

<b>GENERAL SERVICES ADMINISTRATION PUBLIC BUILDINGS SERVICE</b>  <b>LEASE AMENDMENT</b>	<b>LEASE AMENDMENT No. 3</b>
	<b>TO LEASE NO. GS-P11-LDC12617</b>
<b>ADDRESS OF PREMISES: 1015 Half Street SE Washington, DC 20003-3320</b>	<b>PDN Number:</b>

**THIS AMENDMENT** is made and entered into between

**Half Street SE, LLC**

(Lessor), whose principal place of business is 7 Giralda Farms, Madison, NJ 07940, 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 designation representative of the General Services Administration (GSA), upon the terms and conditions set forth therein.

**WHEREAS**, the parties hereto desire to amend Lease Number GS-P11-LDC12617:


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 **GSA Form L201C (9/13) Shall Be Amended As Follows:**


1. The Government hereby expands the premises under lease by an additional 1,907 Rentable Square Feet (RSF) / 1,795 ABOA SF of space located on the first (1st) floor (as shown on the attached plan, Exhibit A, areas marked E and F) hereinafter referred to as the "Expansion Space". The total space covered under this Lease shall be increased from 150,965 RSF to 152,872 RSF (135,741 ABOA SF to 137,536 ABOA SF).
2. Pursuant to the Expansion of Premises, the Annual Rent shall increase from \$6,403,322.00 to \$6,501,627.85 at a rate of \$541,802.32 per month, in arrears. No Rental Abatement associated with the Expansion Space is applicable. (Please see the Rent Payment Schedule under Paragraph 9 of this Amendment).

This Lease Amendment contains 6 pages (including Exhibit A, 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**   
 Signature: \_\_\_\_\_  
 Name: \_\_\_\_\_  
 Title: Vice President  
 Entity Name: Half Street SE, LLC; Sole Member: The Prudential Insurance Company of America  
 Date: 5/14/15

**FOR THE**   
 Signature: \_\_\_\_\_  
 Name: Larry M. Sutton  
 Title: Lease Contracting Officer  
 GSA, Public Buildings Service  
 Date: 6/11/2015

**WITNESSED FOR THE LESSOR BY:**

Signature:   
 Name: Anisha Chatterjee  
 Title: Analyst  
 Date: 5/14/15

**GSA Form L201C (9/13) Shall Be Amended As Follows:**

3. Office and Related Space - Lease Paragraph 1.01A: 152,872 RSF, yielding 137,536 ABOA of office and related space located on the 3<sup>rd</sup>, 4<sup>th</sup>, 5<sup>th</sup> and a portion of the 1<sup>st</sup> and 6<sup>th</sup> floors (consisting of entire 3<sup>rd</sup> floor 43,030 RSF, entire 4<sup>th</sup> floor 43,030 RSF, entire 5<sup>th</sup> floor 43,030 RSF, a portion of the 1<sup>st</sup> floor 1,907 RSF, and a portion of the 6<sup>th</sup> floor 21,875 RSF including additional space (7,849 RSF)).
4. Rent and Other Consideration – Lease Paragraph 1.03A: The Government shall pay the Lessor Annual Rent, payable at monthly installments, in arrears, at the following adjusted rates:

	Annual Rent (Base Lease)	Annual Rent (6 <sup>th</sup> Floor Expansion Space) 7,849 RSF, pursuant to LA #1, dated January 26, 2015	Annual Rent (1 <sup>st</sup> Floor Expansion Space) 1,907 RSF	Total Annual Rent (Base Lease + Expansion Spaces)
Shell Rent (1)	\$3,689,814.33	\$267,510.71	\$66,848.98	\$4,024,174.02
Tenant Improvement Rent (2)	\$452,403.00	\$23,640.69	\$6,295.07	\$482,338.76
Operating Costs (3)	\$1,417,154.67	\$77,705.10	\$18,879.30	\$1,513,739.07
Building Specific Security (4)	\$451,500.00	\$23,593.50	\$6,282.50	\$481,376.00
<b>Total Annual Rent</b>	<b>\$6,010,872.00</b>	<b>\$392,450.00</b>	<b>\$98,305.85</b>	<b>\$6,501,627.85</b>

1. Shell rent (Base Lease plus the Expansion Spaces) calculation: \$26.323813517per RSF multiplied by 152,872 RSF.
2. Tenant Improvement Rent consisting of \$4,823,387.52 amortized at a rate of zero percent (0%) per annum over 10 years.
3. Operating Costs of \$1,513,739.07 (\$9.902003441 per RSF multiplied by 152,872 RSF).
4. Building Specific Security costs of \$4,813,760.00 amortized at a rate of zero percent (0%) per annum over 10 years.

5. Broker Commission and Commission Credit - Lease Paragraph 1.04:

A. **DTZ Americas Inc.** (Broker) is the authorized real estate Broker representing GSA in connection with Lease GS-11P-LDC12617 and this Lease Amendment #3. 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. [REDACTED] of this total Commission shall be payable to **DTZ Americas Inc.** The remaining portion of this commission equal to [REDACTED], is defined as the Commission Credit, and shall be credited to the shell rental portion of the annual rental payments. 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 as defined in Section B below. No other commissions shall be payable to the Government’s broker or credited against the rent due under this lease.

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 occur in the months 13<sup>th</sup>, 14<sup>th</sup>, 15<sup>th</sup> and 16<sup>th</sup> of the lease, owing to the Rental Abatement in paragraph 1.03(l), in accordance with the Schedule below:

Month 13 Rental Payment \$541,802.32 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted 13 <sup>th</sup> Month's Rent.
Month 14 Rental Payment \$541,802.32 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted 14 <sup>th</sup> Month's Rent.
Month 15 Rental Payment \$541,802.32 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted 15 <sup>th</sup> Month's Rent.
Month 16 Rental Payment \$541,802.32 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted 16 <sup>th</sup> Month's Rent.
Month 17 Rental Payment shall commence in full.

6. Percentage of Occupancy for Tax Adjustment - Lease Paragraph 1.13: The Expansion Space shall increase the Government’s percentage of occupancy from 38.64% to 39.12% (152,874 RSF leased space / 390,747 RSF total building).

INITIALS:  LESSOR &  GOV'T

7. Operating Cost Base - Lease Paragraph 1.15: The base rate for operating costs shall increase from \$1,494,859.77 per annum to \$1,513,739.07 per annum.
8. Rental Abatement – Paragraph 1.03(l): Starting on the Lease Term Commencement Date, the first (12) months of rent payable under the terms of the Base Lease, (\$6,010,872.00 total lease value) shall be abated. Such abatement shall consist of Shell Rent, Tenant Improvement Rent, Operating Costs and Building Specific Security costs as stated above in Section 1.03.l. Rent payable under the terms of Lease Amendment #1 and this Lease Amendment #3 covering the Expansion Spaces shall not be abated. Rent will commence for the 9,756 RSF of Expansion Spaces (1<sup>st</sup> floor 1,907 RSF and 6<sup>th</sup> floor 7,849 RSF) on the Lease Term Commencement Date, in accordance with the Section 9 – Rent Schedule below.
9. Rent Schedule: Rent shall be paid in accordance with the following schedule:
- Months 1 through 12: Monthly rental payment of \$40,896.32 at a total annual cost of **\$490,755.85** (\$32,704.17 for rent on the 6<sup>th</sup> Floor Expansion Space (7,849 RSF) at an annual cost of \$392,450.00 and \$8,192.15 for rent on the 1<sup>st</sup> Floor Expansion Space (1,907 RSF) at an annual cost of \$98,305.85).
  - Months 13 through 15: Monthly rental payment of \$541,802.32 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted and inclusive of the Expansion Spaces.
  - Month 16: Monthly rental payment of \$541,802.32 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted and inclusive of the Expansion Space.
  - Months 17 through 120: Monthly rental payments shall commence in full at \$541,802.32 subject to any adjustments outlined under the paragraph "Rent and Other Considerations".

INITIALS: Ad & L.M.S  
LESSOR GOV'T