

GENERAL SERVICES ADMINISTRATION PUBLIC BUILDINGS SERVICE LEASE AMENDMENT	LEASE AMENDMENT NO. 1
	TO LEASE NO. GS-11P-LDC12661
ADDRESS OF PREMISES 250 E STREET SW WASHINGTON, DC 20024-3208	PDN Number: N/A

THIS AMENDMENT is made and entered into between: **Piedmont – Independence Square, LLC**

whose address is:

c/o Piedmont Office Realty Trust, Inc.
 11695 Johns Creek Parkway, Suite 350
 Johns Creek, GA 30097

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

WHEREAS, the parties hereto desire to amend the above Lease to memorialize the Government's expansion on the 4th floor.

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 as follows:

- A. The Government hereby acknowledges that the leased premises are substantially complete and accepted as of November 22, 2015. The Term of this Lease shall commence on November 22, 2015 and expire on November 21, 2030.
- B. The Government hereby returns to the Lessor all of the unused Building Specific Amortized Capital (BSAC) allowance consisting of \$1,914,925.00 and as of TI NTP #18, a portion of the Tenant Improvement allowance consisting of \$3,087,817.86. Per Lease Paragraph 1.09 – Tenant Improvement Rental Adjustment, the Government hereby returns to the Lessor unused allowance in the amount of \$5,002,742.86 in exchange for a reduction in rent according to the agreed-upon amortization rate of 0% over the 15 year firm term of the Lease. All rent payments owing however are subject to the 18-month free rent period.

Therefore Lease Paragraph 1.03(A) and (B) is hereby deleted in its entirety and replaced with the following:

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 follows:

FOR THE LESSOR

Signature:



Name:

Carroll A. "Bo" Reddic, IV

Title:

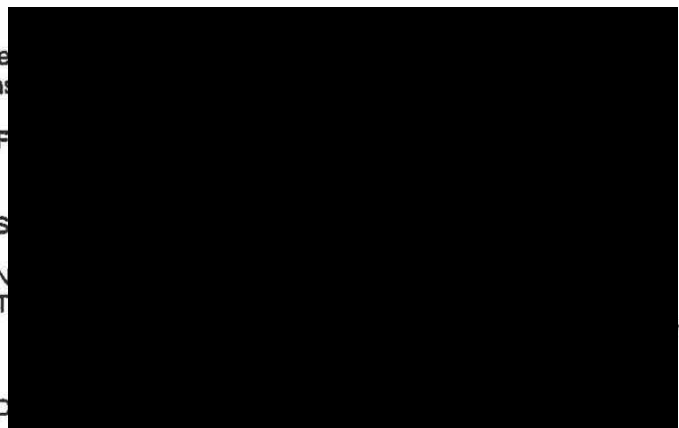
Executive Vice President

Entity Name:

Piedmont – Independence Square, LLC
 a Delaware limited liability company

Date:

August 11, 2016



WITNESSES

Signature:



Name:

Exec. Administrative Asst.

Title:

August 11, 2016

Date:

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

The total Annual rent shall be \$3,431,450.85 at the rate of \$285,954.24 paid monthly in the arrears. The Total annual rent consists of Operating Cost of \$826,602.00 at a rate of \$9.77002 per RSF. The total annual rent consist of Shell cost of \$2,331,001.90 at a rate of \$27.55126 per RSF. The Tenant Improvement Allowance is \$4,107,704.14. The Building Specific Amortization Capital (BSAC) is \$0.00. Rent for the first Eighteen Months (18) of the lease term (inclusive of shell rent, tenant improvement amortization, and operating costs) shall be fully abated. The percentage of occupancy shall remain 25.345 %.

	FIRM TERM
	ANNUAL RENT
SHELL RENT ¹	\$2,331,001.90
TENANT IMPROVEMENTS RENT ²	\$273,846.94
OPERATING COSTS ³	\$826,602.00
BUILDING SPECIFIC AMORTIZED CAPITAL ⁴	\$0.00
PARKING ⁵	\$ 0.00
TOTAL ANNUAL RENT	\$3,431,450.85

¹Shell rent (Firm Term) calculation: \$27.55126 per RSF multiplied by 84,606 RSF

²The Tenant Improvement Allowance of \$4,107,704.14 is amortized at a rate of 0 percent per annum over 15 years.

³Operating Costs rent calculation: \$9.77002 per RSF multiplied by 84,606 RSF

⁴Building Specific Amortized Capital (BSAC) of \$0.00 are amortized at a rate of 0 percent per annum over 15 years

⁵Parking costs described under sub-paragraph H in Paragraph 1.03 of Lease below

*Rent for the first eighteen (18) months of the lease term (inclusive of tenant improvement amortization, and operating costs) shall be abated in its entirety.

B. Rent is subject to adjustment based upon a mutual on-site measurement of Space upon acceptance, not to exceed 76,597 ABOA SF based upon the methodology outlined under the "Payment" clause of GSA Form 3517.

C. Notwithstanding Lease Amendment Paragraph B above, the Government reserves the right to borrow from the Lessor a total of up to \$120,000.00 for a pending lease expansion action. If utilized, upon acceptance of said expansion space, the actual TI allowance used will be reconciled and added to the rent at an interest rate of 0% over the remaining firm term of the Lease.

D. Lease Paragraph 1.04 is hereby deleted in its entirety and replaced with the following:

A. Savills Studley, 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 Savills Studley, 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 19 Rental Payment \$285,954.24 minus the Commission Credit of [redacted] equals [redacted] adjusted 19th Month's Rent.*
 Month 20 Rental Payment \$285,954.24 minus the Commission Credit of [redacted] equals [redacted] adjusted 20th Month's Rent.*

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

INITIALS: C. O. A. # & [Signature]
 LESSOR & GOVT