

GENERAL SERVICES ADMINISTRATION PUBLIC BUILDINGS SERVICE	LEASE AMENDMENT No. 4
	TO LEASE NO. GS-P11-LDC12617
LEASE AMENDMENT	PDN Number:
ADDRESS OF PREMISES: 1015 Half Street SE Washington, DC 20003-3320	

THIS AMENDMENT is made and entered into between **Half Street SE, LLC**

Whose address is: 7 Giralda Farms
Madison, NJ 07940

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 confirm the commencement date of the premises associated with the lease.

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 **June 30, 2015**, as follows:

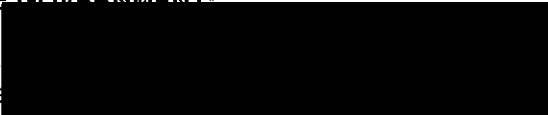
1. This Lease Amendment is hereby issued to reflect the lease and rent commencement date as **June 30, 2015**, for the entire space, defined as **152,872** Rentable Square Feet (RSF), yielding **137,536** ANSI/BOMA Office Area Square Feet (ABOASF) on a portion of the 1st floor consisting of 1,907 RSF, the entire 3rd, 4th, 5th floors consisting of a total of 129,090 RSF, and a portion of the 6th floor consisting of 21,875 RSF.
2. The firm term shall be for ten (10) years firm beginning on **June 30, 2015** and ending on **June 29, 2025**.
3. Pursuant to Section 1.03 I. of the Lease, the Lessor agreed to a rental abatement of **\$0** rent per month for the first ten and a half (10.5) months of the Lease based on the initial Premises of 143,116 RSF/129,000 ABOASF. Accordingly, the total rent abatement due to the Government equaled **\$5,259,513.00** (the "Rental Abatement"). Upon exhausting the full rental abatement amount, the Government shall pay the Lessor an annual rent of **\$6,010,872.00** at a rate of **\$500,906.00** per month, in arrears on the 143,116 RSF.

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: 
 Signature: _____
 Name: _____
 Title: Vice President
 Entity Name: Half Street SE, LLC; Sole Member: The Prudential Insurance Company of America
 Date: _____

FOR THE GOVERNMENT: 
 Signature: _____
 Name: Santoni W. Graham
 Title: Lease Contracting Officer
 GSA, Public Buildings Service
 Date: 11/30/16

WITNESSED FOR THE LESSOR BY:

Signature: 
 Name: _____
 Title: Associate
 Date: 1/4/16



4. Effective June 30, 2015, the Government shall pay the Lessor an annual rent of **\$490,755.85** at a rate of **\$40,896.32** per month in arrears for the Expansion Premises of 9,756 RSF/8,536 ABOASF. No rental abatement associated with the Expansion Premises is applicable.
5. The parties agree that all outstanding disputes have been resolved with respect to the completion of the tenant alterations on the initial Premises of 143,116 RSF. The Government shall be entitled to \$0 rent for the first ten and a half (10.5) months of the Lease commencing on June 30, 2015.
6. CPI Adjustments: The annual CPI adjustment anniversary date shall be each year following June 30, 2015 for the entire leased space, defined as 152,872 RSF (137,536 ABOASF).
7. The Government's percentage of occupancy is 39.12% (152,872 RSF leased space / 390,747 RSF total building).
8. Rent and Other Consideration – Lease Paragraph 1.03A: The Government shall pay the Lessor Annual Rent, payable at monthly installments, in arrears, at the following adjusted rates:

	Annual Rent (Base Lease)	Annual Rent (6 th Floor Expansion Space) 7,849 RSF, pursuant to LA #1, dated January 26, 2015	Annual Rent (1st Floor Expansion Space) 1,907 RSF	Total Annual Rent (Base Lease + Expansion Spaces)
Shell Rent (1)	\$3,689,814.33	\$267,510.71	\$66,848.98	\$4,024,174.02
Tenant Improvement Rent (2)	\$452,403.00	\$23,640.69	\$6,295.07	\$482,338.76
Operating Costs (3)	\$1,417,154.67	\$77,705.10	\$18,879.30	\$1,513,739.07
Building Specific Security (4)	\$451,500.00	\$23,593.50	\$6,282.50	\$481,376.00
Total Annual Rent	\$6,010,872.00	\$392,450.00	\$98,305.85	\$6,501,627.85



1. Shell rent (Base Lease plus the Expansion Spaces) calculation: \$26.323813517per RSF multiplied by 152,872 RSF.
2. Tenant Improvement Rent consisting of \$4,823,387.60 amortized at a rate of zero percent (0%) per annum over 10 years.
3. Operating Costs of \$1,513,739.07 (\$9.902003441 per RSF multiplied by 152,872 RSF).
4. Building Specific Security costs of \$4,813,760.00 amortized at a rate of zero percent (0%) per annum over 10 years.

9 Broker Commission, Commission Credit, and Rent Abatement:

DTZ 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. Exactly [REDACTED] of this total Commission shall be payable to **DTZ 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 payable to fully recapture this commission credit. No other commissions shall be payable to the Government's Broker or credited against the rent due under this lease.

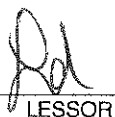

In addition to the Commission Credit, the Lessor has offered and shall provide Free Rent valued at \$5,259,513.00, which shall be abated in its entirety starting from rent commencement. After the application of Free Rent, the Government shall then adjust the rent to recapture the amount of the Commission Credit. The reduction in shell rent for recapture of the Commission Credit shall commence after all the Free Rent has been exhausted in its entirety 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 and Commission Credit recapture shall occur as indicated in the following schedule of adjusted monthly rents. Notwithstanding the "Rent and Other Consideration" paragraph of the Lease, the shell rental payments due and payable under the Lease shall be reduced to recapture fully this Commission Credit. The reduction in shell rent shall occur in months 12, 13, 14 and 15 of the lease, in accordance with the Schedule below:

INITIALS:  & 
LESSOR & GOVT

10. Rent Schedule: Rent shall be paid in accordance with the following schedule:

- Months 1-10: Each Month's rental payment of \$500,906.00 minus each month's free rent of \$500,906.00 equals \$0.00 adjusted for 1st – 10th month's rent for the 143,116 RSF. The Government shall pay monthly rental payment of \$40,896.32 for the expansion space of 9,756 for 1st-10th Month's rent.
- Month 11: Rental payment of \$500,906.00 minus the remainder of free rent of \$250,453.00 equals \$250,453.00 adjusted for the 11th month's rent for the 143,116 RSF. The Government shall pay monthly rental payment of \$40,896.32 for the expansion space of 9,756. The Government shall pay \$291,349.32 adjusted for the 11th Month's rent.
- Months 12-14: Each Month's rental payment of \$541,802.42 minus Commission Credit of [REDACTED] equals [REDACTED] adjusted for 12th through 14th Month's rent.
- Months 15: Rental Payment of \$541,802.42 minus Commission Credit of [REDACTED] equals [REDACTED] adjusted for the 15th Month's rent.
- Months 16: Monthly rental payments shall commence in full payable at \$541,802.32.

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