shall be paid out as directed by the Government. The Lessor has agreed to provide an additional tenant improvement allowance of up to \$10.00/ABOASF totaling \$368,390.00 if requested by the Government. Such additional tenant improvement allowance shall be amortized over the firm term of the lease at the annual interest rate of eight percent (8%). The cost of the tenant improvements shall be memorialized in a Supplemental Lease Agreement (SLA) along with the amortization payment amount and revised rent, if applicable. Any portion of \$20.00/ABOASF tenant improvement allowance provided as part of the initial rent not spent by the Government may be applied to the next rental payment(s) due under the lease or may be retained by the Government for future modifications or alterations to the leased space.
- E. In the event that the Lessor performs tenant improvements in the leased premises at the Government's direction, the following fees and mark-ups shall apply: (1) actual general contractor General Conditions not to exceed eight percent (8%) of the total subcontractors costs; (2) actual general contractor Overhead and Fee not to exceed five percent (5%) of the total subcontractors costs; (3) actual Architectural and Engineering fees, if any; and (4) a Lessor's Fee for project management support equal to four percent (4%) of the total project costs. In connection with any tenant improvements, the Lessor shall complete the design intent drawings within 15 days of the Government's provision of the information and details necessary to prepare the design intent drawings, complete the construction drawings within 15 days of the Government's approval of the design intent drawings and shall use best efforts to complete all build out for Government occupancy within 40 days of the Government's issuance of a Notice to Proceed with the tenant improvements.
- F. The Lessor shall correct the deficiencies and comply with the recommendations and findings of the Fire Protection & Life Safety Evaluation attached to and made a part of this lease. With respect recommendation 10, the Lessor shall provide a one-hour fire rated enclosure around the diesel fuel storage tank as identified in the Fire Protection & Life Safety Evaluation report. All work required pursuant to this paragraph shall be completed by the later of substantial completion of the tenant improvements to the leased premises, or within one hundred and eighty (180) days of lease execution by the Government.
- G. With respect to several of the SFO performance specifications, the following shall apply and shall be deemed to satisfy the requirements of the SFO: (1) the building provides approximately 3.5 watts per square foot (exclusive of lights and base building loads) available for tenant use; (2) the building has two (2) air intakes for the HVAC system, one on the roof and one on the second floor; the intake on the second floor serves the first and second floors only and the requirement for air intakes to be more than 40 feet off the ground shall be deemed to apply only to the air intake that serves the leased space; (3) the existing configuration of the building HVAC system uses perimeter convective units to meet the SFO spec for office space CFM air flow; (4) repainting of public areas shall be provided every five years during the lease term, and, (5) a LEED CI Certification shall not be required or obtained. Except as provided in this Lease, the leased space meets the requirements of the SFO.
- H. In addition to the leased space described in Paragraph 1 above, this lease shall include at the Government's option to be exercised no later than 90 days after the lease commencement date, approximately 300 square feet of unconditioned storage space on the concourse level of the building as depicted on the floor plan for such space attached to this lease. The annual rent for the storage space shall be \$6,000.00 payable at the rate of \$500.00 per month in arrears. Such amount is in addition to the annual rent for the office space set forth in Paragraph 1 above. No services or tenant improvement allowance shall be provided in connection with such storage space.
- I. Security required by the Government shall be provided by the Government within the offered space in light of the fact that the leased space is in a multi-tenant building. In accordance with SFO Paragraph 10.18, [REDACTED] will be provided by the Lessor on windows within the offered space at no cost to the Government. Building information may be distributed to contractors working or proposing to work within the building and as part of any permit or other application without prior government consent or approval. Government rules and regulations may only be posted within the leased space.
- J. The Lessor shall have the right to approve any roof installations upon receipt of the specifications for such installations from the Government, not to be unreasonably withheld, conditioned or delayed. All roof installations requested by the Government shall be at the sole cost and expense of the Government but at no additional rental cost.
- K. The HVAC overtime rate during the initial year of the lease term will be \$97.00 per hour for all or any portion of the entire leased space. HVAC overtime services must be ordered by noon on the day for which such services are requested for weekdays and by noon on Fridays for Saturday, Sundays and Holidays. Such rate shall escalate at the rate of 3% per year at the anniversary date of the lease. This rate represents the cost to provide services for the entire building (building is a single zone). Should more than one tenant request overtime services at the same time, the charge for overtime HVAC shall be prorated among the tenants requesting service.
- L. In the event the Government vacates all or any portion of the leased premises prior to the expiration of the lease term, the rent for such space shall be adjusted downward following 120 days notice from the Government in accordance with SFO Paragraph 4.4. The Government shall receive a credit of \$2.50/BRSF for a fully vacant floor and \$1.50/BRSF for a partially vacant floor.

Lessor _____ Government _____



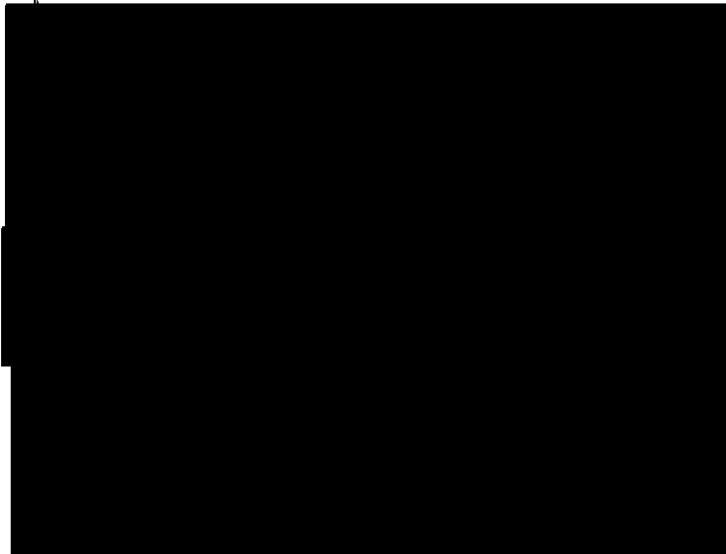
- M. Per SFO Paragraph 8.3 "Energy Efficiency and conservation", the existing building has achieved an Energy Star Label rating of 76. The building is eligible to apply for another Energy Star rating November 30, 2011.
- N. The Government's right to substitute a different governmental tenant agency shall be limited to agencies that will not deviate from the general office and related purposes; are not military or police enforcement agencies where weapons may be brought into the building on a regular basis; do not require increased access by the general public; and will not increase the security requirements to be provided by Lessor for the leased space or the building.
- O. In the event of a conflict between this SF-2 and other documents that are part of the Lease, the SF-2 shall govern.

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

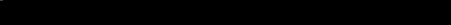
- a. Solicitation for Offers No. IVA2063, 53 pages
- b. SFO Amendment No. 1, 4 pages (including Carpet Specification guideline for Broadloom and Modular Tile)
- c. SFO Amendment No. 2, 3 pages
- d. GSA Form 1217 -- Lessor Annual Cost Statement, 1 page
- e. GSA Form 3517B -- General Clauses, 33 page
- f. GSA Form 3518 -- Representations and Certifications, 7 pages
- g. Fire Protection & Life Safety Evaluation, 19 pages
- h. Pre-Lease Security Plan, 7 pages
- i. Seismic Certification, 1 pages
- j. Small Business Subcontracting Plan, 14 pages
- k. Floor Plans of Leased Space, 2 pages
- l. Floor Plan of Storage Space, 1 page

8. The following changes were made in this lease prior to its execution:
 Paragraph 4 has been deleted in its entirety.

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



Title **Jeffrey L. Kovach**
Managing Director

SS: 

CONTRACTING OFFICER, GSA, NCR,

FEBRUARY 1965 EDITION

Lessor  Government 