

U.S. GOVERNMENT
LEASE FOR REAL PROPERTY

DATE OF LEASE:

JAN -8 2010

LEASE No. LMD02094

THIS LEASE, made and entered into this date between **M Square 5825, LLC**
whose address is **c/o Corporate Office Properties Trust**
6711 Columbia Gateway Drive, Suite 300
Columbia, MD 21406

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 5,598 BOMA Rentable Square Feet (BRSF) (yielding approximately 4,868 BOMA Office Area Square Feet (BOASF)) located on the 3rd floor in the building known as M Square University of Maryland Research Park located at 5825 University Research Court, College Park, MD 20740 to be used for SUCH OFFICE AND RELATED PURPOSES AS DETERMINED BY THE GOVERNMENT (See Exhibit A - Floor plan of leased premises).

2. TO HAVE AND TO HOLD the said premises with their appurtenances for the term commencing in accordance with the terms of the Solicitation for Offers SFO # 08-016 ("SFO"), including SFO paragraph 3.16 Construction Schedule and Acceptance of Tenant Improvements, and General Clauses 12 and 20, and continuing for 10 years firm from the commencement date.

3. The Government shall pay the Lessor annual rent of \$181,543.14 (\$32.43/BRSF; \$37.30/BOASF) at the rate of \$15,128.60 per month in arrears. Rent for a lesser period shall be prorated. Rent checks shall be made payable to: **M Square 5825, LLC** c/o Corporate Office Properties Trust, 6711 Columbia Gateway Drive, Suite 300, Columbia, MD 21406 or in accordance with the provision on electronic payment of funds.

4. Intentionally deleted.

5. Intentionally deleted.

6. The Lessor shall furnish to the Government, as part of the rental consideration, the following:

A. All services, utilities, alterations, repairs, and maintenance, as well as any other right and privilege stipulated by this Lease, the SFO and its Attachments, are included in the rent. This lease is intended to be a full service lease.

B. The operating cost base is established at \$52,852.16 (\$9.4413/BRSF; \$10.8571/BOASF). Beginning with the second lease year and each year thereafter, the annual rent shall be adjusted by applying the change in the C.P.I to the operating cost base as detailed in SFO Paragraphs 3.7 and 3.8.

C. The Lessor shall provide to the Government a Tenant Improvement Allowance in the amount of \$170,380.00 (\$35.00/BOASF). Such Allowance shall be available in full immediately upon execution of this Lease, but shall be held by the Lessor until directed by the Government on how the disbursement of funds shall occur. The Government shall have the full latitude to direct disbursement of funds in accordance with the SFO and/or to offset the Government's rental obligation to the Lessor. This Tenant Improvement Allowance is included in the rent, with the \$35.00/BOASF being amortized at a rate of 0% over the ten-year Lease term. If the Government does not utilize the entire Tenant Improvement Allowance included in the rent, the rent shall be adjusted downward using the 0% amortization rate. A mutually agreed upon Supplemental Lease Agreement will be executed upon the Government's acceptance of the space as substantially complete that finalizes the rent using the final Tenant Improvement allowance utilized.

D. The total cost of Lessor's overhead including general conditions, architectural/engineering fees, markups for the Lessor's general contractor, and other profit and/or fees against the evaluated tenant improvement amount of up to \$35.00 per BOASF shall be 10%. The total cost of the Lessor's overhead for any work performed by the Lessor for the Tenant above and beyond the tenant improvement allowance shall not exceed the aforementioned percentage.

E. Pursuant to SFO Paragraph 1.13 "Broker Commission and Commission Credit", Jones Lang LaSalle is the authorized real estate broker representing GSA in connection with this lease transaction. The Lessor and Jones Lang LaSalle have agreed to a cooperating lease commission of [REDACTED] of the aggregate lease value, for the [REDACTED]. The total amount of the commission is [REDACTED] ("Total Commission Amount"). Jones Lang LaSalle has agreed to forego [REDACTED] of the total commission that it is entitled to receive in connection with this lease transaction ("Commission Credit"). The Commission Credit is [REDACTED] and shall be applied in equal monthly amounts against the shell rental payments starting the first (1st) month of the Lease term until the Commission Credit has been fully captured. The Total Commission Amount minus the Commission Credit is [REDACTED] due to Jones Lang LaSalle ("Remaining Broker's Commission").

In the event that the rental rate is adjusted due to an increase or decrease to the tenant buildout amount, square footage, or other item resulting in a change to the gross rental amount, the Total Commission Amount, Commission Credit and Remaining Broker's Commission shall be recalculated based on the revised base rental rate. The Remaining Broker's Commission is payable to:

Jones Lang LaSalle Americas, Inc.
Public Institutions
33832 Treasury Center
Chicago, IL 60694-3400
Tax ID: [REDACTED]

Rent Schedule for months one and two are as follows:

First (1st) Month's Rental Payment of \$15,128.60 minus first month commission credit of [REDACTED] equals [REDACTED] adjusted First Month's Rent.

Second (2nd) Month's Rental Payment of \$15,128.60 minus second month commission credit of [REDACTED] equals [REDACTED] adjusted Second Month's Rent.

F. The annual real estate tax base is established at \$ 12,900.06 (\$2.3044/BRSF; \$2.6499/BOASF) and the Government's percentage of occupancy is established as 4.82% (based on occupancy of 5,598 BRSF in a building of 116,107 BRSF). Evidence of payment of taxes shall be furnished as required in Paragraph 3.5(D) of the SFO.

G. Prior to substantial completion of the leased premises, the Lessor shall correct all deficiencies and comply with all recommendations and findings of Fire Protection & Life Safety Evaluation report prepared by a Certified Fire Protection Engineer and the evaluation of the report in Attachment 2.

H. Pursuant to SFO Paragraph 7.2 "Normal Hours", services, utilities, and maintenance shall be provided daily, extending from 6:00 am to 5:00 pm, Monday through Friday, excluding Saturday, Sundays, and Federal holidays.

I. Pursuant to SFO Paragraph 7.3 "Overtime Usage", beyond the aforementioned hours, the overtime HVAC service rate shall be \$75.00 per hour with a minimum four (4) hour charge. These charges are inclusive of all labor, maintenance, and service fees. Notwithstanding the hours of HVAC service, the Government shall have access to the leased space and appurtenant areas at all times without additional payment, including the use, during other than normal hours, of necessary services and utilities such as elevators, toilets, lights, and electric power.

J. Pursuant to SFO Paragraph 3.14 "Adjustment for Vacant Premises", in the event that the Government vacates any portion of the leased premises the rent will be decreased by \$2.00 per BOASF.

K. The space shall be designed and constructed in accordance with the design and construction schedule and requirements set forth in SFO Paragraph 3.16 "Construction Schedule and Acceptance of Tenant Improvements". Either the Lessor or the Government may elect to accelerate the duration required to complete any item for which it is responsible under the schedule, and the entire schedule shall accelerate. The start date for the initial task shall commence upon the full execution of this Lease by both parties. The lease commencement date and the rent commencement date shall be established consistent with SFO Paragraph 3.16. In any event, the Government will not be required to accept space and commence rent prior to the original date as indicated in SFO Paragraph 1.7.

The Government shall issue a Supplemental Lease Agreement establishing the lease commencement date after the acceptance of all space as substantially complete.

L. It is mutually agreed that the Lessor is providing sixteen (16) unreserved surface parking spaces for the Government's use which is included in the full service rent.

M. In the event of a conflict between this SF2 and any other documents that comprise the Lease, the SF2 shall govern.

7 The following are attached and made a part hereof:

- A. Exhibit A - Floor Plan of the Leased Area, 1 page
- B. Solicitation For Offers No. 08-016, 48 pages
- C. Attachment #1 - Rate Structure Worksheet, 1 page
- D. Attachment #2 - Fire Life Safety Evaluation, 11 pages
- E. SFO Amendment #1, 1 page
- F. Pre-Lease Building Security Plan, 6 pages
- G. GSA Form 1217 - Lessor's Annual Cost Statement, 1 page
- H. GSA Form 3517 - General Clauses, 32 pages
- I. GSA Form 3518 - Representations and Certifications, 8 pages

8 The following changes were made in this lease prior to its execution:
Paragraphs 4 and 5 have been deleted in their entirety.

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

Lessor: **M Square 5825, LLC**

Roger A. Waesche, Jr.
Executive Vice President

By: 

IN PRESENCE

OF 

ADDRESS

Corporate Office Properties Trust
6711 Columbia Gateway Drive, Suite 300
Columbia, Maryland 21046-2104
Telephone: 443-285-5400

UNITED STATES OF AMERICA

BY 

CONTRACTING OFFICER