

**LEASE NO. GS-11B-12564**

Succeeding/Superseding Lease  
GSA FORM L202 (9/12)

This Lease is made and entered into between

**Ballston Investor Group, I, LLC** (Lessor), whose principal place of business is

c/o Fred Schnider Investment Group, LLC  
4075 Wilson Blvd., Suite 400  
Arlington, VA 22203-1995

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

**875 North Randolph Street, Arlington, VA 22203**

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**

To Have and To Hold the said Premises with its appurtenances for the term beginning upon October 1, 2012 and continuing for a period of

**5 Years** firm, with one five (5) year option to renew with 180 days prior written notice to renew.

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:**

**FOR THE GOVERNMENT:**

Name: Martin L. Schnider, Jr.  
Title: President, MLS Realty, Inc., Manager  
Date: 11/27/12

Seyi G. [Redacted]  
Lease Contracting Officer  
General Services Administration, Public Buildings Service  
Date: 12/12/12

Name: [Redacted] ssdark  
Title: President, CBT Realty, Inc., Manager  
Date: 11/29/12

**WITNESSED BY:**

WITNESSED FOR LAWRENCE  
C. NUSSDORF, on behalf of GSA  
[Redacted]

Name: Kevin Shooshan  
Title: Leasing Director, The Shooshan Co.  
Date: 11/30/12

Name: [Redacted]  
Title: CEI Realty Corp Secy  
Date: 11/30/12

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.

**SECTION 1 THE PREMISES, RENT, AND OTHER TERMS**

**1.01 THE PREMISES (SUCCEEDING) (JUN 2012)**

Unless otherwise noted, the Government accepts the Premises and tenant improvements in their existing condition, except where specifications or standards are contained elsewhere in this Lease. These standards include security improvements, Fire Protection and Life Safety requirements, ABAAS compliance, as well as compliance with all local codes and ordinances. Such acceptance by the Government of existing Premises shall not relieve Lessor of continuing obligations for cleaning, janitorial, maintenance, repair, etc. as set forth in the Lease paragraphs and attached General Clauses.

The Premises are described as follows:

- A. **Office and Related Space:** 313,595 rentable square feet (RSF), yielding 273,863 ANSI/BOMA Office Area (ABOA) square feet (SF) of office and related Space located on the 1<sup>st</sup> thru the 13<sup>th</sup> floor(s), of the Building, as depicted on the floor plan(s) attached hereto as Exhibit A1- A-13.
- B. **Common Area Factor:** The Common Area Factor (CAF) is established as 1.14508 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 (JUN 2012)**

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:** The Government shall have the right to lease the parking garage in its entirety consisting of 569 parking spaces through a service agreement that shall be negotiated by way of a separate service contract between and Lessor and tenant agency.
- 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 the telecommunications equipment as such may be described herein, together with the right to access the roof and use of, all Building areas (e.g., chases, plenums) necessary for the use, operation and maintenance of such equipment at all times during the term of this Lease.

**1.03 RENT AND OTHER CONSIDERATION (JUN 2012)**

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

	FIRM TERM	NON FIRM TERM
	ANNUAL RENT	ANNUAL RENT
SHELL RENT <sup>1</sup>	\$9,012,720.30	\$10,138,526.35
PAINT AND CARPET <sup>2</sup>	\$ 294,779.30	\$ 0
OPERATING COSTS <sup>3</sup>	\$ 2,609,110.40	\$ 2,609,110.40
BUILDING SPECIFIC SECURITY <sup>4</sup>	\$ N/A	\$ N/A
PARKING <sup>5</sup>	\$ SEE 1.02 A	\$ SEE 1.02 A
<b>TOTAL ANNUAL RENT</b>	<b>\$11,916,610.00</b>	<b>\$12,747,636.75</b>

<sup>1</sup>Shell rent (Firm Term) calculation: \$28.74 per RSF multiplied by 313,595 RSF  
<sup>2</sup>\$1,473,896.50 is amortized at a rate of 0 percent per annum over 5 years for paint and carpet by Lessor.  
<sup>3</sup>Operating Costs rent calculation: \$8.32 per RSF multiplied by 313,595 RSF  
<sup>4</sup>Building Specific Security Costs of \$N/A are amortized at a rate of 0 percent per annum over 5 years  
<sup>5</sup>Parking costs described under sub-paragraph G below.

- B. 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.
- C. 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). If the payee is different from the Lessor, both payee and Lessor must be registered in CCR.

D. 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

LESSOR:  GOVERNMENT: 

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.

**1.04 BROKER COMMISSION AND COMMISSION CREDIT (JUN 2012)**

A. **CBRE, Inc** (Broker) is the authorized real estate Broker representing GSA in connection with this Lease transaction. The total amount of the Commission is [REDACTED] and is earned upon Lease execution, payable according to the Commission Agreement signed between the two parties. Only [REDACTED] of the Commission, will be payable to **CBRE, Inc** with the remaining [REDACTED], which is the Commission Credit, to be credited to the shell rental portion of the annual rental payments due and owing to fully recapture this Commission Credit. The reduction in shell rent shall commence with the first month of the rental payments and continue until the credit has been fully recaptured in equal monthly installments over the shortest time practicable.

B. Notwithstanding the "Rent and Other Consideration" paragraph of this Lease, the shell rental payments due and owing under this Lease shall be reduced to recapture fully this Commission Credit. The reduction in shell rent shall commence with the first month of the rental payments and continue as indicated in this schedule for adjusted Monthly Rent:

Month 1 Rental Payment \$993,050.83 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted 1st Month's Rent.\*

\*Subject to change based on adjustments outlined under the paragraph "Rent and Other Consideration."

**1.05 TERMINATION RIGHTS (AUG 2011) INTENTIONALLY DELETED**

~~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 XX days' prior written notice to the Lessor. The effective date of the termination shall be the day following the expiration of the required notice period or the termination date set forth in the notice, whichever is later. No rental shall accrue after the effective date of termination.~~

**1.06 RENEWAL RIGHTS (AUG 2011)**

This Lease may be renewed at the option of the Government for a term of **5 YEARS** at the following rental rate(s):

OPTION TERM, YEARS 6 - 10		
	ANNUAL RENT	ANNUAL RATE / RSF
SHELL RENTAL RATE	\$12,747,636.75	\$40.65
OPERATING COSTS	OPERATING COST BASIS SHALL CONTINUE FROM YEAR 5 OF EXISTING LEASE TERM. OPTION TERM IS SUBJECT TO CONTINUING ANNUAL ADJUSTMENTS.	

provided notice is given to the Lessor at least 180 days before the end of the original Lease term, all other terms and conditions of this Lease, as same may have been amended, shall remain in force and effect during any renewal term.

**1.07 DOCUMENTS INCORPORATED IN THE LEASE (JUN 2012)**

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

DOCUMENT NAME	NO. OF PAGES	EXHIBIT
FLOOR PLAN(S)	13	A
GSA FORM 1217	2	B
SECURITY REQUIREMENTS	5	C
GSA FORM 12000 PRELEASE FPLS EVALUATION	12	D
GSA FORM 3517B GENERAL CLAUSES	46	E
GSA FORM 3518, REPRESENTATIONS AND CERTIFICATIONS	10	F
CERTIFICATE OF SEISMIC COMPLIANCE	1	G
PRE-LEASE SECURITY PLAN	6	H
RIDER NUMBER ONE	1	I
RIDER NUMBER TWO	1	J
RIDER NUMBER THREE	3	K

**1.08 TENANT IMPROVEMENT RENTAL ADJUSTMENT (SUCCEEDING) (SEPT 2011)**