

GENERAL SERVICES ADMINISTRATION PUBLIC BUILDINGS SERVICE SUPPLEMENTAL LEASE AGREEMENT	SUPPLEMENTAL AGREEMENT NO. 1	DATE 2/9/12
	TO LEASE NO. GSB-11B-02310	
ADDRESS OF PREMISES 5601 Fishers Lane Rockville, MD 20850		

THIS AGREEMENT made and entered into this date by and between Parklawn North Lot LLC

whose address is 4445 Willard Avenue, Suite 400
Chevy Chase, MD 20815

hereinafter called the Lessor, and the UNITED STATES OF AMERICA, hereafter 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 by the Government, as follows:

1. Pursuant to this Supplemental Lease Agreement (SLA), the annual rent in Paragraph #3 of the Lease is hereby reduced to exclude Utilities (Electricity, Gas, and Water) totaling \$1,446,772.07. The Government will be solely responsible for paying the Utilities for its leased space outlined in Paragraph #1 of the Lease

2. Paragraph 3 of the lease is hereby deleted in its entirety and replaced with the following:

"The Government shall pay the Lessor annual rent of \$14,142,414.43 (\$28.80/RSF; \$32.57/ABOA SF) at the rate of \$1,178,534.54 per month in arrears. Rent for a lesser period will be prorated. Rent checks shall be made payable to: Parklawn North Lot LLC, 4445 Willard Avenue, Suite 400, Chevy Chase, MD 20815, or in accordance with the provision on electronic payment of funds. Notwithstanding the foregoing, the Government shall be entitled to abatement of rent in the total amount of \$16,655,167.92 applied as follows: (a) rent for the first twelve (12) full months (inclusive of operating costs per the 1217 and amortization of the tenant improvement allowance) shall be abated entirely totaling \$14,142,414.43; and (b) a portion of the monthly shell rent shall be partially abated during the 13th, 14th, 15th, and 16th full months of the lease term, in equal monthly amounts of \$628,188.37, for a total amount of \$2,512,753.49, as more fully set forth in paragraph 6(D) below."

See Continuation Page 2 attached hereto for additional terms and provision of this SLA.

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: Parklawn North Lot LLC

BY _____



AUTHORIZED SIGNATORY

(Title)

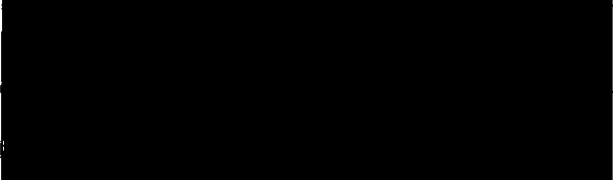
IN PRESENCE OF _____



4445 WILLARD AVE, SUITE 400, CHEVY CHASE, MD

(Address)

CONTRACTING OFFICER - NCR



(Official Title)

3. Paragraph 6(A) of the lease is hereby deleted in its entirety and replaced with the following:

"All services, alterations, repairs, and maintenance, as well as any other right and privilege stipulated by this Lease, the SFO and its Attachments are included as a component of the rent."

4. Paragraph 6(D) of the lease is hereby deleted in its entirety and replaced with the following:

"In accordance with Paragraph 2.5 "Broker Commission and Commission Credit" of the Lease, Studley, Inc. is the authorized real estate broker representing GSA in connection with this lease transaction. The Lessor and Studley have agreed to a cooperating lease commission of [REDACTED] of the lease value for years 1-10 and [REDACTED] of the lease value for years 11-15 of the fifteen year firm term. The total amount of the commission is [REDACTED]. In accordance with the "Broker Commission and Commission Credit" paragraph, Studley, Inc. has agreed to forego [REDACTED] of the commission that it is entitled to receive in connection with this lease transaction ("Commission Credit"). The Commission Credit is [REDACTED] and shall be paid as free rent in equal monthly installments of [REDACTED] during the 13th, 14th, 15th, and 16th months of the lease. The Lessor agrees to pay Studley, Inc., 555 13th Street, N.W., Suite 420 East, Washington, DC 20004, the Commission less the Commission Credit in the lump sum amount of [REDACTED], which shall be due to Studley, Inc. upon execution of this Lease by the Government and payable within 30 days of the receipt of an invoice.

Notwithstanding Paragraph 3 of the Standard Form 2, the shell portion of the rental payments due and owing under this lease shall be reduced to fully recapture this Commission Credit. The reduction in shell rent shall commence with the thirteenth month of the lease term and continue as indicated in this schedule for adjusted Monthly Rent:

Thirteenth Month's Rental Payment of \$1,178,534.54 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted Thirteenth Month's Rent;

Fourteenth Month's Rental Payment of \$1,178,534.54 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted Fourteenth Month's Rent;

Fifteenth Month's Rental Payment of \$1,178,534.54 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted Fifteenth Month's Rent; and

Sixteenth Month's Rental Payment of \$1,178,534.54 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted Sixteenth Month's Rent.

5. Paragraph 6(F) of the lease is hereby deleted in its entirety and replaced with the following:

"For purposes of Paragraphs 4.3 of the SFO, as of the date hereof, the operating cost base is \$3,230,533.90 or \$6.58 per RSF for 490,998 RSF or \$7.44 per ABOA SF for 434,276 ABOA SF."

6. Paragraph 6(J)(2) of the lease is hereby deleted in its entirety and replaced with the following:

"Additional overtime beyond the above-referenced Normal Hours Schedule and Regularly Scheduled Overtime shall be provided at a rate of \$5.25 per hour per floor, with a minimum of four hours charged for usage on weekends and federal holidays"

All other portions of Paragraph 6(J)(2) shall remain in force and effect.

7. Pursuant to Paragraph I of the SF-2, and SFO clause 1.2D, the Government wishes to accept the warm lit shell credit and shall receive an additional \$7,827,889.00 in Tenant Improvement Allowance ("Warm Lit Shell Credit") bringing the total Tenant Improvement Allowance to \$27,626,531.84.

