


<b>GENERAL SERVICES ADMINISTRATION PUBLIC BUILDINGS SERVICE</b>  <b>SUPPLEMENTAL LEASE AGREEMENT</b>	SUPPLEMENTAL LEASE AGREEMENT (SLA)  <b>No. 4</b>	DATE  <b>DEC 12 2011</b>
	TO LEASE NO. <b>GS-03B-09482</b>	
ADDRESS OF PREMISE  Metro West Facility 6100 Wabash Avenue Baltimore, Maryland 21215-3757	PDN Number:  <b>N/A</b>	

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

JBG/Baltimore SSA, L.L.C.

whose address is: 4445 Willard Avenue, Suite 400  
Chevy Chase, Maryland 20815-4641

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 reflect changes to the General Clauses (GSA Form 3517B).

NOW THEREFORE, these parties for the considerations hereinafter mentioned covenant and agree that the said Lease is amended, effective December 6, 2011, as follows:

- A. This Supplemental Lease Agreement (SLA) is being executed in order to identify the agreements made between the parties with regard to the Lessor's request to modify the General Clauses, GSA Form 3517B, of the Lease in order for the Lessor to secure more favorable financing terms and conditions. In exchange for the Government's agreement to this SLA, the Lessor shall provide the Government compensation in the amount of four million dollars (\$4,000,000.00). This SLA, including the compensation, shall be conditioned on the successful closing of a loan from Teachers Insurance and Annuity Association College Retirement Equities Fund, and the compensation will be deducted from the Government's lump sum payment requirement in accordance with Paragraph 10 of the Rider to the Lease, so that the Government's one-time payment shall instead be six million dollars (\$6,000,000). The Lessor shall notify the Government upon successful closing of the loan.

This Supplemental Lease Agreement contains **3 pages**.

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

IN WITNESS WHEREOF, the parties hereto have hereunto subscribed their names as of the above date.

LESSOR - JBG/Baltimore L.L.C.	
SIGNATURE	NAME AND TITLE OF SIGNER <b>RODNEY LAWRENCE</b> <b>AUTHORIZED SIGNATORY</b>
ADDRESS	
IN PRESENCE OF	
SIGNATURE	NAME OF SIGNER <b>REHANA JORDAN</b>
UNITED STATES OF AMERICA - GENERAL SERVICES ADMINISTRATION - ACQUISITION DIVISION, SOUTH BRANCH	
	NAME OF SIGNER <b>Dominic Innaurato</b>
	OFFICIAL TITLE OF SIGNER <b>CONTRACTING OFFICER</b>

- B. General Clause Number 17 of the GSA Form 3517B of the Lease is hereby amended by deleting the existing text and inserting in lieu thereof the following:

"17. 552.270-7 FIRE AND CASULTY DAMAGE

If the entire premises are destroyed by fire or other casualty, or in the case of partial destruction or damage, so as to render the premises untenable, as determined by the Government, this Lease will immediately terminate unless the Lessor certifies within 30 calendar days of such casualty that the premises can be repaired and restored within 18 months of such certification. During the certification period, the rent will be wholly abated from the date the casualty physically occurred. In the event of a casualty that destroys the entire premises and the Lessor provides the required certification, the Government will first look to relocate into Government controlled space. If the Government relocates into Government controlled space, the rent will be wholly abated during the repair/restoration period, and the rent would not resume until the restoration is substantially complete. If the Government does not elect to relocate into Government controlled space, the Lessor shall be responsible for providing temporary space within 90 calendar days from the Government's notice. The Lessor shall be responsible for providing temporary space up to the total rentable square footage identified by this Lease. If temporary space is not available in one contiguous facility and must be broken out into smaller units, no single unit shall be less than 50,000 rentable square feet. Any temporary space proposed by the Lessor for occupancy by the Government shall be approved in writing by the GSA Contracting Officer. If the Government relocates into space provided by the Lessor, the Government will pay rent on this temporary space once the temporary space is substantially complete. If the Lessor provides temporary space in multiple units, the Government will pay rent upon substantial completion on each specific unit. The Lessor must provide copies of all executed Lease contracts for the temporary space. If the rent for the temporary space procured by the Lessor is lower than that paid by the Government at the time of casualty, the rent owed by the Government will be the same as the Lessor's rent for the temporary space. If the rent for the temporary space procured by the Lessor is greater than that paid by the Government at the time of casualty, the Government shall not be responsible for any such increase in costs. In no event will the Government, at any time, be responsible for rental consideration above that which is in accordance with the terms and conditions of this Lease contract.

In the case of partial destruction or damage that renders a part of the premises untenable, as determined by the Government, this Lease will immediately terminate unless the Lessor certifies within 30 calendar days of such casualty that the premises can be repaired and restored within 12 months of such certification. During the certification period, the rent will be reduced proportionately from the date the casualty physically occurred. In the event of partial destruction or damage that renders a part of the premises untenable and the Lessor provides the required certifications, the Government will first look to relocate into Government controlled space. If the Government relocates into Government controlled space, the rent will be reduced proportionately during the repair/restoration period, and the full rent would not resume until the premises being restored is substantially complete. If the Government does not elect to relocate into Government controlled space, the Lessor shall be responsible for providing temporary space within 90 calendar days from the Government's notice. The Lessor shall be responsible for providing temporary space equivalent to the total rentable square footage identified by the Government as being untenable as a result of such casualty. If temporary space is not available in one contiguous facility and must be broken out into smaller units, the Government will identify its minimum requirements for space sizing depending on the total amount of partial destruction affected. Any temporary space proposed by the Lessor for occupancy by the Government shall be approved in writing by the GSA Contracting Officer. If the Government relocates into space provided by the Lessor, the Government will pay rent on this temporary space once the temporary space is substantially complete. If the Lessor provides temporary space in multiple units, the Government will pay rent upon substantial completion on each specific unit. The Lessor must provide copies of all executed Lease contracts for the temporary space. If the rent for the temporary space procured by the Lessor is lower than that paid by the Government at the time of casualty, the rent owed by the Government for the temporary space will be the same as the Lessor's rent for the temporary space. If the rent for the temporary space procured by the Lessor is greater than that paid by the Government at the time of casualty, the Government shall not be responsible for any such increase in costs. In no event will the Government, at any time, be responsible for rental consideration above that which is in accordance with the terms and conditions of this Lease contract.

If the Government relocates into Government controlled space, or space to be provided by the Lessor, the Lessor shall be responsible for all costs associated with relocating the Government into the temporary space, along with all costs associated with relocating the Government back into the repaired/restored space. Relocation costs include, but are not limited to, the physical move, any required temporary furniture, data and telephone costs including infrastructure and equipment, etc. associated with building out the temporary space for the Government's occupancy. If the time required for the repair/restoration period is greater than the timeframes established in this clause, the Government may terminate this Lease.

Notwithstanding any of the provisions set forth above, Lessor's responsibility for costs associated with relocating the Government into and out of temporary space, improvements to the temporary space and for any rent for temporary space greater than that paid by the Government under this Lease at the time of the casualty, shall be capped, in the aggregate, at a total of twelve million dollars (\$12,000,000)."

INITIALS:

  
LESSOR

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C. The following General Clause Number 49 is new and shall be added to the GSA Form 3517B of the Lease:

"49. REMEDIES; NOTICE OF EXERCISE OF REMEDIES; OPPORTUNITY TO CURE

- (a.) Remedies. Subject to the provisions of this Clause No. 49, upon failure of the Lessor to perform any of its covenants, agreements or obligations set forth in this Lease, the Government may exercise any of the rights and remedies provided for in this Lease.
- (b.) Notice of Exercise of Remedies. In the event of any circumstance which would permit the Government to terminate this Lease, or in the event the Government would have the right to offset or reduce rent pursuant to these General Clauses or any other provision of this Lease, no termination, reduction or offset will be taken by the Government unless the Lessor and Lessor's Lender are provided with written notice of such event or proposed rental reduction, deduction or offset, together with the opportunity to cure. The Lessor shall be responsible for providing the appropriate contact information to the Government identifying the Lessor's Lender. One (1) Notice will be sent by the Government, which will be sent directly to the Lessor with a copy to the Lessor's Lender.
- (c.) Opportunity to Cure. Before exercising any of the rights provided in this Lease to reduce or offset rent or to terminate this Lease, the Government shall provide the Lessor and Lessor's Lender with written notice and an opportunity to cure. Lessor and Lender shall have a reasonable period of time, considering the nature and scope of the default or event giving rise to the right to offset or reduce rent or terminate this Lease, to cure said default. The Government agrees to accept from the Lessor's Lender, if and to the extent that Lender shall elect (in its sole discretion) to do so, payment and performance of any obligation and the exercise of any right of the Lessor under this Lease, solely to effectuate a cure hereunder. However, in the event of a bona fide emergency, as determined by the Government, the Government has the right to take immediate corrective action without providing such opportunity to cure, with notice to the Lessor and Lender provided as soon as is practicable. The remedies provided herein are not exclusive and are in addition to any other remedies which may be available under this Lease or in the law, and the limitation set forth herein shall not be deemed to preclude the Government from pursuing such remedies, nor from proceeding under the Contract Disputes Act of 1978 (41 U.S.C. 601 et seq.) to recover any amounts which may have been expended by the Government in accordance with the provisions of this paragraph, provided that in pursuing any such remedy that permits the Government to terminate this Lease or deduct or offset rent, the Government shall provide the notice and other rights described in this Clause No. 49."

D. Paragraph 10 of the Rider to the Lease is hereby amended by deleting the existing text and inserting in lieu thereof the following:

"10. In addition to the Annual Rental described in the Lease contract, upon Substantial Completion and Official Government Acceptance of the leased premises, the Government agrees to pay the Lessor a one-time lump sum payment in the amount of six million dollars (\$6,000,000.00).

In accordance with SFO Section 1.12 "SUBSTANTIAL COMPLETION (SEP 2000)", Paragraph B, upon delivery and Government acceptance of Substantial Completion of the leased premises, the Government shall prepare a "punch list" setting forth all items not essential to substantial completion and which are not yet complete. The Lessor shall complete all punch list items within 30 days of receipt of said punch list. Until the date of final completion of such punch list items and acceptance thereof by the Government (the "Final Completion Date"), the Government shall withhold 5% from Lump Sum Payment payable by the Government. This amount equals \$300,000.00 and is identified as the "Retainage." The Government shall pay the Retainage to the Lessor within 30 days after the Final Completion Date.

After inspection and acceptance of the leased premises by the Government, an invoice duly executed by the Lessor shall be forwarded to GSA at the following address:

US General Services Administration (GSA)  
Greater Southwest Region (7BC)  
PO BOX 17181  
Fort Worth, TX 76102-0181

A copy of the invoice must also be sent to the Contracting Officer. The invoice must reference the Lease Number, PDN Number PS0018569, and it must describe the work completed and amount billed. Payment will become due within 30 calendar days of receipt of invoice at the address above."

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LESSOR GOVT