

LEASE NO. GS-11B-12570

Standard Lease
GSA FORM L201C (June 2012)

INSTRUCTIONS TO OFFEROR: Do not attempt to complete this lease form (GSA Lease Form L201C, hereinafter Lease Form). Upon selection for award, GSA will transcribe the successful Offeror's final offered rent and other price data included on the lease proposal form (GSA Lease Proposal Form 1364C, hereinafter Lease Proposal Form) into a Lease Form, and transmit the completed Lease Form, together with appropriate attachments, to the successful Offeror for execution.

This Lease is made and entered into between

SSMC IV Limited Partnership

(Lessor), whose principal place of business is 9600 Blackwell Road, Suite 200, Rockville, MD 20850 and whose interest in the Property described herein is that of Fee Owner, and

The United States of America

(Government), acting by and through the designated representative of the General Services Administration (GSA), upon the terms and conditions set forth herein.

Witnesseth: The parties hereto, for the consideration hereinafter mentioned, covenant and agree as follows:

Lessor hereby leases to the Government the Premises described herein, being all or a portion of the Property located at

1305 East West Highway, Silver Spring, MD 20910, also known as Silver Spring Metro Center 4

and more fully described in Section 1 and Exhibits 1 and 2, together with rights to the use of parking and other areas as set forth herein, to be used for such purposes as determined by GSA.

LEASE TERM

To Have and To Hold the said Premises with its appurtenances for the term beginning upon acceptance of the Premises as required by this Lease and continuing for a period of

15 Years, 10 Years Firm,

subject to termination and renewal rights as may be hereinafter set forth. The commencement date of this Lease, along with any applicable termination and renewal rights, shall be more specifically set forth in a Lease Amendment upon substantial completion and acceptance of the Space by the Government.

In Witness Whereof, the parties to this Lease evidence their agreement to all terms and conditions set forth herein by their signatures below, to be effective as of the date of delivery of the fully executed Lease to the Lessor.

FO
Name

[Redacted Signature]

Title: Principal President
Entity Name: SSMC IV Limited Partnership
By: SSMC IV Investments, Inc.
its general Partner
Date: June 26, 2013

Title: Lease Contracting Officer
General Services Administration, Public Buildings Service
Date: 9/27/2013

WITNESSED FOR THE LESSOR BY:

[Redacted Signature]
Name: _____
Title: Vice President
Date: June 26, 2013

SECTION 1 THE PREMISES, RENT, AND OTHER TERMS

1.01 THE PREMISES (JUN 2012)

The Premises are described as follows:

- A. Office and Related Space: **84,345** rentable square feet (RSF), yielding **74,549** ANSI/BOMA Office Area (ABOA) square feet (SF) of office and related Space located the entirety of floors 2 and 3, and a portion of floors 4 and 5, of the Building, as depicted on the floor plan(s) attached hereto as Exhibit 1.
- B. Common Area Factor: The Common Area Factor (CAF) is established as **1.1314**. This factor, which represents the conversion from ABOA to rentable square feet, rounded to the nearest whole percentage, shall be used for purposes of rental adjustments in accordance with the Payment Clause of the General Clauses.

1.02 EXPRESS APPURTENANT RIGHTS (JUN 2012)

The Government shall have the non-exclusive right to the use of Appurtenant Areas, and shall have the right to post Rules and Regulations Governing Conduct on Federal Property, Title 41, CFR, Part 102-74, Subpart C within such areas. The Government will coordinate with Lessor to ensure signage is consistent with Lessor's standards. Appurtenant to the Premises and included in the Lease are rights to use the following:

- A. Parking: **0** parking spaces, reserved for the exclusive use of the Government. In addition, the Lessor shall provide such additional parking spaces as required by the applicable code of the local government entity having jurisdiction over the Property and such parking spaces shall be onsite, in the garage located directly below the offered building.
- B. Antennas, Satellite Dishes, and Related Transmission Devices: Space located on the roof of the Building sufficient in size for the installation and placement of the telecommunications equipment as such may be described herein, together with the right to access the roof and use of, all Building areas (e.g., chases, plenums) necessary for the use, operation and maintenance of such equipment at all times during the term of this Lease.

1.03 RENT AND OTHER CONSIDERATION (JUN 2012)

A. The Government shall pay the Lessor annual rent, payable in monthly installments in arrears, at the following rates:

	FIRM TERM	NON FIRM TERM
	ANNUAL RENT	ANNUAL RENT
SHELL RENT ¹	\$2,060,548.35	\$2,210,682.45
TENANT IMPROVEMENTS RENT ²	N/A	N/A
OPERATING COSTS ³	\$398,108.40	\$398,108.40
BUILDING SPECIFIC SECURITY ⁴	N/A	N/A
PARKING ⁵	N/A	N/A
TOTAL ANNUAL RENT	\$2,458,656.75	\$2,608,790.85

¹Shell rent (Firm Term) calculation: \$24.43 per RSF multiplied by 84,345 RSF. Shell rent (non-firm) calculation: \$26.21 per RSF multiplied by 84,345 RSF

²The Tenant Improvement Allowance (Firm Term) of \$0 is amortized at a rate of 0 percent per annum over 10 years.

³Operating Costs rent calculation: \$4.72 per RSF multiplied by 84,345 RSF.

⁴Building Specific Security Costs of \$N/A are amortized at a rate of N/A percent per annum over N/A years.

⁵Parking costs described under sub-paragraph G below.

In instances where the Lessor amortizes either the TI or Building Specific Security for a period exceeding the Firm Term of the Lease, should the Government terminate the Lease after the Firm Term or does not otherwise renew or extend the term beyond the Firm Term, the Government shall not be liable for any unamortized costs beyond the Firm Term.

~~B. Rent is subject to adjustment based upon a mutual on-site measurement of the Space upon acceptance, not to exceed XX ABOA SF based upon the methodology outlined under the "Payment" clause of GSA Form 3517.~~

~~C. Rent is subject to adjustment based upon the final Tenant Improvement (TI) cost to be amortized in the rental rate, as agreed upon by the parties subsequent to the Lease Award Date.~~

D. 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. Rent shall be paid to Lessor by electronic funds transfer in accordance with the provisions of the General Clauses. Rent shall be payable to the Payee designated in the Lessor's Central Contractor Registration (CCR). If the payee is different from the Lessor, both payee and Lessor must be registered in CCR.

F. Lessor shall provide to the Government, in exchange for the payment of rental and other specified consideration, the following:

1. The leasehold interest in the Property described in the paragraph entitled "The Premises."

2. All costs, expenses and fees to perform the work required for acceptance of the Premises in accordance with this Lease, including all costs for labor, materials, and equipment, professional fees, contractor fees, attorney fees, permit fees, inspection fees, and similar such fees, and all related expenses;

3. Performance or satisfaction of all other obligations set forth in this Lease; and all services, utilities (with the exclusion of **electricity**), maintenance required for the proper operation of the Property, the Building, and the Leased Premises, in accordance with the terms of the Lease, including, but not limited to, all inspections, modifications, repairs, replacements and improvements required to be made thereto to meet the requirements of this Lease. The Government shall be responsible for paying the cost of **electricity** directly to the utility provider. In addition, an automatic control system shall be provided to assure compliance with heating and air conditioning requirements.

G. Parking shall be provided at the prevailing market rate.

1.04 BROKER COMMISSION AND COMMISSION CREDIT (JUN 2012)

A. **CBRE 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 **CBRE 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. The reduction in shell rent shall commence with the first month of the rental payments and continue until the credit has been fully recaptured in equal monthly installments over the shortest time practicable.

B. Notwithstanding the "Rent and Other Consideration" paragraph of this Lease, the shell rental payments due and owing under this Lease shall be reduced to recapture fully this Commission Credit. The reduction in shell rent shall commence with the first month of the rental payments and continue as indicated in this schedule for adjusted Monthly Rent:

Month 1 Rental Payment \$204,888.06 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted 1th Month's Rent.*

1.05 TERMINATION RIGHTS (AUG 2011)

The Government shall have the option to terminate this Lease in whole on the 10th, 11th, 12th, 13th, and 14th anniversary dates of the Lease by providing 365 calendar days prior written notice to Lessor of its intent to so terminate. The effective date of the termination shall be the anniversary date of the lease. No rental shall accrue after the effective date of termination.

1.06 RENEWAL RIGHTS (AUG 2011)-INTENTIONALLY DELETED

1.07 DOCUMENTS INCORPORATED IN THE LEASE (JUN 2012)

The following documents are attached to and made part of the Lease:

DOCUMENT NAME	NO. OF PAGES	EXHIBIT
FLOOR PLAN(S)	4	1
PARKING PLAN(S)	4	2
BASE BUILDING IMPROVEMENTS MATRIX	7	3
WASHINGTON GAS REPORT	48	4
SECURITY REQUIREMENTS	4	5
GSA FORM 3517B GENERAL CLAUSES	48	6
GSA FORM 3518, REPRESENTATIONS AND CERTIFICATIONS	7	7
SMALL BUSINESS SUBCONTRACTING PLAN	13	8
PRE-LEASE BUILDING SECURITY PLAN EVALUATION	12	9
FIRE PROTECTION AND LIFE SAFETY EVALUATION	15	10
AMENDMENTS TO RLP No. 1MD2054	N/A	N/A

1.08 TENANT IMPROVEMENT ALLOWANCE (AUG 2011) INTENTIONALLY DELETED

1.09 TENANT IMPROVEMENT RENTAL ADJUSTMENT (AUG 2011) INTENTIONALLY DELETED

1.10 TENANT IMPROVEMENT FEE SCHEDULE (JUN 2012)

For pricing TI costs, the following rates shall apply for the initial build-out of the Space.

Cost of Individual TI Project	General Contractor (General Conditions + Overhead & Profit)	Architect & Engineer	Lessor (Oversight and Profit)
All TI Work completed by 1/1/2015	10%	0%	5%

The markups for all work done as a part of the Initial buildout shall be at a total of 15% (10% [general construction, overhead and profit] and 5% [Lessor oversight and profit]) for all work done utilizing the tenant improvement, provided they are completed by 1/1/2015.

The Lessor's fees for all subsequent work after initial buildout shall be governed by the following table and the Government shall pay for all of these fees out of its Tenant Improvement Allowance or via Lump Sum at substantial completion of the project:

Cost of Individual TI Project	General Contractor (General Conditions + Overhead & Profit)	Architect & Engineer	Lessor (Oversight and Profit)
Less than \$999,999	9% + 4%	7%	4%
\$1,000,000 and above	8% + 4%	6%	3%

1.11 PERCENTAGE OF OCCUPANCY FOR TAX ADJUSTMENT (JUN 2012)

As of the Lease Award Date, the Government's Percentage of Occupancy, as defined in the "Real Estate Tax Adjustment" paragraph of this Lease is **28.74** percent. The Percentage of Occupancy is derived by dividing the total Government Space of **84,345** RSF by the total Building space of **293,446** RSF.

1.12 REAL ESTATE TAX BASE (JUN 2012)

The Real Estate Tax Base, as defined in the "Real Estate Tax Adjustment" paragraph of the Lease is **\$3.09 per BRSF**.

1.13 OPERATING COST BASE (AUG 2011)

The parties agree that for the purpose of applying the paragraph titled "Operating Costs Adjustment" that the Lessor's base rate for operating costs shall be **\$4.72 per RSF (\$398,108.40/annum)**.

1.14 RATE FOR ADJUSTMENT FOR VACANT LEASED PREMISES (JUN 2012)

In accordance with the paragraph entitled "Adjustment for Vacant Premises," if the Government fails to occupy or vacates the entire or any portion of the leased Premises prior to expiration of the term of the Lease, the operating costs paid by the Government as part of the rent shall be reduced by **\$1.25** per ABOA SF of Space vacated by the Government.

1.15 HOURLY OVERTIME HVAC RATES (AUG 2011) INTENTIONALLY DELETED

1.16 24-HOUR HVAC REQUIREMENT (APR 2011) INTENTIONALLY DELETED

1.17 BUILDING IMPROVEMENTS (JUN 2012)

The Lessor shall complete the following additional Building improvements prior to acceptance of the Space:

- A. Notwithstanding Lease Contract Section 6.0, and other criteria which describe service/maintenance provisions required by the Government under GSA Lease Number LMD12513 and its corresponding SFO No. 9MD2055, the maintenance, repair, and/or utility service to the following special spaces are not included as part of this Offer: cooling tower chilled water system for supplemental cooling within the fitness facility, cafeteria, and certain other portions of the Leased Premises where the tenant operates supplemental package A/C units; cleaning or maintenance of the kitchenettes, fitness facility, cafeteria, health unit, science center, or day/child care center (including playground); and all materials/services included in the "Preventative Maintenance for Government Owned Upgrade Equipment" as mutually agreed upon by the Tenant Agency and the landlord on an annual basis. Notwithstanding the foregoing, Lessor shall maintain and repair all floors, walls, ceilings and lighting in the above special spaces.
- B. Notwithstanding Lease Contract Section 3.0 which describes the "Shell" improvements and maintenance/repair required by the Government; the Government acknowledges that the Leased Premises are already under Lease to the Government; that this Lease is a Succeeding Lease; that many of the Building Shell items and conditions established in this Solicitation already exist; and that the Property shall be accepted in its "as-existing" condition, subject to this Lease Contract and the base building improvements outlined in Exhibits 3 and 4. All items in Exhibit 3 "Base Building Requirements Matrix", excepting items #2, #3, and #35 (Elevators and Chillers) and any other items that are not directly related to Building IV, shall be completed by the Lease Commencement Date. All items in Exhibit 4 "Washington Gas

Report", excepting items #8 (Exhaust Air Reclaim) and #17 (Solar PV Panels) found on page 8 and any other items not directly related to Building IV, shall be completed by Lease Commencement Date. All work that is disruptive to the Government's operations shall be performed after normal hours. The Lessor represents that all Building Shell items in the currently occupied Government space will be in "good repair and tenable condition" at the time of Lease Commencement and shall conform to the most recent fire/life safety and handicapped accessibility criteria applicable under local code to the Leased Premises as of the Lease Execution Date. Excepting the portions of the Leased Premises excluded from the Lessor's maintenance/repair obligation per Section 1.17 A. of this Lease Contract, all finishes and existing improvements associated with the Building Shell or otherwise installed by the Lessor as part of the building improvements it has offered the Government under this Lease shall be maintained in good repair and tenable condition throughout the term of the Lease. Any item that falls out of good repair and tenable condition shall be repaired or replaced by the Lessor at the Lessor's cost. Lessor is to perform regular inspections of the Premises, so entirety of Premises has been reviewed no less than once every thirty (30) days. In addition, Lessor shall respond promptly (within three days) to any items brought to Lessor's attention by Government. Lessor shall maintain (or replace, if necessary) such building shell items or conditions so they may remain in "good repair and tenable condition" throughout the term of this lease.

1.18 HUBZONE SMALL BUSINESS CONCERNS ADDITIONAL PERFORMANCE REQUIREMENTS (MAR 2012)—INTENTIONALLY DELETED