

**U.S. GOVERNMENT
LEASE FOR REAL PROPERTY**

DATE OF LEASE:

FEB 7 2013

LEASE No.

GS-11B-LVA12553

THIS LEASE, made and entered into this date between **Colchester Security I, LLC**

whose address is

**10501 Furnace Road, Suite 208
Lorton, VA 22079-2633**

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 77,167 BOMA Rentable Square Feet (BRSF) equivalent to 76,798 ANSI/BOMA Area Square Feet (ABOA) (24,094 ABOA of office space, 40,141 ABOA of warehouse space, and 12,563 ABOA of support space) consisting of a portion of the First (1st) Floor and the entire Mezzanine Floor (attached hereto as Exhibit "A") in the building known as Building 2 – Gunston Commerce Center, located at 10720 Richmond Highway, Lorton, VA 22079-2622. Additionally, the Government shall be entitled to six (6) indoor secured reserved parking spaces and two (2) outdoor reserved fenced parking spaces for Official Government Vehicles, as well as 216 non-reserved, surface parking spaces for employee parking as depicted in Exhibit "B" attached hereto and made a part hereof at no additional cost to the Government.

2. TO HAVE AND TO HOLD the said premises with their appurtenances for a TEN (10) YEAR firm term commencing in accordance with the terms of the – General Clauses paragraph 12 titled Progressive Occupancy and paragraph 20 titled Acceptance of Space.

Therefore, the rent commencement date for Phase 1, which consists of 30,223 BRSF equivalent to 30,078 ABOA, shall be effective March 16, 2012. The Government shall pay the Lessor a monthly rent of \$96,436.56 (30,223 BRSF x \$38.29/BRSF) beginning March 16, 2012. Upon the Government's acceptance of Phase 2, which consists of 46,944 BRSF equivalent to 46,720 ABOA, the parties will execute a Supplemental Lease Agreement (SLA) to memorialize the rent commencement date of Phase 2 as well as establish the new aggregate monthly rent. The parties shall also execute a SLA to memorialize the commencement date of the firm term of the lease.

3. The Government shall pay the Lessor annual rent of \$2,954,724.43 (\$38.29/BRSF; \$38.47/ABOA) at the rate of \$246,227.04 per month in arrears, subject to the commencement dates for Phases 1 and 2 more specifically defined below. Rent for a lesser period shall be prorated. Rent checks shall be made payable to: **Colchester Security I, LLC**, 10501 Furnace Road, Suite 208, Lorton, VA 22079-2633, or in accordance with the provision on electronic payment of funds.

Notwithstanding the foregoing, a portion of the monthly shell rent shall be abated during the initial months following the commencements of Phases 1 and 2, respectively. For Phase 1, a portion of the monthly shell rent shall be abated during the first (1st), second (2nd), and third (3rd) months following the commencement of Phase 1, in equal monthly amounts of \$57,861.94, for a total of \$173,585.82, as more fully set forth in Paragraph 6(C) below. Upon the Government's acceptance of Phase 2, the parties will execute a Supplemental Lease Agreement (SLA) to memorialize the monthly shell rent to be abated following the commencement of Phase 2, as more fully set forth in Paragraph 6(C) below.

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, improvements, alterations, repairs, maintenance, and utilities, as well as any other rights and privileges stipulated by this Lease, the SFO and its Attachments.



B. The annual rent set forth in Paragraph 3 of this Standard Form 2 includes a Tenant Improvement Allowance of \$2,991,282.10 (\$38.95 per ABOA). This Tenant Improvement Allowance shall be amortized at 8.0% interest rate over the firm term at a rate of \$5.67 per ABOA/\$5.64 per BRSF per year. The Government shall be entitled to utilize the Tenant Improvement allowance to pay for any improvements performed by the Lessor at the Government's expense. If the Government does not utilize the entire Tenant Improvement Allowance included in the rent, the rent shall be adjusted downward using the 8.0% amortization rate. A mutually agreed upon Supplemental Lease Agreement will be executed upon the Government's acceptance of the Leased Premises as substantially complete that finalizes the rent using the final Tenant Improvement Allowance actually utilized. The actual cost of the Tenant Improvements will be determined by the competition and cost proposal process as set forth in Paragraph 3.3 "Tenant Improvement Rental Adjustment" and Paragraph 5.3 "Tenant Improvement Pricing Requirements," with the understanding that bidding shall take place at the General Contractor or trade/subcontractor level. Any work items provided by the General Contractor, or for which there is no adequate competition at the trade/subcontractor level, shall be subject to the Government's review of cost and pricing data.

C. Pursuant to SFO Paragraph 2.4 "Broker Commission and Commission Credit", UGL Services Equis Operations Co. ("Broker") is the authorized real estate broker representing GSA in connection with this lease transaction. The Lessor and the Broker have agreed to a cooperating lease commission of [REDACTED] of the total lease value for the ten (10) year firm term. The total amount of the Commission for Phase 1 is [REDACTED] and is earned upon lease execution, payable according to the Commission Agreement signed between the two parties. In accordance with the "Broker Commission and Commission Credit" described in the SFO Paragraph 2.4(B), UGL Services Equis Operations Co. has agreed to forego [REDACTED] of the Commission for Phase 1 that it is entitled to receive in connection with this lease transaction ("Commission Credit"). The Commission Credit for Phase 1 shall be paid as free rent in equal monthly installments of [REDACTED] during months one (1), two (2) and three (3) following the commencement of Phase 1 of the lease. The Lessor has agreed to pay UGL Services Equis Operations Co., (3000 K Street, NW, Suite 200, Washington, DC 20007), the Commission for Phase 1 less the Commission Credit for Phase 1 in the amount of [REDACTED], which shall be due to the Broker according to the Commission Agreement signed between the two parties. Upon the Government's acceptance of Phase 2, the parties will execute a Supplemental Lease Agreement (SLA) to memorialize the Commission for Phase 2 and the Commission Credit for Phase 2.

Notwithstanding Paragraph 3 of the Standard Form 2, the shell portion of the rental payments due and owing under this lease shall be reduced to fully recapture this Commission Credit. The reduction in shell rent for Phase 1 shall commence with the first (1st) month of the rental payments following the commencement of Phase 1 and continue as indicated in this schedule for adjusted Monthly Rent:

First (1st) Month's Rental Payment of \$96,436.56 minus first month commission credit of [REDACTED] equals [REDACTED] adjusted First Month's Rent.

Second (2nd) Month's Rental Payment of \$96,436.56 minus second month commission credit of [REDACTED] equals [REDACTED] adjusted Second Month's Rent.

Third (3rd) Month's Rental Payment of \$96,436.56 minus third month commission credit of [REDACTED] equals [REDACTED] adjusted Third Month's Rent.

Upon the Government's acceptance of Phase 2, the parties will execute a Supplemental Lease Agreement (SLA) to memorialize the reduction in shell rent for Phase 2 commencing with the first (1st) month of the rental payments following the commencement of Phase 2 and continuing until the entire Commission Credit for Phase 2 has been captured.

D. Pursuant to SFO Paragraph 4.4, in the event that the Government vacates any portion of the leased premises the rent will be decreased by \$1.49 per ABOA per year for the vacated area.

E. Pursuant to SFO Paragraph 4.2, the Government's Percentage of Occupancy is 69.25% for tax purposes, as calculated: 77,167 BRSF / 111,431 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 the 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.

F. Pursuant to SFO Paragraph 4.1(C), the "Common Area Factor" is calculated to be 1.004805, as calculated: 77,167 BRSF / 76,798 ABOA.

G. The base amount for annual operating cost adjustments is \$505,443.85 (\$6.55/BRSF; \$6.58/ABOA), which shall be adjusted annually by the CPI in accordance with Paragraph 4.3 of the SFO.

H. Pursuant to Paragraph 4.6 of the SFO, the rate for overtime HVAC services shall be \$64.00 per hour for the entire leased premises, excluding areas identified in the SFO as requiring HVAC on a continuous 24-hour per day, 7-day per week basis, which are provided for by the Lessor as part of the rental consideration. These charges are inclusive of all labor, maintenance, and service fees.

I. All janitorial services outlined in Paragraph 4.8 of the SFO shall be performed Monday through Friday during Normal Hours, at no additional cost to the Government.

J. The Tenant Improvement Allowance includes the following fees: (1) General Conditions fees shall not exceed five percent (5%) of the Construction Costs; (2) General Contractor's fees shall not exceed six percent (6%) of the Construction Costs; (3) Architectural and Engineering fees shall not exceed \$3.25 per ABOA; and (4) Lessor's overhead, profit and project management fees shall not exceed four (4%) percent of the Construction Costs.

K. Pursuant to SFO Paragraph 3.7, within one (1) year of lease award the Lessor shall make the energy efficiency and conservation improvements listed in the attached Energy Efficiency Improvements Letter of Commitment.

L. In the event of a conflict between this SF2 and other documents that are part of the Lease, the SF2 shall govern.

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

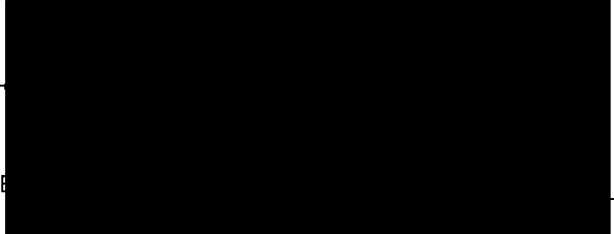
- A. Exhibit A – Floor plan of leased premises, 1 page;
- B. Exhibit B – Site map with location of 224 parking spaces, 1 page;
- C. Rider #1 – Fire & Life Safety, 2 pages; Rider #2 1 page
- D. Solicitation For Offers No. OVA2353, 58 pages;
- E. Solicitation For Offers No. OVA2353 Amendment No. 1, 1 page;
- F. Solicitation For Offers No. OVA2353 Amendment No. 2, 5 pages;
- G. Pre-Lease Building Security Plan, 10 pages;
- H. Fire Protection and Life Safety Evaluation, 22 pages;
- I. GSA Form 1217 – Lessor's Annual Cost Statement, 1 page;
- J. GSA Form 3517B – General Clauses, 33 pages;
- K. GSA Form 3518 – Representations and Certifications, 7 pages;
- L. Certificate of Seismic Compliance Letter of Commitment, 1 page;
- M. Energy Efficiency Improvements Letter of Commitment, 3 pages;
- N. Unit Price List, 2 pages.

8. The following changes were made in this lease prior to execution: Paragraphs 4 and 5 have been deleted in their entirety.

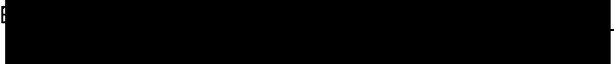
9. This document will not constitute a payment obligation until the date of execution by the United States. As a result, even though payments will be made retroactively, no money whatsoever is due under this agreement until thirty days after the date of execution by the Government's Contracting Officer.

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

Lessor: Colchester Security, LLC

By: 

PO BOX 1607 LANTON VA 22199
Address

IN PRESENCE OF: 

Address

UNITED STATES OF AMERICA

BY: 
LISA RICHMOND

Contracting Officer, GSA, NCR, Lease Executions
(Official Title)