

| | |
|---|------------------------------|
| GENERAL SERVICES ADMINISTRATION PUBLIC BUILDINGS SERVICE | LEASE AMENDMENT No. 1 |
| | TO LEASE NO. GS-11P-LDC12660 |
| LEASE AMENDMENT | |
| ADDRESS OF PREMISES 1025 F Street, NW Washington, DC 20004 | PDN Number: N/A |

THIS AMENDMENT is made and entered into between Woodies Holdings, LLC
whose address is: c/o Douglas Development Corporation
702 H Street NW, Suite 400
Washington, DC 20001

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

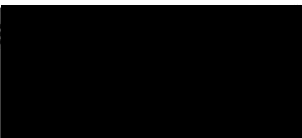
WHEREAS, the parties hereto desire to amend the above Lease.


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:


- 1) This Lease Amendment is issued to acquire 48,410 BOMA Rentable Square Feet (BRSF), equivalent to 41,619 ANSI/BOMA Office Area Square Feet (ABOA SF), of office space, comprising the entire 3rd floor of the building as shown on the attached floor plan (Exhibit A). The term for this space and obligation to pay rent shall commence upon the substantial completion of the buildout of the space or on August 1, 2016 (whichever is earlier), and shall be coterminous with the base lease. Upon acceptance of the expansion space the total amount of space under this lease shall increase from 152,022 BRSF to 200,432 BRSF (136,539 ABOA SF to 178,158 ABOA SF).
- 2) The annual rent for the expansion space shall be \$2,139,237.90 (48,410 BRSF x \$44.19). Effective upon acceptance of the expansion space the annual rent shall increase from \$6,717,852.18 to \$8,857,090.08, payable at the rate of \$738,090.84 per month, in arrears. The rent shall include, and the Lessor shall provide, all services, maintenance, alternations, and repairs, currently provided under this Lease.
- 3) The expansion space is being provided to the Government in its "as is" condition. Any changes or alternations to the expansion space shall be at the sole cost and expense of the Government with the exception of cleaning the carpet and repainting the space which shall be at the Lessor's sole cost and expense.

This Lease Amendment contains 2 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: 
Signature: _____
Name: Norman Simel
Title: Managing Member
Entity Name: Woodies Holdings LLC
Date: 5/20/16

FOR THE GOVERNMENT: 
Signature: _____
Name: _____
Title: GSA, Public Buildings Service
Date: JUN 01 2016

WITNESSED FOR THE LESSOR BY: 
Signature: _____
Name: _____
Title: REC- ASST.
Date: 5/20/16


4) Effective upon acceptance of the expansion space the percentage of occupancy for real estate tax adjustment purposes in accordance with Section 1.13 (Real Estate Tax Base) shall increase to 39.75% (200,432 ÷ 504,221). In accordance with Section 2.07 (Real Estate Tax Adjustment) of the base lease, all tax adjustments will be calculated using the revised percentage of occupancy. The base year for real estate tax adjustments for all space shall remain the same – Tax Year 2016 (October 1, 2015 – September 30, 2016).

5) Effective upon acceptance of the expansion space the base for operating cost adjustments as set forth in Section 1.15 (Operating Cost Base) shall increase to \$1,908,684.26 per annum. The first CPI adjustment due for this lease, effective November 25, 2016, shall be calculated utilizing the revised base of \$1,908,684.26.

6) The Lessor will make available up to \$20.00 per BRSF ($\$20.00 \times 48,410 = \$968,200.00$) of additional Tenant Improvement Allowance (TIA) for use in any alternation or modification of the expansion space. This TIA is in addition to the TIA of \$500,000 provided under the base lease pursuant to Section 1.08 (Tenant Improvement Allowance). The use of any portion of the TIA for the expansion space will be at 8% interest amortized over the remaining term of the lease effective upon the rent start date of expansion space. The increase in the annual rent for any additional TIA utilized by the Government will be memorialized in a separate Lease Amendment.

7) The Government agrees to modify the termination right it possesses as set forth in Section 1.05 (Termination Rights) of the base lease. The intent of this change is to add 18 months of firm term to this lease and to require payment to Lessor of the unamortized TIA provided by Lessor for the expansion space under Section 6 above remaining as of the effective date of any such termination. Accordingly, the Government may terminate this lease at any time after May 24, 2022, provided that 270 days prior written notice is provided to the Lessor by the Government and the Government pays the unamortized amount of the TIA at 8% interest remaining unpaid as of the effective date of such termination. Payment shall be made within 30 days of the effective date of the termination. For purposes of computing such unamortized amount, should the Government utilize the entire additional TIA allowance of \$968,200.00, the parties agree that such amount to be paid is as set forth on Exhibit B attached hereto. If less than the entire additional TIA allowance is used, the unamortized amount shall be recomputed based upon the methodology used to prepare Exhibit B.

8) This document will not constitute a payment obligation until the date of execution by the Government. As a result, even though payment will be made retroactively, no rental payments are due under this agreement until thirty (30) days after the date of execution.

Lessor  Government 