

LEASE NO. GS-11P-LMD12686

This Lease is made and entered into between

SFLP 11800 LLC

(Lessor), whose principal place of business is **7200 WISCONSIN AVENUE, SUITE 1100, BETHESDA, MARYLAND 20814**, 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

11800 TECH ROAD, SILVER SPRING, MARYLAND 20904-1987

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 acceptance of the Premises as required by this Lease and continuing for a period of

10 YEARS FIRM,

commencing October 1, 2015 and continuing to September 30, 2025, with exception of Suite G01 which shall commence upon acceptance as required by this Lease, subject to any applicable termination and renewal rights which shall be more specifically set forth in a Lease Amendment upon substantial completion and acceptance of the Space by the Government.

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.

[Redacted Signature]

[Redacted Signature]

Name: Marc F Soliman

Name: Tawanda Beverly

Title: Manager

Title: Lease Contracting Officer

Entity: SFLP11800 LLC

Entity: General Services Administration, Public Buildings Service

Date: 8/28/15

Date: 10/30/15

W [Redacted Signature]

Name: [Redacted]

Title: Executive Assistant

Date: 8/28/15

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 (WAREHOUSE) (MAY 2014)

The Premises are described as follows:

A. Warehouse and Related Space: 78,001 rentable square feet yielding 70,252 ANSI/BOMA Office Area (ABOA) square feet (SF) of warehouse Space known as Suite(s) G01, G02, 101, 202, 203 and 204, of the Building, as depicted on the floor plan(s) attached hereto as Exhibit A.

B. Common Area Factor: The Common Area Factor (CAF) is established as 11.03029 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 (WAREHOUSE) (MAY 2014)

The Government shall have exclusive or non-exclusive (as identified) 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 the Premises. 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. Automobile Parking:

312 parking spaces for passenger vehicles as depicted on the plan attached hereto as Exhibit B of which zero (0) spaces shall be marked as reserved for the exclusive use of the Government. ~~In addition, the Lessor shall provide any additional automobile parking spaces as required by the applicable code of the local government entity having jurisdiction over the Property. All spaces must be secured and lit in accordance with the Security Requirements set forth in this Lease.~~ The cost of this parking shall be included as part of the rental consideration.

~~B. Semi-Trailer Staging Area/Parking:~~

~~XXX parking spaces sized for [TYPE OF] semis and [TYPE OF] trucks as depicted on the plan attached hereto as Exhibit X of which XX shall be reserved for the exclusive use of the Government. XX of the reserved spaces shall also be secured within a [REDACTED] in the location depicted on Exhibit X attached to this Lease. Should new fencing be required to meet this requirement, the cost of new fencing shall be considered as a part of the shell to be provided by lessor. In addition, the Lessor shall provide such additional truck parking spaces as required by the applicable code of the local government entity having jurisdiction over the Property.~~

C. Delivery Route:

- (1) ~~At least one unobstructed route having no steps or abrupt changes in level shall connect with all accessible elements, spaces, buildings, and courses of passage.~~ The minimum clear width of a route shall be 36 inches. If a route is less than 60 inches in width then it shall have level passing zones, spaced at no more than 200 feet apart, measuring a minimum of 60 inches by 60 inches.
- (2) Objects projecting from walls with their leading edges between 27 and 80 inches above the finished floor shall protrude no more than 4 inches into an accessible route. Freestanding objects mounted on posts or pylons may overhang 12 inches maximum from 27 to 80 inches above the ground or the finished floor. Objects mounted with their leading edges at or below 27 inches above the finished floor may protrude any distance. However, no protruding objects shall reduce the clear width of an accessible route or maneuvering space. If vertical clearance of an area adjoining an accessible route is reduced to less than 80 inches, a barrier to warn blind or visually impaired persons shall be provided.
- (3) Mechanical rooms and spaces which are not normally frequented by the public or occupants and are not part of an accessible or emergency route are excepted and need not be accessible.
- (4) Gratings in a route surface shall have spaces no wider than ½ inch in one direction and shall be placed so that the long dimension of openings is perpendicular to the dominant direction of travel.

D. Delivery Ramps:

- (1) Any part of an accessible route with a slope greater than 1 foot rise in 20 feet shall be considered a ramp. Where ramps are necessary, they shall have a non-slip surface with a slope no greater than 1 foot rise in 12 feet. Ramps must have a minimum clear width of 3 feet with level landings at the top and bottom of each ramp run. Each landing shall be at least 5 feet in length and as wide as any ramp run leading into it. The maximum rise for any run shall be 30 inches. Intermediate landings for turning ramps shall measure a minimum of 5 feet by 5 feet.
- (2) Lessor shall provide handrails complying with "HANDRAILS" (36 CFR 1191) on both sides of all ramps with a vertical rise greater than 6 inches. Ramps with drop-offs shall have curbs (minimum 2 inches high), walls, railings or projecting surfaces. Lessor shall provide curb ramps wherever an accessible route crosses a curb. Curb ramps shall not interfere with walks or vehicular traffic. The maximum slope of a curb ramp shall be a 1 inch rise per 12 inch run. The maximum length of a curb ramp shall be 6 feet with a minimum width of 36 inches, exclusive of flared sides. If no other alternative is feasible, accessible platform lifts may be used in lieu of a ramp or elevator. Lifts shall have accessible controls and clearances, shall comply with applicable safety regulations, and should facilitate unassisted entry and exit.

E. Roof Access:

- (1) Space located on the roof of the Building sufficient in size for the installation and placement of telecommunications equipment and cooling towers for tenant required systems,
- (2) the right to access the roof of the Building, and
- (3) use of all Building areas (e.g., chases, plenums, etc.) necessary for the use, operation, and maintenance of such equipment at all times during the term of this Lease
- (4) the Government shall be responsible for all costs associated with the installation of new, Government-required equipment to be located on the roof.

F. Loading Docks: See "LOADING DOCKS SHELL WAREHOUSE" paragraph in Section 3 of this Lease.

1.03 TRUCK TURNING RADIUS REQUIREMENTS (WAREHOUSE) (MAY 2014)

At a minimum, truck access sized for up to a 30'0" single-unit (straight) truck for all loading docks designed for such sized trucks shall have one-way access for service traffic in order to avoid the need for large turning areas.

1.04 CLEAR CEILING HEIGHT REQUIREMENTS (WAREHOUSE) (MAY 2014)

A minimum of 35,000 ABOA SF must have a clear ceiling height of 16 feet 8 inches, measured from floor to the lowest obstruction, with the balance of the space maintaining a clear ceiling height of a minimum of 9 feet 6 inches. Bulkheads and hanging or surface mounted light fixtures which impede traffic ways shall be avoided.

1.05 BAY WIDTH, BAY DEPTH, AND COLUMN SPACING REQUIREMENTS (WAREHOUSE) (MAY 2014)

The following minimum requirements apply to this Lease.

Column Spacing – Warehouse: Columns shall be a minimum of 39'0" linear feet apart from one another in at least one direction
 Column Spacing – Office: Columns shall be a minimum of 18'0" linear feet apart from one another

1.06 RENT AND OTHER CONSIDERATION (MAY 2014)

A. The Government shall pay the Lessor annual rent, payable in monthly installments in arrears, on Suites G02, 101, 202, 203 and 204 of the Building, totaling to 59,891 ABOA SF / 66,356 RSF, at the following rates:

	FIRM TERM – YEARS 1-5	FIRM TERM – YEARS 6-10
	ANNUAL RENT	ANNUAL RENT
SHELL RENT ¹	\$ 996,077.77	\$ 1,137,416.05
TENANT IMPROVEMENTS RENT ²	\$ 46,655.09	\$ 46,655.09
OPERATING COSTS ³	\$ 283,723.58	\$ 283,723.58
BUILDING SPECIFIC AMORTIZED CAPITAL (BSAC) ⁴	\$ 0.00	\$ 0.00
PARKING ⁵	\$ 0.00	\$ 0.00
TOTAL ANNUAL RENT	\$ 1,326,465.44	\$ 1,467,794.72

¹ Shell rent calculation (Years 1-5): \$15.01 per RSF (rounded) multiplied by 66,356 RSF
 Shell rent calculation (Years 6-10): \$17.14 per RSF (rounded) multiplied by 66,356 RSF
² The Tenant Improvement Allowance of \$466,560.89 is amortized at a rate of 0.00 percent per annum over 10 years.
³ Operating Costs rent calculation: \$4.28 per RSF (rounded) multiplied by 66,356 RSF. (Operating Costs are defined elsewhere herein)
⁴ Building Specific Amortized Capital (BSAC) of \$XX are amortized at a rate of X percent per annum over XX years
⁵ Parking costs described under sub-paragraph H below

Upon substantial completion and acceptance of Suite G01 (11,645 RSF / 10,361 ABOA SF), the Lessor and Government shall execute a Lease Amendment to memorialize the changes to Sections 1.06, 1.07, 1.11, 1.16, and 1.18 of the Lease

In instances where the Lessor amortizes either the TIA or Building Specific Amortized Capital (BSAC) for a period exceeding the Firm Term of the Lease, should the Government terminate the Lease after the Firm Term or does not otherwise renew or extend the term beyond the Firm Term, the Government shall not be liable for any costs, including unamortized costs, beyond the Firm Term.

B. Rent is subject to adjustment based upon a mutual on-site measurement of the Space upon acceptance, not to exceed 70,252 ABOA SF based upon the methodology outlined under the "Payment" clause of GSA Form 3517.

C. Rent is subject to adjustment based upon the final Tenant Improvement (TI) cost to be amortized in the rental rate, as agreed upon by the parties subsequent to the Lease Award Date.

D. If the Government leases the Premises for less than a full calendar month, then rent shall be prorated based on the actual number of days the lease is in effect for that month.

E. Rent shall be paid to the Lessor by electronic funds transfer in accordance with the "Payment By Electronic Funds Transfer—Central Contractor Registration" paragraph in Section 8 "Additional Terms and Conditions" hereinafter. 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.

F. The 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 herein in the paragraph entitled "The Premises."
2. A tenant improvement allowance to fund 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 (with the exclusion of electricity), maintenance required for the proper operation of the Property, the Building, and the Leased 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. The Government shall be responsible for paying the cost of electricity directly to the utility provider. The Lessor shall ensure that such utilities are separately metered. The Lessor shall provide and install as part of shell rent, separate meters for utilities. Sub-meters are not acceptable. The Lessor shall furnish in writing to the LCO, prior to occupancy by the Government, a record of the meter numbers and verification that the meters measure Government usage only. Proration is not permissible. In addition, an automatic control system shall be provided to assure compliance with heating and air conditioning requirements.

G. Parking shall be provided at a rate of \$0.00 per parking space per month (Structure), and \$0.00 per parking space per month (Surface).

1.07 BROKER COMMISSION AND COMMISSION CREDIT (JUN 2012)

A. Jones Lang LaSalle Americas, 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 Jones Lang LaSalle Americas, 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 \$110,538.04 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted 1st Month's Rent.*

Month 2 Rental Payment \$110,538.04 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted 2nd Month's Rent.*

Month 3 Rental Payment \$110,538.04 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted 3rd Month's Rent.*

Month 4 Rental Payment \$110,538.04 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted 4th Month's Rent.*

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

~~1.08 TERMINATION RIGHTS (AUG 2014) INTENTIONALLY DELETED~~

~~1.09 RENEWAL RIGHTS (SEP 2013) INTENTIONALLY DELETED~~

1.10 DOCUMENTS INCORPORATED IN THE LEASE (WAREHOUSE) (MAY 2014)

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

DOCUMENT NAME	NO. OF PAGES	EXHIBIT
FLOOR PLAN(S)	2	A
SECURITY REQUIREMENTS	12	B
GSA FORM 1217, LESSOR'S ANNUAL COST STATEMENT	2	C
GSA FORM 3517B, GENERAL CLAUSES	47	D
GSA FORM 3518, REPRESENTATIONS AND CERTIFICATIONS	10	E
UNIT PRICE LIST	2	F
SECURITY UNIT PRICE LIST	3	G
GSA FORM 12000, FIRE PROTECTION AND LIFE SAFETY	14	H
GSA PRELEASE BUILDING SECURITY REPORT	9	I
LESSOR BUILDING EQUIPMENT LIST	2	J
GOVERNMENT-PROVIDED CONSTRUCTION DRAWINGS	32	K
WAREYARD SITE PLAN	1	L
RESTROOM PLAN	1	M

1.11 TENANT IMPROVEMENT ALLOWANCE (AUG 2011)

The Tenant Improvement Allowance (TIA) for purposes of this Lease is \$7.79 per ABOA SF totaling \$466,560.89. The TIA is the amount that the Lessor shall make available for the Government to be used for TIs. This amount is amortized in the rent over the Firm Term of this Lease at an annual interest rate of 0.00 percent.

1.12 TENANT IMPROVEMENT RENTAL ADJUSTMENT (SEP 2013)

A. The Government, at its sole discretion, shall make all decisions as to the use of the TIA. The Government may use all or part of the TIA. The Government may return to the Lessor any unused portion of the TIA in exchange for a decrease in rent according to the agreed-upon amortization rate over the Firm Term.

B. The Government may elect to make lump sum payments for any or all work covered by the TIA. That part of the TIA amortized in the rent shall be reduced accordingly. At any time after occupancy and during the Firm Term of the Lease, the Government, at its sole discretion, may elect to pay lump sum for any part or all of the remaining unpaid amortized balance of the TIA. If the Government elects to make a lump sum payment for the TIA after occupancy, the payment of the TIA by the Government will result in a decrease in the rent according to the amortization rate over the Firm Term of the Lease.

C. If it is anticipated that the Government will spend more than the allowance identified above, the Government may elect to:

1. Reduce the TI requirements;
2. Pay lump sum for the overage upon substantial completion in accordance with the "Acceptance of Space and Certificate of Occupancy" paragraph;
3. Negotiate an increase in the rent.

1.13 TENANT IMPROVEMENT FEE SCHEDULE (JUN 2012)

For pricing TI costs, the following rates shall apply for the initial build-out of the Space.

	INITIAL BUILD-OUT
ARCHITECT/ENGINEER FEES (\$ PER ABOA SF OR % OF TI CONSTRUCTION COSTS)	7.60%
LESSOR'S PROJECT MANAGEMENT FEE (% OF TI CONSTRUCTION COSTS)	6.00%

~~1.14 BUILDING SPECIFIC AMORTIZED CAPITAL (SEP 2012) INTENTIONALLY DELETED~~

~~1.15 BUILDING SPECIFIC AMORTIZED CAPITAL RENTAL ADJUSTMENT (SEP 2013) INTENTIONALLY DELETED~~

1.16 PERCENTAGE OF OCCUPANCY FOR TAX ADJUSTMENT (JUN 2012)

As of the Lease Award Date, the Government's Percentage of Occupancy, as defined in the "Real Estate Tax Adjustment" paragraph of this Lease is 27.4570 percent. The Percentage of Occupancy is derived by dividing the total Government Space of 66,356 RSF by the total Building space of 241,872 RSF.

1.17 REAL ESTATE TAX BASE (SEP 2013)

The Real Estate Tax Base, as defined in the "Real Estate Tax Adjustment" paragraph of the Lease, shall be established after the first full year following Lease Commencement has passed. Tax adjustments shall not occur until the following years after the establishment of the Real Estate Tax Base.

1.18 OPERATING COST BASE (SEP 2013)

The parties agree, for the purpose of applying the paragraph titled "Operating Costs Adjustment," that the Lessor's base rate for operating costs shall be \$4.28 per RSF (\$283,723.58 / annum).

1.19 RATE FOR ADJUSTMENT FOR VACANT LEASED PREMISES (SEP 2013)

In accordance with the paragraph entitled "Adjustment for Vacant Premises," if the Government fails to occupy or vacates the entire or any portion of the Office Space prior to expiration of the term of the Lease, the operating costs paid by the Government as part of the rent shall be reduced by \$1.50 per ABOA SF of Office Space vacated by the Government. No adjustment shall be made for any vacated Warehouse Space.

~~1.20 HOURLY OVERTIME HVAC RATES (AUG 2014) INTENTIONALLY DELETED~~

~~1.21 24-HOUR HVAC REQUIREMENT (SEP 2014) INTENTIONALLY DELETED~~

1.22 BUILDING IMPROVEMENTS (SEP 2012)

The Lessor shall complete the following additional Building improvements:

- A. The Lessor, at its sole cost and expense, shall install shatter resistant window film in accordance with Exhibit C within 120 days of the Lease Award Date.
- B. The Lessor, at its sole cost and expense, shall be responsible for design of and renovation to restroom(s) servicing Suite G01, per Exhibit M, prior to Government acceptance of Suite G01.
- C. The following Fire Protection and Life Safety Improvements / Corrections shall be completed by the Lessor, at its sole cost and expense, within 90 days of the Lease Award Date.

FINDING 001: A detailed sprinkler diagram was not available for review. This document should be provided to show the location of all sprinkler related valves and alarms. Should a fire occur, it is imperative the control valves be located in an expedient manner to reduce the water damage after the fire has been extinguished.

RECOMMENDATION: Provide a detailed drawing showing all sprinkler zones, water flow switches, tamper switches and control valves. Mount this document adjacent to the entrance lobby annunciator.

REFERENCE: NFPA 13 (2014 Edition), Chapter 22

FINDING 002: Exit signs in Room G02 do not adequately indicate the direction of egress. The freezers take up a majority of the floor space in this room and obstructs the existing sign locations.

RECOMMENDATION: Provide at least three additional signs to indicate the exit door locations

REFERENCE: NFPA 101 (2013 Edition), Section 7.10.

FINDING 003: A recent annual fire pump flow test was performed and the pump failed. A pump replacement should be made ASAP.

RECOMMENDATION: Repair or replace the fire pump.

REFERENCE: NFPA 25, Table 8.2.1.

1.23 ~~HUBZONE SMALL BUSINESS CONCERNS ADDITIONAL PERFORMANCE REQUIREMENTS (MAY 2012)~~ INTENTIONALLY DELETED