

LEASE NO. GS-11P-LVA12704

Standard Lease
GSA FORM L201C (September 2013)

INSTRUCTIONS TO OFFEROR: Do not attempt to complete this lease form (GSA Lease Form L201C, hereinafter Lease Form). Upon selection for award, GSA will transcribe the successful Offeror's final offered rent and other price data included on the lease proposal form (GSA Lease Proposal Form 1364C, hereinafter Lease Proposal Form) into a Lease Form, and transmit the completed Lease Form, together with appropriate attachments, to the successful Offeror for execution.

This Lease is made and entered into between

Fifth Crystal Park Associates Limited Partnership

(Lessor), whose principal place of business is c/o Vornado/Charles E. Smith L.P., 2345 Crystal Drive, Suite 1100, Arlington, VA 22202-4801, 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

2451 Crystal Drive, Arlington, VA 22202-4803

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

10 Years (5 Years Firm)

To Have and To Hold the said Premises with its appurtenances for the term beginning August 17, 2015 and continuing through August 16, 2025, subject to termination rights as may be hereinafter set forth.

In Witness Whereof, the parties have signed 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 the fully executed Lease to the Lessor.

FOR THE

FOR

Name: _____

Name: Michelle Pindell

Title: Executive President

Title: Lease Contracting Officer

Entity Name: Fifth Crystal Park Associates Limited Partnership (by CESC Park Five Manager L.L.C. Its general partner)

General Services Administration, Public Buildings Service

Date: 9/1/15

Date: 9/9/2015

WITNESSED FOR THE LESSOR BY:

Name: _____

Title: Executive Office Assistant

Date: 9/1/15

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 (JUN 2012)

The Premises are described as follows:

- A. **Office and Related Space:** 26,274 rentable square feet (RSF), yielding 21,054 ANSI/BOMA Office Area (ABOA) square feet (SF) of office and related Space located in Suite 400 and Suite 410 on a portion of the 4th floor, 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 24.79 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 (SEP 2013)

The Government shall have the non-exclusive 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 Con floors fully leased by the Government. 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. **Parking:** 9 unreserved parking permits are included in the rent and shall be permits for structured/inside parking. In addition, additional parking shall be available at the Building as required by the applicable code of the local government entity having jurisdiction over the Property, for which the Government will pay additional rent if it desires to use such additional spaces.
- B. **Antennas, Satellite Dishes, and Related Transmission Devices:** (1) Space located on the roof of the Building sufficient in size for the installation and placement of telecommunications equipment, (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 telecommunications equipment at all times during the term of this Lease. All costs associated with such equipment shall be borne by the Government. The Government's right to affix security, communications equipment, and antennae or similar equipment to the roof, parapet or building envelope shall be at no additional rent, but shall be subject to space availability, code compliance, governmental approvals, screening and aesthetic requirements and the right of other tenants (if any), and shall not interfere with the Building's systems or warranties.

1.03 RENT AND OTHER CONSIDERATION (OCT 2014)

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

	FIRM TERM	NON FIRM TERM
	ANNUAL RENT ⁶	ANNUAL RENT ⁶
SHELL RENT ¹	\$904,479.85	\$1,013,960.64
TENANT IMPROVEMENTS RENT ²	\$23,159.40	\$0.00
OPERATING COSTS ³	\$168,432.00	\$168,432.00
BUILDING SPECIFIC AMORTIZED CAPITAL (BSAC) ⁴	\$0.00	\$0.00
TOTAL ANNUAL RENT	\$1,096,071.25	\$1,182,392.64
PARKING ⁵	\$18,900.00	\$18,900.00
TOTAL ANNUAL RENT WITH PARKING	\$1,114,971.25	\$1,201,292.64

¹Shell rent calculation:
 (Firm Term) \$34.424901 per RSF (or \$42.98 per ABOA) multiplied by 26,274 RSF
 (Non Firm Term) \$38.591788 per RSF (or \$48.16 per ABOA) multiplied by 26,274 RSF
²The Total Tenant Improvement Allowance of \$5.50 per ABOA (total TI amount \$115,797.00) is amortized at (\$1.10 per ABOA) 0.00% percent per annum over 5 years.
³Operating Costs rent calculation: \$6.410596 per RSF (or \$8.00 per ABOA) multiplied by 26,274 RSF
⁴N/A
⁵Parking costs described under sub-paragraph H below
⁶Annual rent is rounded

In instances where the Lessor amortizes either the TI or 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 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 21,054 ABOA SF based upon the methodology outlined under the "Payment" clause of GSA Form 3517.

D. If the Government occupies the Premises for less than a full calendar month, then rent shall be prorated based on the actual number of days of occupancy for that month.

E. Rent is subject to adjustments based on the final Building Specific Amortized Capital (BSAC) cost to be amortized in the rental rate, as agreed upon by the parties subsequent to the Lease Award Date.

F. Rent shall be paid to Lessor by electronic funds transfer in accordance with the provisions of the General Clauses. Rent shall be payable to the Payee designated in the Lessor's Central Contractor Registration (CCR), now the System for Award Management (SAM). If the payee is different from the Lessor, both payee and Lessor must be registered in SAM.

G. 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 in the paragraph entitled "The Premises."

2. 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, and maintenance required for the proper operation of the Property, the Building, and the 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.

H. Not included in the Paragraph 1.03 above, the Lessor shall make parking available at a rate of \$175.00 per parking permit per month (nonreserved structured/inside), and \$350.00 per parking space per month (reserved structured/inside). The Lessor's obligation to provide parking permits shall not exceed one (1) parking permit for every 1,000 RSF leased. In the event that the Space is reduced after the Firm Term, then the Lessor's obligation to provide parking permits shall be reduced commensurately.

1.04 RENT CONCESSIONS (JUN 2012)

The Government shall be entitled to rent abatement in the amount of \$986,464.13, to be applied against the monthly fully serviced rental payment until exhausted. The rent abatement shall commence with the first month of the Lease and continue until the free rent has been fully recaptured in equal monthly installments over the shortest time practicable.

1.05 TERMINATION RIGHTS (AUG 2011)

The Government may terminate this Lease, in whole or in part, at any time effective after the Firm Term of this Lease, by providing not less than 120 days' prior written notice to the Lessor. The effective date of the termination shall be the day following the expiration of the required notice period or the termination date set forth in the notice, or the Government's removal of telephones, furniture, equipment, and all personal property, whichever is later. No rental shall accrue after the effective date of termination. The Government's right to terminate the lease for a portion of the Space, shall be limited to terminating the entirety of Suite 400 or the entirety of Suite 401. The terminated premises shall be configured to be marketable and shall meet local code fire and life safety travel distances.

1.06 RENEWAL RIGHTS (SEP 2013) INTENTIONALLY DELETED

This Lease may be renewed at the option of the Government for a term of XX YEARS at the following rental rate(s):

	OPTION TERM, YEARS XX-XX	
	ANNUAL RENT	ANNUAL RATE / RSF
SHELL RENTAL RATE	\$XX	\$XX
OPERATING COSTS	OPERATING COST BASIS SHALL CONTINUE FROM THE EFFECTIVE YEAR OF THE LEASE. OPTION TERM IS SUBJECT TO CONTINUING ANNUAL ADJUSTMENTS.	

provided notice is given to the Lessor at least XX days before the end of the original Lease term, all other terms and conditions of this Lease, as same may have been amended, shall remain in full force and effect during any renewal term.

1.07 DOCUMENTS INCORPORATED IN THE LEASE (SEP 2013)

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

DOCUMENT NAME	NO. OF PAGES	EXHIBIT
FLOOR PLAN(S)	1	A
SOLICITATION ATTACHMENT #1 – RATE STRUCTURE	1	B
SOLICITATION ATTACHMENT #2 – CONSTRUCTION SCHEDULE	1	C
PRE-LEASE FIRE PROTECTION AND LIFE SAFETY EVALUATION	16	D
FIRE PROTECTION LIFE SAFETY EXHIBIT #1	1	E
SECURITY REQUIREMENTS – [REDACTED]	7	F
GSA FORM 3517B, GENERAL CLAUSES	47	G
GSA FORM 3518, REPRESENTATIONS AND CERTIFICATIONS	10	H
SMALL BUSINESS SUBCONTRACTING PLAN	11	I
GSA FORM 1217 – LESSOR'S ANNUAL COST STATEMENT	1	J

1.08 TENANT IMPROVEMENT ALLOWANCE (AUG 2011)

The Tenant Improvement Allowance (TIA) for purposes of this Lease is \$5.50/ABOA. The TIA is the amount that the Lessor shall make available for the Government to be used for tenant improvements. This total TIA amount of \$115,797.00 is amortized in the rent over the Firm Term of this Lease at an annual interest rate of zero percent (0%). The tenant improvement allowance is available solely for tenant improvements required by the Government for occupancy of the existing user. Upon completion of improvements in the Leased Premises by the Lessor and acceptance thereof by the Government, the cost of improvements shall be memorialized in a subsequent Lease Amendment (LA) along with the amortization payment amount and revised rent. In the event the total cost of tenant improvements is greater or less than the \$115,797.00 already included in the annual rent as set forth in Paragraph 1.03, then the rent shall be adjusted accordingly. The Government reserves the right to convert any unused portion of the first \$115,797.00 of this allowance into a rental abatement (which shall be applied to the most current installments of rent then due until exhausted) or to reduce the annual rent as set forth in Paragraph 1.03; any such action thus taken shall be memorialized by LA along with the amortization payment amount and revised rent.

1.09 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 to amortize additional TI funds into the rent, subject to the approval of the Lessor.

1.10 TENANT IMPROVEMENT FEE SCHEDULE (JUN 2012)

For pricing of the construction of the Government's initial TI only, 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)	\$4.37
LESSOR'S PROJECT MANAGEMENT FEE (% OF TI CONSTRUCTION COSTS)	12.0%

1.11 BUILDING SPECIFIC AMORTIZED CAPITAL (SEP 2012) INTENTIONALLY DELETED

For purposes of this Lease, the Building Specific Amortized Capital (BSAC) is \$6.00 per ABOA SF. The Lessor will make the total BSAC amount available to the Government, which will use the funds for security related improvements. This amount is amortized in the rent over the Firm Term of this lease at an annual interest rate of 0 percent.

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

A. ~~The Government, at its sole discretion, shall make all decisions about the use of the Building Specific Amortized Capital (BSAC). The Government may use all or part of the BSAC. The Government may return to the Lessor any unused portion of the BSAC in exchange for a decrease in rent (where applicable) according to the agreed-upon amortization rate over the Firm Term.~~

B. The Government may elect to make lump-sum payments for any work covered by the BSAC. The part of the BSAC 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 a lump sum for any part or all of the remaining unpaid amortized balance of the BSAC. If the Government elects to make a lump-sum payment for the BSAC after occupancy, the payment of the BSAC 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 BSAC identified above, the Government may elect to:

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

1.13 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 6.44 percent. The Percentage of Occupancy is derived by dividing the total Government Space of 26,274 RSF by the total Building space of 408,225 RSF.

1.14 REAL ESTATE TAX BASE (SEP 2013)

The Real Estate Tax Base, shall be as defined in the "Real Estate Tax Adjustment" paragraph of the Lease. Tax adjustments shall not occur until the tax year following lease commencement has passed.

1.15 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 \$6.410596 per RSF (\$168,432.00 per annum).

1.16 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 Premises 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 \$1.00 per ABOA SF of Space vacated by the Government.

1.17 HOURLY OVERTIME HVAC RATES (AUG 2011)

The following rates shall apply in the application of the paragraph titled "Overtime HVAC Usage:"

- \$67.00 per hour for the entire Space for the first year of the lease only. Beginning in the second year of the lease, and continuing every year thereafter, the hourly rate for overtime HVAC services shall be negotiated between the Lessor and the Government. Except as detailed below, no additional charges for overtime HVAC shall apply

No engineer or building staff shall be provided during overtime hours. If the Government requires staff on site during overtime hours, the Government shall reimburse Lessor at the then-current hourly rate applicable to such overtime period, with a four (4) hour minimum charge applicable to such overtime labor.

1.18 ~~24-HOUR HVAC REQUIREMENT (APR 2011)~~ INTENTIONALLY DELETED

~~The hourly overtime HVAC rate specified above shall not apply to any portion of the Premises that is required to have heating and cooling 24 hours per day. If 24-hour HVAC is required by the Government for any designated rooms or areas of the Premises, such services shall be provided by the Lessor at an annual rate of \$X.XX per ABOA SF of the area receiving the 24-hour HVAC. Notwithstanding the foregoing, Lessor shall provide this service at no additional cost to the Government if the Lessor provides this service to other tenants in the Building at no additional charge.~~

1.19 BUILDING IMPROVEMENTS (SEP 2012)

Before the Government accepts the Space, the Lessor shall complete the following additional Building improvements:

- A. Fire & Life Safety: Lessor shall, at Lessor's sole cost and expense, perform all fire and life safety upgrades outlined in the attached Exhibit E, Fire and Life Safety Exhibit Number One.

1.20 HUBZONE SMALL BUSINESS CONCERNS ADDITIONAL PERFORMANCE REQUIREMENTS (MAR 2012)

If the Lessor is a qualified HUBZone small business concern (SBC) that did not waive the price evaluation preference then as required by 13 C.F.R. 126.700, the HUBZone SBC must spend at least 50% of the cost of the contract incurred for personnel on its own employees or employees of other qualified HUBZone SBC's and must meet the performance of the work requirements for subcontracting in 13 C.F.R. § 125.6(c). If the Lessor is a HUBZone joint venture, the aggregate of the qualified HUBZone SBC's to the joint venture, not each concern separately, must perform the applicable percentage of work required by this clause.