

DATE OF LEASE: MAR 16 2011

LEASE #GS-11B-02274

THIS LEASE, made and entered into this date between: Washington Real Estate Investment Trust

Whose address is: 6110 Executive Blvd.
Suite 800
Rockville, MD 20852-3927

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.

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 **5,801 ANSI BOMA Rentable Square Feet (BRSF)**, being **5,552 ANSI BOMA Office Area Square Feet (BOASF)**, (herein referred to as the Leased Premises), located in Suite 107, as cross hatched on the attached floor plan made a part hereof, in the building known as 1776 G Street, located at 1776 G Street, NW, Washington, DC, 20006-4705.

To be used for office and related purposes as determined by the Government.

2. TO HAVE AND TO HOLD the said premises with their appurtenances for the five (5) YEAR FIRM term beginning on April 14, 2011 and expiring on April 13, 2016, subject to renewal rights as may be set forth hereinafter.

3. The Government shall pay the Lessor an annual rent of \$316,630.56 (\$57.03/BOASF) at the rate of \$26,385.88 per MONTH in arrears. Rent for a lesser period shall be prorated. The annual rent includes an operating cost base of \$47,636.16 (\$8.58 / BOASF), base real estate taxes, \$22,208.00 to amortize a tenant improvement allowance of \$111,040.00 (\$20.00/BOASF) at zero percent (0%) annual interest. The operating cost base includes the daytime cleaning premium of [REDACTED] /BOASF. Rent checks shall be payable to **Washington Real Estate Investment Trust**, at the address shown below:

Washington Real Estate Investment Trust
6110 Executive Blvd.
Suite 800
Rockville, MD 20852-3927

4. Intentionally deleted.

5. Intentionally deleted.

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 commencement of the Lease, the Lessor shall correct all deficiencies and comply with all recommendations and findings of Attachment #4, Fire Protection & Life Safety Evaluation report prepared by a Certified Fire Protection Engineer, as well as the recommendations and findings of the GSA Fire Protection Engineering Section's review of the report, attached hereto and made a part hereof.
- b) Tenant Improvements: Upon completion of improvements in Suite 107 by the Lessor and acceptance thereof by the Government, the cost of 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 for Suite 107 is greater or less than \$111,040.00, then the rent shall be adjusted accordingly. (See SFO Section 3.3) Tenant improvements financed by the Lessor above \$20.00/BOASF and up to \$42.08/BOASF shall be amortized at nine percent (9%) annual interest. Notwithstanding any provisions of the SFO to the contrary, the Government shall not amortize more than \$233,628.16 (\$42.08/BOASF) in tenant improvements. Any tenant improvements funded by the Lessor in excess of this amount shall be repaid by the Government via lump sum payment.
- c) The Government's percentage of occupancy for real estate tax purposes shall be 2.18%, based on 5,801 RSF / 266,000 RSF, subject to confirmation of the total rentable area of the entire building.
- d) In the event that the Lessor performs tenant improvements in the leased premises at the Government's direction, the Lessor shall be entitled to fees as set forth in this paragraph. The general contractor's total fees for overhead and profit shall not exceed 7% and the general contractor's fees for general conditions shall not exceed 5%. The Lessor's total construction management & coordination fees for the Tenant Improvements for the Government's space shall not exceed 10% and architecture & engineering fees, if any, shall not exceed \$3.50/BOASF. Any such fees will be paid for out of the T/I Allowance.

- e) The HVAC overtime rate shall reflect the Lessor's actual cost of providing overtime HVAC services and shall not exceed \$14/hour. The foregoing rate does not include the services of an engineer or other on-site staff which is not required for the provision of overtime HVAC services. In the event that the Government and another tenant request simultaneous overtime service, the applicable overtime charge shall be pro-rated over the square footage of each such tenant for the simultaneous hours requested. In the event that an engineer or maintenance mechanic is requested by the tenant, the rate for said services shall be negotiated. If requested by the Government, the Lessor shall provide documentation, including but not limited to, an inventory of the equipment operated to provide overtime HVAC, past utility bills and other pertinent information as requested in support of the overtime HVAC rate.
- f) The Lessor shall not be required to pay any cooperating brokerage commission to the Government, or any broker acting on behalf of the Government, in connection with this lease.
- g) The Government's end users shall have the right to acquire up to 12 parking spaces in association with this Lease. Parking spaces shall be acquired via separate service contract between the Government's end users and the Lessor's parking contractor, at market rates not to exceed \$400 per month for reserved spaces or \$200 per month for non-reserved spaces during the first lease year, subject to typical market escalations in subsequent lease years but not to exceed 3% per annum.
- h) The Lessor shall cause all cleaning within the Government's demised area to be performed between the hours of 8:30 a.m. and 4:30 p.m., Monday through Friday, except Federal Holidays.
- i) Notwithstanding the provisions contained in Paragraph 6, the parties agree that this is a succeeding lease agreement to GS-11B-40128, and the Lessor will continue to maintain, repair and replace as necessary all of the elements of the warm, lit shell to the specifications of SFO 11-DC. The Building's total rentable square footage has changed from 260,580 BRSF to 266,000 BRSF and the square footage in lease GS-11B-40128 (6,510 BRSF, 5,700 BOASF) is being restated in this Lease as 5,801 BRSF (5,552 BOASF) due to a re-measurement using the new standard BOMA method of measurement.
- j) In the event of a discrepancy between the terms of this SF-2 and the SFO and its attachments, the terms of this SF-2 shall control.

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

- 1. Solicitation For Offers (SFO) # 11-DC, 55 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, 18 pages
- 6. Small Business Subcontracting Plan, 13 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
- 12. Rider #2 - Security Requirements, 1 page

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

LESSOR: Washington Real Estate Investment Trust

BY  _____

TITLE: **Michael S. Pankstirus**
SVP-Real Estate

DATE: 2/8/2011

IN PRESENCE OF Thomas C. Murray - SVP/IC

ADDRESS: 6110 Executive Blvd., Suite 800, Rockville, MD, 20852-3927

UNITED STATES OF AMERICA

BY  _____

CONTRACTING OFFICER, GSA, NCR

Joel T. Berelson

INITIALS

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|---|---|
| Lessor | Gov't |
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