

DATE OF LEASE: 1/15/2009

LEASE #GS-11B-02071

THIS LEASE, made and entered into this date between Union Station Venture  
Whose address is: c/o Bristol Group, Inc.  
400 Montgomery Street  
Suite 400  
San Francisco, CA 94104

And whose interest in the property hereinafter described is that of OWNER, hereinafter called the LESSOR, and the UNITED STATES OF AMERICA, hereinafter called the Government.

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WITNESSETH: The parties hereto for the considerations hereinafter mentioned, covenant and agree as follows:

1. The Lessor hereby leases to the Government the following described premises:

A total of approximately **25,000 Rentable Square Feet (RSF)**, being **21,845 ANSI BOMA Office Area Square Feet (BOASF)**, and being a portion of the Sixth Floor of the building known as One NOMA Station, as noted on the attached floor plans and made a part hereof, with the address being 131 M Street, NE, Washington, DC 20002 to be used for office and related purposes as determined by the Government.

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2. TO HAVE AND TO HOLD the said premises with their appurtenances for the five (5) YEAR FIRM term beginning upon acceptance of the premises by the Government as substantially complete and ending on a date that is five (5) years from the date of space acceptance, subject to renewal rights as may be set forth hereinafter.

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3. The Government shall pay the Lessor an annual rent of \$1,078,924.55 (\$49.39/BOASF [\$48.64/BOASF + \$0.75/BOASF daytime cleaning premium]) at the rate of \$89,910.38 per month in arrears. Rent for a lesser period shall be prorated. The annual rent includes an operating cost base of \$219,323.80 (\$10.04/BOASF), base real estate taxes, and \$87,380 to amortize a tenant improvement allowance of \$436,900 (\$20.00/BOASF) at zero percent (0%) annual interest. The operating cost base includes the daytime cleaning premium. Rent checks shall be payable to: Union Station Venture, c/o Bristol Group, 400 Montgomery Street, Suite 400, San Francisco, CA 94104.

The Government shall be entitled to abatement of rent in its entirety for the first four (4) months of the lease term.

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4. ~~The government may terminate this lease at any time by giving at least \_\_\_\_\_ days notice in writing to the Lessor and no rental shall accrue after the effective date of termination. Said notice shall be computed commencing with the day after the date of mailing.~~

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5. This lease may be renewed at the option of the Government, for the following term and at the following rental:

The Government shall have the right to one (1) renewal option for a \_\_\_\_\_ at an annual rent of \_\_\_\_\_ payable at the rate of \_\_\_\_\_ per month in arrears. The operating cost base and base year real estate taxes shall be recalculated for a new 12-month period at the beginning of the option term. The Government shall exercise its renewal option if at all by providing the Lessor with written notice of the Government's intent to exercise such option at least 180 days before the end of the original lease term; all other terms and conditions of this lease shall remain the same during any renewal term. Said notice shall be computed commencing with the day after the date of mailing.

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6. The Lessor shall furnish to the Government, as part of the rental consideration, the following, EXCEPT AS SET FORTH BELOW OR ELSEWHERE IN THIS LEASE, ALL SERVICES, IMPROVEMENTS, ALTERATIONS, REPAIRS, AND UTILITIES AS DEFINED BY THIS LEASE. THIS LEASE IS FULL SERVICE.
- a) Prior to substantial completion of the leased premises, Lessor shall correct all deficiencies and comply with all recommendations and findings of Attachment #4, Fire Protection & Life Safety Evaluation prepared by a Certified Fire Protection Engineer, as well as the recommendations and findings of the GSA Fire Protection Engineering Section's review of Attachment #4, which is made a part hereof.
  - b) Tenant Improvements: Upon completion of tenant improvements by Lessor and acceptance thereof by the Government, the cost of such tenant improvements shall be memorialized in a Supplemental Lease Agreement (SLA) along with the amortization payment amount and revised rent. In the event the total cost of tenant improvements is greater or less than the initial Tenant Improvement Allowance of \$20.00/BOASF, the rent shall be adjusted accordingly. (See SFO Section 3.2) Tenant improvements financed by the Lessor above the initial \$20.00/BOASF shall be amortized at the annual interest rate of nine percent (9%). Notwithstanding any provisions of the SFO to the contrary, the Lessor shall not be obligated to provide to the Government as part of the rent a total tenant improvement allowance in excess of \$919,237.60 (\$42.08/BOASF). Any tenant improvements funded by the Lessor in excess of \$42.08/BOASF amount shall be repaid by the Government via lump sum payment. Refer paragraph 6(e) below regarding maximum fees payable by the Government for improvements and change orders.
  - c) At the Government's option, in lieu of providing the building shell requirements within the Government's leased premises required by the SFO, the Lessor shall provide the Government a credit for building shell improvements, in an amount to be mutually agreed upon by the Lessor and the Government, to be added to the Tenant Improvement Allowance set forth in Paragraph 6(b) above. This credit may be used in the same manner as the Tenant Improvement Allowance. This credit is being provided in complete satisfaction of the Lessor's compliance with any and all building shell requirements within the Government's leased premises under the Lease, and the Lessor has no further obligation to provide any building shell items in accordance with the terms of the this lease within the Government's leased premises prior to lease commencement. The Lessor shall be required to maintain, repair and replace as necessary all of the elements of the building shell within the Government's leased premises in accordance with the terms of SFO 07-014 throughout the remainder of the lease term, at the Lessor's expense. Nothing in this credit is meant to relieve the Lessor from compliance with its building shell requirements outside of the Government's leased premises at the Lessor's sole cost and expense.
  - d) Notwithstanding anything to the contrary contained in the Lease (including, without limitation, Paragraph 3.18 of the Solicitation for Offers ("SFO")), the parties shall negotiate and agree to a schedule for the design, construction, and delivery of space that is consistent with the terms and the timeframes set forth in the SFO, and the parties shall execute a Supplemental Lease Agreement adopting such schedule. Both parties hereto agree that this schedule shall commence within five (5) days of the date upon which the Government executes the lease. The first obligation of this schedule shall be the delivery of a complete Program of Requirements, as mutually determined, which shall be delivered to the Lessor no later than 45 calendar days following schedule commencement. Should either the Government or the Lessor fail to discharge their responsibilities as defined within the time allocated under the agreed upon schedule, then such failure shall constitute "delay." Delay caused by either party may be offset by the early completion of that party's other responsibilities within the schedule. The absolute value of the number of days of one party's delay minus the number of days of the other party's delays shall equal the total number of days of delay for a given stage of the schedule. Delay in substantial completion shall be attributable to the party having caused the greatest number of days of delay and shall be termed either "Government Delay" or "Lessor Delay" as appropriate.
  - e) The Government's percentage of occupancy for real estate tax purposes shall be 6.07%, based on 25,000 RSF / 411,778 RSF.
  - f) The general contractor's total fees for overhead and profit shall be 4% and the general contractor's fees for general conditions shall be 8%. The Lessor's total construction management & coordination fees for the Tenant Improvements for the Government's space shall be 4% and architecture & engineering fees, if any, shall not exceed 6%. Any such fees will be paid for out of the T/I Allowance.
  - g) The HVAC overtime rate shall not exceed \$45/hour to include labor and engineering (stationary) service.
  - h) During the term of the lease, the Lessor shall make available up to 17 parking spaces for rental by Government employees occupying the space under this lease. Permits for such parking spaces shall be purchased directly by individual employees at prevailing market rates.
  - i) The Lessor shall cause all cleaning in the Government's space to occur between the hours of 8:30 a.m. and 4:30 p.m., Monday through Friday, excluding Federal holidays.
  - j) ~~Section 6.17 of the SFO is hereby deleted in its entirety. Pursuant to Section 6.18.A.1 a the requirement to produce 50 average maintained foot-candles at working surface height throughout work spaces is inconsistent with the DC Energy Code. As such, the last sentence of Section 6.18.A.1.a of the SFO is hereby deleted in its entirety and the following is inserted in lieu thereof: "Such fixtures shall produce 35 average maintained foot-candles at working surface height throughout work spaces plus Government provided furniture task lighting to add 15 foot-candles in such work spaces (for a total of 50 foot-candles), 20 foot-candles in corridors, and 10 foot-candles in other non-working areas."~~

LESSOR

GOVT

(rev. 10/15/08)

k) The Government shall have the right to install up to two dish-type antenna(s) on an 8' x 13' area on the roof of the subject building at no additional rental. The location of the antenna(s) shall be determined by the Government, subject to the consent of the Lessor, which shall not be unreasonably withheld, delayed or conditioned. The costs of installation, maintenance, repair, replacement, operation and use of the antenna(s) shall be borne by the Government and all work shall be performed in conformance with applicable codes. The Government, upon 24 hours' advance written notice to the Lessor (except in case of emergency), shall have access to the rooftop 24 hours per day, 7 days per week, in order to install, maintain, repair, replace, operate and use said antenna(s). The Government's installation, maintenance, repair, replacement, operation and use of the antenna(s) may not interfere with any rooftop equipment, including antennas, existing at the time of the Government's installation, maintenance, repair, replacement, operation and use of the antenna(s). The Lessor shall ensure that subsequently-installed rooftop equipment, including antennas, does not interfere with the Government's antenna(s). In the event the Government exercises this right, the parties shall execute a Supplemental Lease Agreement (SLA) detailing additional terms and conditions of this installation.

l) In the event of a conflict between the terms of this SF-2 and the SFO or its attachments, the terms contained in this SF-2 shall prevail.

7. The following are attached and made a part hereof:

1. Solicitation For Offers (SFO) # 07-014, 52 pages
2. Solicitation Attachment #1, Rate Structure, 1 page
3. Solicitation Attachment #2, Construction Schedule, Below 92,000 BOMA OASF, 1 page
4. Solicitation Attachment #3, Scope of Work for DID's and Construction Schedule Tasks, 2 pages
5. Solicitation Attachment #4, Fire and Life Safety Report
6. Small Business Subcontracting Plan, 6 pages
7. GSA Form 1217, Lessor's Annual Cost Statement, 1 page
8. GSA Form 3517, General Clauses, 32 pages
9. GSA Form 3518, Representations and Certifications, 7 pages
10. Floor Plans of Leased Area, 1 page
11. Rider #1 - Fire & Life Safety, 1 page

8. To the extent of any inconsistencies between this SF2 and other provision of the Lease, the SF2 shall govern.

IN WITNESS WHEREOF, the parties hereto have hereunto subscribed their names as of the date first above written.

Owner:

Union Station Venture,

By JKott  
Jeffery S. Kott, President, Union Station Venture Corporation No. P-5, as general partner for Union Station Venture, a District of Columbia general partnership, and for Union Station Associates Limited Partnership, a District of Columbia limited partnership.

By J. McLay  
Todd McLay, Secretary, Union Station Venture Corporation No. P-5, as general partner for Union Station Venture, a District of Columbia general partnership, and for Union Station Associates Limited Partnership, a District of Columbia limited partnership.

IN PRESENCE OF:

(Signature)

(Address)

UNITED STATES OF AMERICA

BY Lisa Richmond CONTRACTING OFFICER, GSA, NCR Revised