

GENERAL SERVICES ADMINISTRATION PUBLIC BUILDINGS SERVICE LEASE AMENDMENT	LEASE AMENDMENT: NO. 1
	TO LEASE NO.: GS-11B-12574
ADDRESS OF PREMISES: 14501 GEORGE CARTER WAY CHANTILLY, VA 20151-1770	PDN Number:

THIS AGREEMENT made and entered into between **HEADQUARTERS 2, LLC**

whose address is: 14501 GEORGE CARTER WAY
CHANTILLY, VA 20151-1770

hereinafter called the LESSOR, and the **UNITED STATES OF AMERICA**, hereinafter called the GOVERNMENT:

WHEREAS, the parties hereto desire to amend the above Lease to incorporate the following modifications to the existing Lease terms.

NOW THEREFORE, these parties for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, covenant and agree that the said Lease is amended, effective **MAY 7, 2014**, as follows:

A. PREMISES:

The Premises covered by this Lease consists of **54,419** Rentable Square Feet (RSF) yielding **47,831** ANSI/BOMA office area square feet (ABOA SF) of office and related space located on the entirety of the **second (2nd)** floor of the Building located at **14501 George Carter Way, Chantilly, VA 20151-1770**. The square footage of the lease has been confirmed based upon drawings received at Space Acceptance.

This Lease Amendment contains 3 pages.
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 below date.

FOR THE LESSOR:

BY: HEADQUARTERS 2, LLC
BY: The Long & Foster Companies, Inc. its General Manager

Signature:



Name:

Vice Chairman

Title:

Date:

February 3, 2015

WITNESS:

Signature:



Name:

V.P., Corporate Leasing

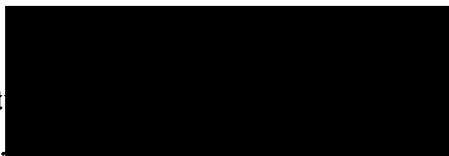
Title:

Date:

February 3, 2015

FOR THE GOVERNMENT:

Signature:



Name:

Tawanda Deveny

Title:

Lease Contracting Officer

Agency:

GSA – Public Buildings Service

Date:

2/27/15

B. PARKING:

Notwithstanding Section 1.02.A of the Lease, the Lessor shall provide for Government use 240 inside (structured) parking spaces and zero (0) surface parking spaces at no cost to the Government. The parking spaces shall be unreserved and at no cost to the Government.

C. TERM:

The firm term shall be for five (5) years firm beginning on MAY 7, 2014 and ending on MAY 6, 2019. The Government and the Lessor agree that the Lessor's construction of Tenant Improvements is substantially complete, the Government accepts the Space, and rent payments shall commence.

In accordance with Section 1.06 of the Lease, the Lease may be renewed at the option of the Government for a term of [REDACTED] provided notice is given to the Lessor at least 180 calendar days before the end of the original lease term.

D. ANNUAL RENT:

Effective MAY 7, 2014, the Government shall pay the Lessor annual rent in accordance with the following:

	FIRM TERM MAY 7, 2014 – MAY 6, 2019		RENEWAL TERM (IF EXERCISED) [REDACTED]	
	PER RSF ¹	ANNUAL RENT	PER RSF ¹	ANNUAL RENT
SHELL RENT	\$ 12.71	\$ 691,738.62	[REDACTED]	[REDACTED]
TENANT IMPROVEMENTS RENT ²	\$ 8.22	\$ 447,124.19	[REDACTED]	[REDACTED]
OPERATING COSTS	\$ 7.36	\$ 400,523.84	[REDACTED]	[REDACTED]
BUILDING SPECIFIC AMORTIZED CAPITAL	\$ 0.06	\$ 3,392.00	[REDACTED]	[REDACTED]
PARKING	\$ 0.00	\$ 0.00	[REDACTED]	[REDACTED]
TOTAL ANNUAL RENT	\$ 28.35	\$ 1,542,778.65	[REDACTED]	[REDACTED]

¹ All values per RSF have been rounded.

² The Tenant Improvement Allowance of \$2,235,620.94 is amortized at a rate of zero (0.0%) percent per annum over the five-year firm term.

In accordance with Section 1.03 of the Lease, if the Government occupies the Premises for less than a full calendar month, then rent shall be prorated based on the actual number of days of occupancy for that month.

E. OPERATING COSTS:

For the purposes of adjustments permitted in Section 2.08 of the Lease, the aforementioned annual rent includes an Operating Cost Base of \$400,523.84.

F. REAL ESTATE TAXES:

For the purposes of adjustments permitted in Section 2.06 of the Lease, the Government's percentage of occupancy is 20.69305 percent (54,419 RSF divided by 262,982 RSF). In accordance with Section 2.06.B. the Lease, the real estate tax base shall be the unadjusted real estate taxes for the first full tax year following the commencement of the Lease term.

G. TENANT IMPROVEMENT ALLOWANCE:

In accordance with the Lease, the Lessor provided a total Tenant Improvement Allowance (TIA) of \$2,235,620.94 (\$46.74 per ABOA SF). The Government expended a total of \$1,786,658.82 (\$37.35357 per ABOA SF) of the provided TIA, resulting in a credit to the Government in the amount of \$448,962.12. To recapture the unused portion of the TIA, the Government is due and owed a TI Rent Credit of \$448,962.12 to be recovered in equal monthly installments over the shortest time practicable.

INITIALS: *JH* & *J*
 LESSOR & GOVT

The aforementioned annual rent (Section D.) includes **\$447,124.19** in annual amortized TIA costs, which was amortized at the interest rate of **zero percent (0.0%)** over the **five-year** firm term of the Lease.

H. BROKER COMMISSION, COMMISSION CREDIT AND RENT ABATEMENT:

Jones Lang LaSalle Americas, Inc. ("Broker") is the authorized real estate broker representing GSA in connection with this lease transaction. The total amount of the commission is [REDACTED] and is earned upon lease execution, payable according to the Commission Agreement signed between the two parties. Only [REDACTED] of the commission, will be payable to Jones Lang LaSalle Americas, Inc. with the remaining [REDACTED] which is the "Commission Credit", to be credited to the shell rental portion of the annual rental payments due and owing to fully recapture this Commission Credit.

In addition to the Commission Credit, the Lessor has offered and shall provide **six (6)** months of Free Rent, where the rent for **May 7, 2014** through **November 6, 2014** shall be abated in their entirety. After the application of the Free Rent, the Government shall then adjust the rent to recapture the amount of unused TI (TI Rent Credit), where the rent for **November 7, 2014** through **March 6, 2015** shall be partially abated in equal monthly installments. The reduction in shell rent for recapture of the Commission Credit shall commence in **March 7, 2015** and continue until the Commission Credit has been fully recaptured in equal monthly installments over the shortest time practicable. The monthly rent adjustments for Free Rent, TI Rent Credit and Commission Credit recapture shall occur as indicated in the following schedule of adjusted monthly rents:

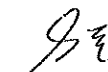
Month 1: Rental Payment \$128,564.8875 minus Free Rent of \$128,564.8875 equals \$0.00 adjusted 1st Month's Rent.
Month 2: Rental Payment \$128,564.8875 minus Free Rent of \$128,564.8875 equals \$0.00 adjusted 2nd Month's Rent.
Month 3: Rental Payment \$128,564.8875 minus Free Rent of \$128,564.8875 equals \$0.00 adjusted 3rd Month's Rent.
Month 4: Rental Payment \$128,564.8875 minus Free Rent of \$128,564.8875 equals \$0.00 adjusted 4th Month's Rent.
Month 5: Rental Payment \$128,564.8875 minus Free Rent of \$128,564.8875 equals \$0.00 adjusted 5th Month's Rent.
Month 6: Rental Payment \$128,564.8875 minus Free Rent of \$128,564.8875 equals \$0.00 adjusted 6th Month's Rent.
Month 7: Rental Payment \$128,564.8875 minus TI Rent Credit of \$112,240.5300 equals \$16,324.3575 adjusted 7th Month's Rent.
Month 8: Rental Payment \$128,564.8875 minus TI Rent Credit of \$112,240.5300 equals \$16,324.3575 adjusted 8th Month's Rent.
Month 9: Rental Payment \$128,564.8875 minus TI Rent Credit of \$112,240.5300 equals \$16,324.3575 adjusted 9th Month's Rent.
Month 10: Rental Payment \$128,564.8875 minus TI Rent Credit of \$112,240.5300 equals \$16,324.3575 adjusted 10th Month's Rent.
Month 11: Rental Payment \$128,564.8875 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted 11th Month's Rent.
Month 12: Rental Payment \$128,564.8875 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted 12th Month's Rent.
Month 13: Rental Payment \$128,564.8875 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted 13th Month's Rent.

The Broker received [REDACTED] of its share of the commission at Lease Award. The remaining [REDACTED] shall be payable to the Broker in accordance with the mutually executed Commission Agreement associated with this Lease.

This document will not constitute an obligation until the date of execution by the Government. Therefore, while payments may be made retroactively, no monies whatsoever are due until **thirty (30)** days after the date of execution by the Government. Any amount due will not accrue interest until that time.

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

INITIALS:


LESSOR

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