## GENERAL SERVICES ADMINISTRATION LEASE AMENDMENT PUBLIC BUILDINGS SERVICE No. 03 TO LEASE NO. LEASE AMENDMENT GS-11P-LVA12589 ADDRESS OF PREMISES PDN Number: N/A Gunston Commerce Building 5 10501 Furnace Road

THIS AMENDMENT is made and entered into between Colchester Security III. LLC

whose address is:

Lorton, VA 22079

10501 Furnace Road, Suite 208 Lorton, Virginia 22079-2633

hereinafter called the Lessor, and the UNITED STATES OF AMERICA, hereinafter called the Government:

WHEREAS, the parties hereto desire to amend the above Lease.

NOW THEREFORE, these parties for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, covenant and agree that the said Lease is amended, effective upon execution by the Government, as follows:

This Lease Amendment (LA) Number 3 is issued to acquire Tenant Improvement Allowance (TIA) and expand the space covered by this Lease as follows:

1. Addition of (TIA) to the Initial Space and New Annual Rent effective October 1, 2015: Effective as of October 1, 2015, the initially reduced annual rent of \$389,849.60 plus accrued CPI adjustments shall increase to \$422,800.00 payable at the rate of \$35,233.33 per month in arrears. This rent increase is to reflect the amount of \$31,709.04 to reflect the amortization over Thirty-Four (34) months, at the interest rate of 8% of a TIA provided by the Lessor for the Initial Space in the total amount of \$80,150.00 [\$5.00 x 16,030 ABOA]. The annual rent of \$422,800.00 includes a reset base of operating costs in the amount of \$79,948.66 as further detailed in this LA. [\$422,800.00 = previously negotiated amount of \$389,849.60 (inclusive of \$78,707.30 in operating costs), plus \$1,519.18 for the 2014 CPI adjustment, less \$277.82 in lieu of processing the 2015 CPI adjustment, plus \$31,709.04 in TIA.]

This Lease Amendment contains 3 pages.

All other terms and conditions of the lease shall remain in force and effect. IN WITNESS WHEREOF, the parties subscribed their names as of the below date.

## FOR THE LESSOR:

Signatu Name: Title: Entity Name: Colchester Security III LLC

Date:

July 22, 2015

FOR THE GOVERNMENT:

Signatu Name: Title: Lease Contracting Officer

GSA, Public Buildings Service **SEP 08 2015** Date:

## WITNESSED FOR THE LESSOR BY:

Sig Nai Title Date: July 22, 2015 Prior to October 1, 2015, the annual rent shall remain the same at \$417,501.18 payable at the rate of \$34,791.77 per month for the months of August and September 2015 without any change. Rent prior to October 1, 2015 shall not be subject to CPI adjustment initially due on August 1, 2015.

- 2. Expansion Space: Effective as of September 1, 2015, the premises covered by this Lease shall increase by Suite 104A for additional 2,579 BOMA Rentable Square Feet (BRSF) [yielding 2,550 ANSI/BOMA Office Area Square Feet (ABOA)] from 16,210 BRSF / 16,030 ABOA (Initial Space) to 18,789 BRSF / 18,580 ABOA. Effective as of September 1, 2015, the total space under Lease shall consist of 12,684.86 BRSF / 12,544 ABOA of warehouse / storage space, 3,525.14 BRSF / 3,486 ABOA of office space located in Suite 102 and 2,579 BRSF / 2,550 ABOA of office space located in Suite 104A of the building known as Gunston Commerce, Building 5, at 10501 Furnace Road, Lorton, Virginia 22079. Covered by this Lease also is a total of Twenty-Two (22) surface parking spaces with an increase by 7 parking spaces from the initial 15 parking spaces at no additional cost to the Government.
- 3. <u>Expansion Space Term:</u> Lease of the Expansion Space shall begin on September 1, 2015 and end together with the Initial Space on July 31, 2018 for a term of Thirty-Five (35) months. The termination rights initially established in the Lease for the Initial Space in the Lease shall no longer apply for the remainder of the Lease term.
- 4. Expansion Space Annual Rent: Subject to rent abatement in Paragraph 5 below, effective as of September 1, 2015, the annual rent for the Expansion Space shall be established at \$82,322.20 payable at the rate of \$6,860.18 per month in arrears. This annual rent consists of a base for operating costs, a base for real estate taxes and a TIA.
- 5. <u>Expansion Space Rent Abatement:</u> Rent for the Expansion Space due for the month of September 2015 shall be abated in its entirety. Effective October 1, 2015, rent shall be paid for the Expansion Space at the monthly rate of \$6.860.18.
- 6. <u>Total Rent for Initial and Expansion Spaces:</u> The combined annual rent for the Initial and Expansion Spaces shall be as follows:

**Effective as of September 1, 2015:** Subject to the above rent abatement, the combined annual rent for the Initial and Expansion Spaces shall be \$499,823.38 at the rate of \$41,651.95 per month [\$499,823.38 = \$417,501.18 Initial Space + \$82,322.20 Expansion Space].

Rent to be paid to Lessor from September 1, 2015 through September 30, 2015 shall be \$34,791.77 [\$34,791.77 = \$41,651.95 less \$6,860.18 for rent abatement].

**Effective as of October 1, 2015:** The combined annual rent for the Initial and Expansion Spaces through July 31, 2016 shall be \$505,122.20 payable at the rate of \$42,093.52 per month in arrears. [\$505,122.20 = \$422,800.00 Initial Space + \$82,322.20 Expansion Space].

- 7. Expansion Space TIA: The annual rent for the Expansion Space includes the amount of \$14,747.20 to amortize over Thirty-Five (35) months, at the interest rate of 8%, a Lessor provided TIA of in the amount of \$38,250.00 [\$15.00 x 2,550 ABOA].
- 8. Real Estate Taxes: For the purpose of Real Estate Tax (RET) adjustments required, in accordance with Paragraph 1.13 of the lease document L201C, the Government percentage of occupancy in the building shall increase by 3.92303% from 24.65774% for the Initial Space to 28.58077% [18,789 BRSF / 65,740 BRSF].

For the purpose of calculating RET tax adjustments, adjustments for each of the Initial and Expansion Spaces shall be calculated separately as follows:

**RET adjustment for Initial Space:** The Tax Base Year for the Initial Space shall be Calendar Year 2014. The first RET adjustment due for the Initial Space shall be calculated by comparing Calendar Year 2015 to Calendar Year 2014 using the percentage of occupancy of 24.65774%.

**RET adjustment for Expansion Space:** The Tax Base Year for the Expansion Space shall be Calendar Year 2015 calculated in the annual rent for the Expansion based on an estimate of \$113,072.80 for the entire building [\$1.72 x 65,740 BRSF]. The first RET adjustment due for the Expansion Space shall be calculated by comparing Calendar Year 2016 to Calendar Year 2015 using the percentage of occupancy of 3.92303%. The amount due to the Lessor

This document will not constitute a payment until the date of execution by the Government. As a result, no payment whatsoever are due under this agreement until (30) days after the date of execution. Any amount due thereunder will not accrue interest until that time.

INITIALS:

GOV'T

for the RET adjustment shall be prorated over the period of 4 months from September 2016 through December 2016 only. Each adjustment after that shall be based on each full Calendar Year compared to Calendar Year 2015 using 3.92303%.

9. Operating Costs: For the purpose of Operating Cost adjustments, in accordance with Paragraph 1.15 of the lease document L201C, the current annual amount of \$80,226.48 for operating costs after the first adjustment processed as of August 1, 2014, shall continue to be in effect through September 30, 2015.

Effective as of October 1, 2015, the combined amount of operating costs for the Initial and Expansion Spaces shall be reset at \$98,869.66 [\$79,948.66 for the Initial Space + \$18,921.00 for the Expansion Space]. The first CPI adjustment shall be due on August 1, 2016 by comparing the index for the month of July 2016 to the index for the month of July 2015. The CPI adjustment due for the 2016 CPI shall be effective August 1, 2016 and the following adjustments on August 1<sup>st</sup> of each following year successively using the base index of July 2015.

This operating cost base covers base building operations, fees for daytime cleaning services, building maintenance and repair contracts for existing equipment installed by the Lessor as part of the building shell.

## Summary of Dates and Rent Components:

BRSF	ABOA	INITIAL SPACE				
16,210	16,030					
Date	Annual Rent	Rent Per Month	Operating Costs /Yr	Estimated RET Base/Yr	TIA/Yr	
8/1/2015	\$417,501.18	\$34,791.77	\$80,226.48	\$20,518.40	\$0.00	
9/1/2015	\$417,501.18	\$34,791.77	\$80,226.48	\$20,518.40	\$0.00	
10/1/2015	\$422,800.00	\$35,233.33	\$79,948.66	\$20,518.40	\$31,709.04	
Through	7/31/2018		Subject to Operating Cost Adj.		I.	

BRSF	ABOA	EVDANCION CDACE					
2,579	2,550	EXPANSION SPACE					
Date	Annual Rent	Rent Per Month	Operating Costs /Yr	Estimated RET Base/Yr	TIA/Yr		
8/1/2015	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		
9/1/2015	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		
10/1/2015	\$82,322.20	\$6,860.18	\$18,921.00	\$4,435.88	\$14,747.20		
Through	7/31/2018		Subject to Operating Cost Adj.				

BRSF	ABOA	COMBINED SPACES				
18,789	18,580					
Date	Annual Rent	Rent Per Month	Operating Costs /Yr	Estimated RET Base/Yr	TIA/Yr	
8/1/2015	\$417,501.18	\$34,791.77	\$80,226.48	\$20,518.40	\$0.00	
9/1/2015	\$417,501.18	\$34,791.77	\$80,226.48	\$20,518.40	\$0.00	
10/1/2015	\$505,122.20	\$42,093.52	\$98,869.66	\$24,954.28	\$46,456.24	
Through	7/31/2018	* *	Subject to Operating Cost Adj.			

This document will not constitute a payment until the date of execution by the Government. As a result, no payment whatsoever are due under this agreement until (30) days after the date of execution. Any amount due thereunder will not accrue interest until that time.

INITIALS:

LESSOR

0

84V GOVT