

U.S. GOVERNMENT
LEASE FOR REAL PROPERTY

DATE OF LEASE: DEC 20 2006

LEASE NO. GS-11B-01935

THIS LEASE, made and entered into this date by and between 2200 C Street, LLC., A Delaware Limited Liability Company

whose address is c/o American Pharmacists Association
1100 15th Street, NW Suite 400
Washington, DC 20005-1707

and whose interest in the property hereinafter described is that of OWNER, hereinafter called the Lessor, and the UNITED STATES OF AMERICA, hereinafter called the Government.

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

1. The Lessor hereby leases to the Government the following described premises:

A total of 189,008 BOMA rentable square feet (BRSF) equivalent to 164,549 BOMA office usable square feet (BOUSF) of office and related space, consisting of 25,721 BOMA rentable square feet (BRSF) (such yielding 22,222 BOMA usable square feet) on the concourse 1 floor, 35,896 BOMA rentable square feet (BRSF) (such yielding 31,448 BOMA usable square feet) on the concourse 2 floor, 8,860 BOMA rentable square feet (BRSF) (such yielding 7,723 BOMA usable square feet) on the 1st floor, 26,775 BOMA rentable square feet (BRSF) (such yielding 23,113 BOMA usable square feet) on the 2nd floor, 30,582 BOMA rentable square feet (BRSF) (such yielding 26,678 BOMA usable square feet) on the 3rd floor, 30,582 BOMA rentable square feet (BRSF) (such yielding 26,678 BOMA usable square feet) on the 4th floor, 30,592 BOMA rentable square feet (BRSF) (such yielding 26,687 BOMA usable square feet) on the 5th floor at 2200 C Street, NW, Washington, DC. The Lessor shall make available the entire P2 level of the building for parking for the Government, which will include 100 parking spaces pursuant to the terms of a separate, mutually acceptable parking lease to be negotiated by the parties at an annual rate of \$3,300.00 per space, escalated at 3% per year.

2. TO HAVE AND TO HOLD the said premises with their appurtenances for the ten (10) YEAR FIRM TERM beginning upon substantial completion of space as defined in paragraph 1.7 of the SFO and subject to termination and renewal rights as may be hereinafter set forth. The parties will execute a Supplemental Lease Agreement after the lease commencement date to confirm the commencement and expiration dates of the lease term.

3. The Government shall pay the Lessor annual rent of \$9,244,381.28 (\$48.91/BRSF or \$56.18/BOUSF), payable at the rate of \$770,365.11 per month in arrears. Rent for a lesser period shall be prorated. Rent shall be in addition to Operating Expense and Tax adjustments provided during the lease term as per the attached Solicitation for Offers. Rent checks shall be made payable to: 2200 C Street, LLC, c/o American Pharmacists Association, 1100 15th Street NW, Suite 400, Washington, DC, 20005-1707.

4. Commission and Commission Credit:

The Lessor and the Broker have agreed to a cooperating lease commission of (b) (4) of the firm term value of this lease. The total amount of the commission is (b) (4). The Lessor shall pay the Broker no additional commissions associated with this lease transaction. In accordance with the "Broker Commission and Commission Credit" paragraph, the Broker has agreed to forego (b) (4) of the commission that it is entitled to receive in connection with this lease transaction ("Commission Credit"). The Commission Credit is (b) (4). The Lessor agrees to pay the Commission less the Commission Credit to the Broker in accordance with the "Broker Commission and Commission Credit" paragraph in the SFO attached to and forming a part of this lease.

The rental payments due and owing under this lease shall be reduced to fully recapture this Commission Credit. The reduction in rent shall commence at the beginning of the lease term.

The entire Commission Credit of (b) (4) shall be applied towards the first month's rent due, so that the Government shall pay the remainder of (b) (4) rent for the first month of the lease term.

5. The Lessor shall furnish to the Government, as part of the rental consideration, the following:

A) All services, improvements, alterations, repairs, and utilities as defined by this lease.

The annual rent set forth in Paragraph 3 of this Standard Form 2 includes a \$41.49 per BOUSF (\$36.12 per BRSF) Tenant Improvement allowance amortized at 0.0% over the initial term equaling \$3.60 per BRSF. The total amount of the Tenant Improvement allowance is \$6,826,764.60. The Government shall be entitled to utilize the Tenant Improvements allowance to pay for any improvements performed by the Lessor at the Government's expense.

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- B) The Lessor and Government agree that any unused portion of the Tenant Improvement Allowance will be credited as a lump sum rental credit.
- C) The adjustment for vacant premises shall be \$1.10/ BOUSF per annum if there are one to two floors vacant; \$2.20 if there are three to four floors vacant; and \$4.40 if five or more floors are vacant.
- D) The Real Estate Tax Base shall be the taxes for the first 12 month period coincident with full assessment. Taxes shall be adjusted annually in accordance with Paragraph 3.4 of the SFO. The Government's percentage of Occupancy is 82.30% of the building in which the premises is located with the remainder occupied by the American Pharmacists Association ("Lessor's Parent Entity"). It is expected that the portion of such building occupied by the Lessor's Parent Entity will be exempt from real estate taxation. If the portion of such building occupied by the Lessor's Parent Entity is exempt from real estate taxes, Government will be responsible for 100% of the adjustments. If the portion of such building occupied by the Lessor's Parent Entity is taxed, the Government will be responsible for its prorata share. If any tax credit is due to the Government as a result of Lessor's Parent Entity's appeal of the tax assessment during the Lease term, the credit to the Government shall be the net of the Government's percentage of occupancy share less the Lessor's Parent Entity's reasonable and actual out-of-pocket costs of the tax savings for the tax period appealed.
- E) Pursuant to Paragraph 3.10 of the SFO, the "Common Area Factor" is calculated to be 1.1487%, as calculated: 189,008 BRSF/164,540 BOUSF.
- F) The base rent for annual operating costs adjustments is (b) (4), which shall be adjusted annually by the Consumer Price Index ("CPI"), in accordance with Paragraph 3.6 of the SFO.
- G) The overtime rate for HVAC is \$50.00 per hour per floor beyond normal work hours, on weekends, and on Federal holidays as described in section 7.2 of SFO. There shall be a four hour minimum for each usage.
- H) The Lessor shall complete the correction items outlined in Attachment #4, Fire Protection and Life Safety Report, as modified after completion of Base Building, prior to Government occupancy.

6. The following are attached and made a part hereof:

- A) Floor plans of leased area, 6 pages dated 9/7/06; Global Summary of Areas dated 9/7/06, 1 page;
- B) Solicitation for Offers #04-052 dated 10/24/06, 43 pages;
- C) GSA Form 1364A dated 10/24/06 and its attachments , Attachments #1 dated 9/7/06, #2 dated 10/24/06, and #3 dated 10/24/06, 10 pages;
- D) Attachment #4, Fire & Life Safety dated 3/28/06, 12 pages;
- E) GSA Form 1217, Lessor's Cost Statement dated 9/7/06, 1 page;
- F) GSA Form 3517B, General Clauses dated 9/7/06, 33 pages;
- G) GSA Form 3518, Representations And Certifications dated 8/11/06, 7 pages;
- H) Rider Number 1 to Standard Form 2 dated 9/25/06, 2 pages;
- I) Rider Number 2 to Standard Form 2 dated 12/1/06, 1 page; and
- J) Rider Number 3 to Standard Form 2 dated 11/30/06, 1 page.

In the event of a conflict between this Standard Form 2 and any other documents that comprise the Lease, the Standard Form 2 shall govern

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

LESSOR: 2280 C Street LLC, a Delaware limited liability company:

(b) (6)

SIGNATURE: (b) (6)

SIGNATURE: (b) (6)

Co-Representative – 100% Owner/Member
TITLE:

Co-Representative – 100% Owner/Member
TITLE:

IN PRESENCE OF:

NAME:

ADDRESS:

UNITED STATES OF AMERICA GENERAL SERVICES ADMINISTRATION

BY (b) (6)

(Signature)
printed name: Tawanda Beverly

Contracting Officer
(Official title)