

GENERAL SERVICES ADMINISTRATION PUBLIC BUILDINGS SERVICE SUPPLEMENTAL LEASE AGREEMENT	SUPPLEMENTAL AGREEMENT 5 TO LEASE NO. GS-11B-01307	DATE <i>5/31/02</i> Page 1 of 3
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ADDRESS OF PREMISES. 601 New Jersey Avenue, NW
Washington, DC 20001-2021

THIS AGREEMENT, made and entered into this date by and between 601 NJ Avenue, LLC

c/o Pollinger, Shannon & Luchs Company

whose address is 5530 Wisconsin Avenue, Suite 1000
Chevy Chase, MD 20815

hereinafter called the Lessor, and the UNITED STATES OF AMERICA, hereinafter called the Government:
WHEREAS, the parties hereto desire to amend the above Lease.

NOW THEREFORE, these parties for the considerations hereinafter mentioned covenant and agree that the said Lease is amended effective UPON EXECUTION as follows:

1. This Supplemental Lease Agreement ("SLA") is issued to increase the leased premises by an additional 11,806 BOMA rentable square feet ("BRSF") (yielding approximately 10,125 BOMA office area square feet ("BOUSF") on a multi-tenant basis) consisting of a portion of the eighth floor of the building as shown on the floor plan attached hereto as Exhibit A. (the "Expansion Space").
2. Paragraph 1 of Standard Form 2 of the Lease is hereby deleted in its entirety and the following is inserted in lieu thereof:

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

A total of 212,647 BRSF (such yielding approximately 188,429 BOUSF located on full floors 1 through 7 (single tenant) and a portion of floor 8 (multi-tenant) of the building located at 601 New Jersey Avenue, NW, Washington, DC 20001-2021, to be used for SUCH PURPOSES AS DETERMINED BY THE GOVERNMENT. (See Attachment 1 – ANSI/BOMA Office Area Summary, floor plans of the leased premises, and Exhibit A hereto).

All other terms and conditions of the lease shall remain in force and effect.

IN WITNESS WHEREOF, the parties subscribed their names as of the above date.

LESSOR: 601 NJ Avenue, LLC, a Delaware limited liability company, By: 601 Holding Member, LLC.
Its: Managing Member, By: Robert P. Gigliotti, Its: President

BY *[Signature]* President
(Signature) (Title)

IN THE PRESENCE OF (witnessed by):

Neil D. Levy 607-14th St., N.W., Ste. 900, Washington, DC 20005
(Signature) (Address)

UNITED STATES OF AMERICA

BY *Noreen Freeman* 5/31/02 Contracting Officer
MS. NOREEN FREEMAN, CONTRACTING OFFICER (Official Title)

3. Paragraph 3 of Standard Form 2 of the Lease is hereby deleted in its entirety and the following is inserted in lieu thereof:

The Government shall pay the Lessor annual rent of:

\$8,043,072.90 at the rate of \$670,256.08 per MONTH in arrears, subject to adjustments as may be hereinafter set forth, for the term of the lease. Beginning on the first day of the second year of the Lease and thereafter on the first day of every succeeding year of the Lease Term, with the sole exception of the sixth year, the total annual rent (inclusive of shell rent which includes the base real estate taxes, the amortized tenant improvement allowance, and the base operating expenses) then in effect shall be escalated at 1.5%. In addition, on the first day of the sixth year of the Lease Term, the total annual rent then in effect shall be increased by a fixed amount ("bump") of \$1.00/BRSF. The rent bump in year 6 is in lieu of the 1.5% annual rent escalation. (See Attachment 2 Rent Schedule.)

The rents shall be in addition to Operating Expense Adjustments and Tax Adjustments provided during the Lease term as per the attached Solicitation for Offers. Rent for a lesser period shall be prorated. Rent checks shall be made payable to: 601 NJ Avenue, LLC c/o Pollinger, Shannon & Luchs Company, 5530 Wisconsin Avenue, Suite 1000, Chevy Chase, MD 20815.

4. The Attachment 2 Rent Schedule included in the original lease is hereby deleted in its entirety and replaced with the Attachment 2 Rent Schedule, dated March 13, 2002, and attached hereto as Exhibit B. A breakdown of the rates for the original rate and the expansion space rate is included in the Attachment.

5. Paragraph 6.E of Standard Form 2 of the Lease is hereby deleted in its entirety and the following is inserted in lieu thereof:

Pursuant to Paragraph 3.3 "Tax Adjustment", the Government's percentage of occupancy within the subject building for the purpose of calculating future Tax Adjustments as provided by the Lease shall be 82.2%, and the total building square footage is determined to be 258,685 BRSF.

6. Paragraph 6.F of Standard Form 2 of the Lease is hereby deleted in its entirety and the following is inserted in lieu thereof:

Pursuant to Paragraph 3.6 "Operating Costs Base", the Operating Cost Base for purpose of calculating future Operating Cost Adjustments as provided by the Lease and its Attachments shall be \$1,424,523.20 or \$7.56 per BOUSF.

7. Paragraph 6.B of Standard Form 2 of the Lease is amended as follows. With respect to the Expansion Space, Lessor shall provide the Government a tenant improvement

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&


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allowance of \$43.00 per BOUSF, which has been included in the rent at an amortization rate of 0 percent over the ten-year firm lease term. Such allowance shall be provided in accordance with the terms of Paragraph 6.B of the Standard Form 2 of the Lease as amended to by SLA No. 2, except that (a) the total amount of the allowance attributable to the Expansion Space shall be \$43.00 per BOUSF and (b) the amortization rate to be used to redeem any unused portion of the allowance attributable to the Expansion Space for free rent or a downward rental adjustment shall be 0 percent. The cost of all tenant improvements and building shell items listed in Attachment No. 1 to SLA No. 2 attributable to the Expansion Space shall be paid by the Government from the tenant improvement allowance provided by this paragraph, and to the extent that such costs exceed the tenant improvement allowance, in a lump sum. Accordingly, the total amount of the tenant improvement allowance to be provided by Lessor under this Lease is increased from a lump sum of \$8,880,163.00 to a lump sum amount of \$9,315,538.00.

8. In accordance with Paragraph 3.16 of the Lease, within 21 days of execution of this SLA by the Government, the parties shall confer and agree upon a Project Schedule for the design and construction of the Expansion Space.

9. The Government currently leases the remainder of the 8th floor under a separate lease. The Government and the Lessor agree to reduce the space covered in the other lease on the 8th floor by 4,661 BRSF (or approximately 3,997 BOUSF) and add it to this Lease. Supplemental Lease Agreements to both leases shall be executed to memorialize the addition of the 4,661 BRSF to this Lease at the same rate, and under the same terms and conditions of this SLA, and the reduction of space from the other lease upon the terms and conditions of that Lease. When the additional space is added to the expansion space, the total space in this Lease on the 8th floor will be 16,466 BRSF (or approximately 14,122 BOUSF), and the total tenant improvement allowance under the entire lease will be increased to \$9,487,409.00.

10. Effective for a period of thirty days from the execution of this SLA, the Government shall have the option, exercisable by providing written notice to lessor, to lease the entire parking garage for security purposes, at a rate and upon terms to be negotiated. If the Government elects to exercise this option, the parties will use reasonable efforts to negotiate, in good faith, in order to agree upon a rate and terms for the parking garage lease. If a rate and terms are negotiated, then the parties will execute a separate Lease Agreement memorializing the terms. If the parties are not able to negotiate a rate and terms for the parking garage lease within 30 days from the exercise of the option, then, the option shall expire, and be of no further effect.

11. The Government represents and warrants that it has had no agreement or brokerage relationship with, and has not been represented by, any brokers, brokerage firms, or brokerage consultants in connection with the procurement of the Expansion Space. Notwithstanding any contrary provision of the Lease, the parties agree that Lessor shall not be responsible for paying any co-operating brokerage commission in connection with the procurement of the Expansion Space.

INITIALS: RF & NF
LESSOR GOVERNMENT