

GENERAL SERVICES ADMINISTRATION PUBLIC BUILDINGS SERVICE SUPPLEMENTAL LEASE AGREEMENT	SUPPLEMENTAL AGREEMENT No. 12	DATE <u>DEC - 3 1997</u>
	TO LEASE NO. GS-11B-30168	

ADDRESS OF PREMISES: Union Center Plaza III
 888 First Street, NE
 Washington, DC 20006

THIS AGREEMENT, made and entered into this date by and between:

whose address is: Capitol Hill Associates Limited Partnership,
 d/b/a Cap-Hill Associates Limited Partnership
 c/o Union Center Plaza Associates,
 816 Connecticut Avenue, Suite 1200
 Washington, DC 20006

hereinafter called the Lessor, and the UNITED STATES OF AMERICA, hereinafter called the Government:

This Supplemental Lease Agreement hereby amends paragraph 3, and paragraph 5D of the Standard Form 2 (Known as the Base Lease) as follows:

Paragraph 5D of the Standard Form 2:

Effective November 5, 1997, the Lessor shall make available a cash allowance for tenant alterations at the ChildCare Playground up to \$75,000.00 with an eight percent (8%) per annum interest rate to be amortized over three months of the entire firm term of the lease. Final determination of the tenant alterations allowance usage, any cash payments and increases in rent to cover amortized costs due the Lessor in addition to the rent shall be made after completed negotiations and acceptance of work.

Paragraph 3 of the Standard Form 2:

The Government shall pay the Lessor annual rent of \$14,979,694.03 at a rate of \$1,267,432.84 per month in arrears. The three months of rent will commence upon execution of a specific SLA showing acceptance of the work. At the end of the three-month period the rent will be decreased to an annual rent of \$14,903,194.03 at a rate of \$1,241,932.84 per month. Rent checks shall be made payable to: Capitol Hill Associates Limited Partnership, c/o Union Center Plaza Associates, 816 Connecticut Avenue, NW, Suite 1200, Washington, DC 20006, ATTN.: Mr. Samuel G. Rose, President, First Street Corporation, General Partner

Paragraph 3.4 of Solicitation for Offers 90-061:

The Government's percentage of occupancy at 98.94% remains unchanged by this SLA.

Paragraph 3.5 of Solicitation for Offers 90-061:

The base operating cost at \$3,079,143.00 remains unchanged by this SLA. The operating cost base is aligned to the anniversary date of the base lease for adjustment purposes. These costs may be reviewed at the discretion of the Government on an annual basis and adjusted based on actual increases or decreases in utility costs.

This document will not constitute a payment obligation until the date of execution by the Government. As a result, even though payments will be made retroactively, no moneys whatsoever are due under this agreement until forty five days after date of execution by the Government.

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.

CAPITOL HILL ASSOCIATES LIMITED PARTNERSHIP

By: Osprey Development Corp. General Partner

BY: Samuel G. Rose (Signature) President (Title) 11/5/97 (Date)

WITNESSED BY: Ru Zh (Signature) 5301 Wisconsin Avenue, N.W., Suite 510 (Address)

Washington, D.C. 20015

UNITED STATES OF AMERICA

BY: Christopher M. ... (Signature) Contracting Officer (Title)