

County of Los Angeles CHIEF EXECUTIVE OFFICE

Kenneth Hahn Hall of Administration 500 West Temple Street, Room 713, Los Angeles, California 90012 (213) 974-1101 http://ceo.lacounty.gov

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July 12, 2016

The Honorable Board of Supervisors County of Los Angeles 383 Kenneth Hahn Hall of Administration 500 West Temple Street Los Angeles, California 90012

Dear Supervisors:

ADOPTED

BOARD OF SUPERVISORS COUNTY OF LOS ANGELES

16 July 12, 2016

LORI GLASGOW EXECUTIVE OFFICER

SUBLEASE AGREEMENT
CHIEF EXECUTIVE OFFICE
LEGISLATIVE AFFAIRS & INTERGOVERNMENTAL RELATIONS
660 NORTH CAPITOL STREET, WASHINGTON, D.C.
(ALL DISTRICTS)
(3 VOTES)

SUBJECT

An eleven-year sublease agreement for 1,216 square feet of office space, and the right to three parking spaces for the Chief Executive Office, Legislative Affairs and Intergovernmental Relations units' advocacy office.

IT IS RECOMMENDED THAT THE BOARD:

- 1. Approve and instruct the Chair to sign the proposed sublease agreement with National Association of Counties (NACo), Sublessor, for the occupancy of 1,216 square feet of office space for the Chief Executive Office Washington, D.C. Advocacy Office at 660 North Capitol Street, Washington, D.C., at an initial annual base rental cost of \$77,280, effective the second year of the sublease. The rental cost of the sublease for the first year will be waived. The sublease costs are 100 percent net County cost.
- 2. Authorize and direct the Chief Executive Officer to execute any other ancillary documentation necessary to effectuate the lease, which will be effective upon approval by the Board of Supervisors, and authorize the Chief Executive Office to take any actions necessary and appropriate to implement the project.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

Since July, 1988, the County has housed three staff in 1,105 square feet of office space rented from the National Association of Counties (NACo) located at 440 First Street, N.W., Washington, D.C. and later moved with NACo to its current office location in 1,228 square feet at 25 Massachusetts Avenue. The County's Washington, D.C. office is responsible for leading the County's advocacy efforts, including directing staff and contract representatives and coordinating the advocacy activities of County departments and affiliates. The County legislative staff is responsible for advocacy and monitoring of key legislative and regulatory issues, in accordance with the County's Board-approved Federal Legislative Agenda and Policies. In addition, the County's Chief Legislative Representative in Washington, D.C. is responsible for coordinating the advocacy efforts of five contract lobbyists.

The County has benefited from the existing office location because of its close proximity to numerous congressional offices and federal buildings. Currently, the three assigned Chief Executive Office (CEO) employees have access to NACo personnel and conference rooms, as well as technical and computer support services, which has proven to be a cost-effective and efficient method of managing operations.

Though the existing sublease with NACo is due to expire in February 2017, NACo has elected to move to an alternative and more convenient location at 660 North Capital Street, Washington, D.C. Accordingly, the County proposes to move with NACo into the new offices with an approximate commencement date of November 1, 2016. There will be no responsibility to backfill the existing office space to be vacated, nor will the County be charged any early termination fees by the current building ownership. The rental cost for the first year of the new sublease agreement will be waived.

The new facility is located within close proximity to federal governmental facilities, the Senate, and House of Representatives. By co-locating with NACo, the County will continue to take advantage of existing benefits associated with the CEO-Washington, D.C. Office's adjoining NACo without an interruption in legislative advocacy operations.

Implementation of Strategic Plan Goals

The Countywide Strategic Plan Goal of Community Support and Responsiveness (Goal 2) directs that we enrich lives of Los Angeles County residents by providing enhanced services, and effectively planning and responding to economic, social, and environmental challenges. In this case, the proposed sublease supports these goals with suitably located office space with appropriate workspace allowing legislative staff to advocate and monitor key legislative and regulatory issues affecting the County. The sublease agreement is in conformance with the Asset Management Principles as outlined in Attachment A.

FISCAL IMPACT/FINANCING

The proposed sublease will provide 1,216 square feet of office space, which is slightly less than the existing office space. The initial base rent will be waived in the first year of the sublease, and beginning in year two of the lease, the base rent will be \$6,440 per month, or \$77,280 annually.

The Honorable Board of Supervisors 7/12/2016 Page 3

This is a full-service sublease whereby the Sublessor is responsible for operating costs associated with the County's occupancy. The annual rent of \$62 per square foot will be waived for the first year of the sublease at the new location, and the annual rent beginning in the second year of the sublease will be \$63.55 per square foot and is subject to 2.5 percent annual increases over the remaining term. Attachment B is an overview of the changes associated with the proposed new sublease agreement.

Sufficient funding for the proposed sublease costs will be included in the Fiscal Year (FY) 2016-17 Rent Expense budget, and will be billed back to the CEO. CEO will have sufficient funding in its FY 2016-17 operating budget to cover the projected sublease costs.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The proposed sublease agreement will provide 1,216 square feet of office space and access to three parking spaces for the Federal Advocacy Office of the Legislative Affairs & Intergovernmental Relations Branch (Legislative Affairs) of the CEO. The sublease contains the following provisions:

- Eleven-year term, with the first year's rent waived, commencing after completion of the improvements by the Sublessor and acceptance by the County, scheduled to be November 1, 2016.
- A full-service gross basis whereby the Sublessor is responsible for operational and maintenance costs.
- A Tenant Improvement allowance of up to\$152,000, or \$125 per square foot, per the terms of the Master Lease, included in the base rental rate for improvement of the premises.
- Annual rental rate adjustments subject to 2.5 percent and pro-rata share of operating expenses, per the provisions of the Master Lease.
- One five-year option to extend the sublease at the same terms and conditions.

The CEO Real Estate Division staff conducted a survey within the search area to determine the availability of comparable and more economical sites. Based upon said survey, staff has established that the rental range for similar space is between \$60 and \$100 per square foot per year on a full-service gross basis. Thus, the annual base rent of \$62 per square foot per year full-service for the proposed sublease represents a rate within the market range for the area. There are no other County-owned or leased facilities in Washington, D.C.

The proposed sublease will continue to provide a facility consistent with the County's Facility Location Policy, adopted by the Board of Supervisors on July 24, 2012, as outlined in Attachment C.

ENVIRONMENTAL DOCUMENTATION

As the subject facility is located outside of California, the California Environmental Quality Act (CEQA) is not applicable to this transaction.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

The proposed sublease agreement will provide the necessary office space for this ongoing County requirement.

CONCLUSION

It is requested that the Executive Office, Board of Supervisors, return three originals of the executed sublease agreement, two certified copies of the Minute Order, and the adopted, stamped Board letter to the CEO, Real Estate Division at 222 South Hill Street, 4th Floor, Los Angeles, CA 90012 for further processing.

Respectfully submitted,

Suchi a. Hamai

SACHI A. HAMAI

Chief Executive Officer

SAH:DPH:CMM TS:NCH:gw

Enclosures

c: Executive Office, Board of Supervisors County Counsel Auditor-Controller

CHIEF EXECUTIVE OFFICE LEGISLATIVE AFFAIRS & INTERGOVERNMENTAL RELATIONS 660 NORTH CAPITOL STREET, WASHINGTON, D.C.

Asset Management Principles Compliance Form¹

1.	<u>Oc</u>	cupancy	Yes	No	N/A			
	Α	Does lease consolidate administrative functions? ²			х			
	В	Does lease co-locate with other functions to better serve clients? ²	Х					
	С	Does this lease centralize business support functions? ²	•		х			
	D	Does this lease meet the guideline of 200 sq. ft of space per person? ² This is the only space adjacent to NACo and space is not divisible.		х				
	E	Does lease meet the 4/1000 sq. ft. parking ratio guideline? ² 3	Х					
	F	Does public parking and mass-transit exist to facilitate employee, client and visitor access to the proposed lease location? ²	х	,				
2.	<u>Car</u>	<u>pital</u>						
	Α	Is it a substantial net County cost (NCC) program?	х					
	В	Is this a long term County program?	Х					
	С	If yes to 2 A or B; is it a capital lease or an operating lease with an option to buy?		х				
	D	If no, are there any suitable County-owned facilities available?		х				
	E	If yes, why is lease being recommended over occupancy in County-owned space?			Х			
	F	Is Building Description Report attached as Attachment C?			Х			
	G	Was build-to-suit or capital project considered? The County currently co-houses with NACo and will move to the new building as part of the group.		х				
3.	Por	Portfolio Management						
	Α	Did department utilize CEO Space Request Evaluation (SRE)?	Х					
	В	Was the space need justified?	х					
	С	If a renewal lease, was co-location with other County departments considered?			х			
	D	Why was this program not co-located?			х			
	l	The program clientele requires a "stand alone" facility.						
		No suitable County occupied properties in project area.						
		3 No County-owned facilities available for the project.						
ĺ		4 Could not get City clearance or approval.		•				
		5. X The Program is being co-located (with the National Association of Counties).						
	E	Is lease a full service lease? ²	х					
	F	Has growth projection been considered in space request?	х					
	G	Has the Dept. of Public Works completed seismic review/approval? New facility.		х				
		¹ As approved by the Board of Supervisors 11/17/98						
		² If not, why not?						

FISCAL IMPACT / FINANCING OVERVIEW OF LEASE CHANGES

NACo (National Association of Counties)	EXISTING SUBLEASE 25 Massachusetts Ave., Washington, D.C.	PROPOSEDSUBLEASE 660 N. Capitol Street Washington, D.C.	CHANGE
Area (square feet)	1,228	1,216	-12
Term	(11/01/2007-2/21/2017) Ten years	Eleven years upon Board adoption	+11 years
Annual Rent	\$77,634 (\$63.22/sq.ft.)	\$75,392 (\$62/sq.ft.)	-\$2,242 (-1.22/sq.ft.)
Tenant Improvements (in Base Rent)	\$63,242 (\$51.50/sq.ft.)	\$152,000 (\$125/sq.ft.)	+\$88,758 (+\$73.50/sq.ft.)
Cancellation	None	None	None
Parking	2 spaces	3 spaces	+1
Option to Renew	No options remain	One 5-year option	+One 5-year option
Rental Adjustment	1.7 percent increase + pro rata share of operating expenses.	2.5 percent increase + pro rata share of operating expenses.	+0.8 percent increase + pro rata share of operating expenses.

FACILITY LOCATION POLICY ANALYSIS

Proposed lease renewal: Eleven-year sublease for the Chief Executive Office (CEO) Legislative Affairs & Intergovernmental Relations (Legislative Affairs) – All Districts. There is a County option to renew after eleven years.

- A. Establish Service Function Category Advocacy office public service function.
- **B.** Determination of the Service Area The proposed sublease will allow the CEO-Legislative Affairs to continue to provide an advocacy office centrally located to the downtown Washington D.C. area.
- C. Apply Location Selection Criteria to Service Area Data
 - Need for proximity to service area and population: Advocacy programs are most effective when located in the same geographic area as their similar programs, providers and stakeholders. This location meets the service area criteria and remains in the desired Governmental area.
 - Need for proximity to existing County facilities: N/A
 - Need for proximity to Los Angeles Civic Center: N/A
 - Economic Development Potential: N/A
 - <u>Proximity to public transportation</u>: The location is adequately served by local transit services.
 - <u>Availability of affordable housing for County employees</u>: The surrounding area provides for housing and rental opportunities.
 - Use of historic buildings: N/A
 - Availability and compatibility of existing buildings: There are no existing County buildings available to meet the Department's service needs.
 - <u>Compatibility with local land use plans</u>: This is a new facility in close proximity to existing uses.
 - Estimated acquisition/construction and ongoing operational costs: The initial maximum annual rent is \$77,280. Rental costs are 100 percent net County cost.

D. Analyze results and identify location alternatives

Based upon the space and service needs of the CEO-Legislative Affairs, staff surveyed the immediate area to determine the availability of comparable and more economical site alternatives.

Based on a survey of the area, staff established the annual rental range for similar office space is up to \$100 per square foot on an annual full-service basis, i.e., including operational, maintenance costs and available parking. Therefore, the proposed initial annual rent of \$62 on a full-service gross basis, excluding the cost of parking, is within market range for the area and supports the sublease at this co-location.

E. Determine benefits and drawbacks of each alternative based upon functional needs, service area, cost and other Location Selection Criteria

The subject sublease for CEO-Legislative Affairs will provide adequate office space for its employees and efficient space for on-site services, which is consistent with the County's Facility Location Policy, adopted by the Board of Supervisors on July 24, 2012. The cost of comparable sites was higher per square foot if the County was separately located, and the sites would require tenant improvements that would drive the rent up further.

AGREEMENT OF SUBLEASE

THIS AGREEMENT OF SUBLEASE (the "Sublease") is made as of _______, 2016, by and between NATIONAL ASSOCIATION OF COUNTIES, a Delaware not-for-profit corporation (the "Sublessor") having an office at 25 Massachusetts Avenue, NW, Suite 500, Washington, DC 20001, Attn: Executive Director, and LOS ANGELES COUNTY, a body corporate and politic (the "Sublessee") having an office at 500 W. Temple Street, Room 358, Los Angeles, CA 90012.

8 WITNESSETH:

 WHEREAS, pursuant to the Office Lease Agreement dated as of October 5, 2015, by and between 660 North Capitol Street Property LLC, a Delaware limited liability company, as landlord (the "Landlord"), and Sublessor, as tenant (the "Lease"), Landlord leased to Sublessor certain office space (the "Prime Lease Premises") on the third (3rd) and fourth (4th) floor in the building located at 660 N. Capitol Street, N.W., Washington, D.C. 20001-1431 and known as Republic Square II (the "Building"); and

WHEREAS, Sublessor desires to sublease to Sublessee, and Sublessee desires to sublease from Sublessor, certain space in the Prime Lease Premises, on the terms and conditions hereinafter set forth.

NOW, THEREFORE, in consideration of the mutual covenants herein contained, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. <u>Subleasing of the Premises</u>. Sublessor hereby subleases to Sublessee and Sublessee hereby subleases from Sublessor, that certain office space in the Prime Lease Premises, as depicted on the plan attached hereto as <u>Exhibit A</u>, known as Suite 402, together with the right to use in common with the other occupants of the Prime Lease Premises, the restroom located within the Prime Lease Premises, subject to any modifications thereto required by any governmental authority in connection with the obtaining of all permits and approvals required in connection with the work to be performed therein by Sublessor, deemed for all purposes of this Sublease to be One Thousand Two Hundred Sixteen (1,216) rentable square feet (the "**Premises**"), upon and subject to all of the terms, covenants, rentals and conditions hereinafter set forth.

2. Term.

(a) This Sublease shall be in full force and effect from the date it has been executed by Sublessor and Sublessee Landlord has consented thereto. The term (the "Term") of this Sublease shall commence on the Lease Commencement Date, as defined in the Lease (the "Commencement Date"), and expire on the last day of the one hundred thirty-second (132nd) full calendar month thereafter (the "Expiration Date"), unless sooner terminated as hereinafter provided. Based on the Landlord's representations to Sublessor, Sublessor anticipates that the Commencement Date shall be on or about November 1, 2016; provided, however, that Sublessor shall have no liability whatsoever, and this Sublease shall not be rendered void or voidable, if the Commencement Date does not occur on such date. After the Commencement Date is determined, Sublessor may deliver to Sublessee a certificate confirming such date.

- (b) As used in this Sublease, the term "Lease Year" shall have the meaning set forth in this subsection. The first Lease Year of the Term shall commence on the Commencement Date and terminate on the last day of the twelfth (12th) full calendar month after such Commencement Date. Each subsequent Lease Year shall commence on the date immediately following the last day of the preceding Lease Year and shall continue for a period of twelve (12) full calendar months, except that the last Lease Year of the Term shall terminate on the date this Sublease expires or is otherwise terminated.
- (c) Subject to (i) Sublessor's exercise of its renewal rights pursuant to Section 3.8 of the Lease, and (ii) Sublessor waiving its right of recapture of the Premises for its exclusive use and occupancy, Sublessor hereby grants to Sublessee the right, exercisable at Sublessee's option, to renew the term of this Sublease for one (1) term of five (5) years (the "Renewal Term"). If exercised, and if the conditions applicable thereto have been satisfied, the Renewal Term shall commence immediately following the end of the initial Lease Term. The right of renewal herein granted to Sublessee shall be subject to, and shall be exercised in accordance with, the following terms and conditions:
- (i) Sublessee shall exercise its rights with respect to the Renewal Term by giving Sublessor written notice thereof by letter from Sublessee's Chief Executive Office, not earlier than the first day of the last Lease Year of the initial Term (the "Renewal Notice"). All then-current terms and conditions of this Sublease shall continue to apply during the Renewal Term, and the base rent shall be as set forth in the table in Section 3(a) below for the Renewal Term.)
- (ii) If the Renewal Notice is not given timely, then Sublessee's rights of renewal pursuant this Section 2(c) shall lapse and be of no further force or effect.
- (iii) If a material default has occurred under this Sublease (which default continued past any applicable notice and cure periods) on or before the date the Renewal Notice is given to Sublessor or at any time thereafter prior to commencement of the Renewal Term, then, at Sublessor's option, the Renewal Term shall not commence and the term of this Sublease shall expire at the expiration of the initial Term.
- (iv) Landlord, through its consent to this Sublease, hereby consents to the Renewal Term if exercised in accordance with the terms of this Section 2(c).

3. <u>Rent</u>.

United States, annual base rent ("Annual Base Rent"), payable in equal monthly installments (the "Monthly Base Rent"). Annual Base Rent shall be calculated, with respect to each Lease Year, as the product of the Rent per square foot, as set forth below, multiplied by the number of square feet of rentable area in the Premises, as set forth above. All such Monthly Base Rent is to be paid in advance, on the first (1st) day of each month during the Term, at the office of Sublessor, or such other place as Sublessor may designate, without any abatement, set-off or deduction of any kind whatsoever. Simultaneously with Sublessee's execution and delivery of this Sublease, Sublessee shall pay the first installment of Monthly Base Rent, which Sublessor shall credit toward the first full month's rent due to Sublessor hereunder. If the Commencement Date is a date other than the first day of a month, rent for the period commencing with and including the Commencement Date and ending on and including the day prior to the first day of

<u>Lease Year</u>	Rent Per Square Foot	Monthly Rent
1	\$62.00	None—Rent Abated
2	\$63.55	\$6,439.73
3	\$65.14	\$6,600.82
4	\$66.77	\$6,766.02
5	\$68.44	\$6,935.25
6	\$70.15	\$7,108.93
7	\$71.90	\$7,285.87
8	\$73.70	\$7,468.27
9	\$75.54	\$7,654.72
10	\$77.43	\$7,846.24
11	\$79.37	\$8,042.83
RENEWAL TERM RENT		,
12	\$81.35	\$8,243.47
13	\$83.38	\$8,449.17
14	\$85.47	\$8,660.96
15	\$87.60	\$8,876.80
16	\$89.79	\$9,098.72

- (b) All amounts payable by Sublessee to Sublessor pursuant to this Sublease shall be deemed and constitute rent and, in the event of any non-payment thereof and after the lapse of any applicable grace period, Sublessor shall have all of the rights and remedies provided herein, in the Lease, and at law or in equity for non-payment of rent. Sublessee's obligation to pay rent hereunder shall be on account of the period from and after the Commencement Date and shall survive the Expiration Date or sooner termination of this Sublease.
- as additional rent (i) Sublessee's Proportionate Share of the difference between Operating Charges (as defined in the Lease) payable by Sublessor under the Lease with respect to the applicable calendar year, and Operating Charges paid by Sublessor under the Lease with respect to calendar year 2017, (ii) Sublessee's Proportionate Share of the difference between Office Specific Charges (as defined in the Lease) payable by Sublessor under the Lease with respect to the applicable calendar year, and Office Specific Charges paid by Sublessor under the Lease with respect to calendar year 2017, (iii) Sublessee's Proportionate Share of the difference between Real Estate Taxes (as defined in the Lease) payable with respect to the applicable calendar year, and Real Estate Taxes paid by Sublessor under the Lease with respect to calendar year 2017, (iv) Sublessee's Proportionate Share of any and all amounts which by the terms of the Lease become due and payable by the Sublessor to Landlord and (v) fees that would be due and payable by Sublessor but for the acts, requests for services and/or failure to act reasonably of Sublessee. The term "Sublessee's Proportionate Share" shall mean the result obtained by multiplying one hundred percent (100%) by a fraction, the numerator being the number of rentable square feet in

the Premises and the denominator being the number of rentable square feet in the Prime Lease Premises.

4. Care, Surrender and Restoration of the Premises.

- (a) Without limiting any other provision of this Sublease or the Lease, Sublessee shall take good care of the Premises, suffer no waste or injury thereto and shall comply with all laws, orders and regulations which are imposed on Sublessor, as tenant under the Lease, and are applicable to the Premises and/or Sublessee's use thereof. Upon the Expiration Date or sooner termination of this Sublease, Sublessee shall quit and surrender the Premises to Sublessor in the condition such Premises were in on the Commencement Date, broom clean, in good order and condition, ordinary wear and tear excepted.
- (b) Upon the Expiration Date or sooner termination of this Sublease, Sublessee shall remove from the Premises at its sole expense all of its personal property. Upon removal of Sublessee's property from the Premises, Sublessee shall, at its sole expense, promptly repair and restore the Premises to the condition existing prior to the placement of such personal property upon the Premises and repair any damage to the Premises and/or the Building related to such removals, so as to restore the Premises to the condition required under subsection (a) above, or, at Sublessor's election, as may otherwise be required under the Lease. All property permitted or required to be removed by Sublessee upon the Expiration Date or sooner termination of this Sublease remaining on the Premises after such Expiration Date or sooner termination shall be deemed abandoned and may, at the election of Sublessor, either be retained as Sublessor's property or may be removed from the Premises by Sublessor, at Sublessee's expense. Any such expenses shall be paid by Sublessee to Sublessor upon demand therefor.
- 5. <u>Use</u>. Sublessee shall use and occupy the Premises, subject to the terms of the Lease, solely for general office use, and for no other purpose.
- Incorporation of Terms of Lease. Sublessor and Sublessee agree that this Sublease is subordinate to the Lease. The terms, provisions, covenants, stipulations, conditions, rights, obligations, remedies and agreements of the Lease are incorporated into this Sublease by reference and made a part hereof as if herein set forth at length, and shall, as between Sublessor and Sublessee (as if they were the Landlord and Tenant, respectively, under the Lease and as if the Premises being sublet hereby were the premises demised under the Lease), constitute the terms of this Sublease, including without limitation, the late payment fee and interest on past due rent, except to the extent that they do not expressly relate to the Premises or are expressly inapplicable to, or expressly modified or eliminated by, or otherwise addressed by, the terms of this Sublease. Notwithstanding the foregoing provisions of this Sublease to the contrary, it is expressly understood and agreed that Sections 3.1, 3.2, 3.5, 3.6, 15.2, 21.3, Articles XI and XXVI of the Lease, and Exhibit B (Leasehold Improvements) of the Lease shall not be applicable with respect to this Sublease or the Premises. Sublessor and Sublessee each agree to observe and be bound by each and every covenant, condition and provision of the Lease insofar as any such covenant, condition or provision affects the Premises or Sublessee's use thereof. Sublessee acknowledges that it has reviewed and is familiar with the Lease, and Sublessor represents that the copy of the Lease attached hereto as Exhibit B is a true, correct and complete copy of the Lease.
- 7. <u>Covenants with Respect to the Lease</u>. Except as otherwise expressly provided herein, all acts to be performed and all of the terms and provisions to be observed by Sublessor

with respect to the Premises, as Tenant under the Lease, shall be performed and observed by Sublessee. Sublessee covenants and agrees that Sublessee shall not do anything that would constitute a default under the Lease or omit to do anything that Sublessee is obligated to do under the terms of this Sublease so as to cause a default under the Lease.

8. <u>Utilities and Services</u>. Notwithstanding anything to the contrary contained in this Sublease, Sublessor shall not be obligated to perform for Sublessee any services of any nature whatsoever or furnish to Sublessee or the Premises any utilities of any nature whatsoever, including without limitation, heat, electricity, air conditioning, elevator service, cleaning, window washing or trash removal services, however, Sublessor shall exercise reasonable efforts to obtain such utilities and services for the Premises from the Landlord pursuant to and in accordance with the terms of the Lease. Sublessee shall be responsible for any additional costs incurred by Sublessor in connection with this Sublease, whether due to extra services provided to Sublessee or otherwise.

9. [Intentionally Omitted]

 10. <u>Parking</u>. During the Term hereof, Sublessee shall have the right to purchase and use, in common with other tenants of the Building and subject to and in accordance with the terms of the Lease, three (3) parking spaces in the Parking Facility. Sublessee shall not have any right to designate any parking spaces for reserved parking or use any parking spaces designated for Sublessor's use as reserved parking.

11. Representations and Warranties; Broker.

- (a) Each party represents and warrants to the other that it has the power and authority to enter into this Sublease, and that this Sublease is the valid and binding obligation of such party and is enforceable against it in accordance with its terms.
- (b) Sublessor and Sublessee represent and warrant to each other that neither has dealt with any broker in connection with this Sublease other than Jones Lang LaSalle Brokerage Services, Inc., acting as Sublessor's broker (the "Broker"). Sublessee shall indemnify and hold Sublessor harmless from and against any claim for brokerage or other commissions asserted by any broker, agent or finder employed by Sublessee or with whom Sublessee has dealt other than the Broker. Sublessor shall pay the Broker a commission in connection with this Sublease pursuant to a separate written agreement between Sublessor and the Broker.
- 12. <u>Indemnification</u>. Sublessee agrees to indemnify Sublessor and Landlord (Sublessor and Landlord are herein collectively referred to as the "**Indemnified Party**") against and hold each Indemnified Party harmless from any loss, cost, liability or expense (including, without limitation, reasonable attorneys' fees and related disbursements) incurred by such Indemnified Party by reason of (a) any injuries to persons or damage to property occurring in, on or about the Premises, other than those arising from the negligence or willful misconduct of such Indemnified Party, (b) any work or thing whatsoever done or condition created by Sublessee in, on or about the Premises or the Building, (c) any act or omission of Sublessee, its agents, contractors, servants, employees, invitees or licensees, or (d) any failure by Sublessee to perform or observe any of the covenants and obligations required of Sublessee under this Sublease, including without limitation, any breach of the Lease caused or permitted by Sublessee. In addition to, and not in limitation of the foregoing, wherever the Sublessor as tenant under the

Lease has agreed to indemnify the Landlord with respect to the Premises, so in this Sublease, Sublessee likewise agrees to indemnify Sublessor and Landlord, however, only with respects to acts and or omissions pertaining to Sublessee. Sublessee's obligations under this Section shall survive the expiration or termination of this Sublease. Sublessee and Sublessor hereby further agree that notwithstanding the foregoing indemnification, Sublessor's and Sublessee's obligations to indemnify each other shall be limited to such liabilities arising from or related to their respective acts, errors and omissions.

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- Default. Sublessor shall not be liable to Sublessee for any default of Landlord under the Lease. Sublessee acknowledges and agrees that Sublessor shall not be responsible for a breach of any of the representations and warranties of the Landlord under the Lease. In addition, notwithstanding the incorporation of the terms of the Lease, Sublessor and Sublessee acknowledge and agree that Sublessor is not responsible or liable for making any repairs or restoration (including but not limited to the event of any casualty or condemnation) or otherwise complying with any of Landlord's obligations or providing any of the services and/or utilities required to be provided by Landlord under the Lease, and that Sublessor's sole obligation with respect thereto shall be to promptly make demand upon Landlord for the performance or cure of the subject matter following Sublessor's receipt of Sublessee's request, and thereafter to use its commercially reasonable good faith efforts to take such action as is reasonably required to promptly cause Landlord to cure, cause the cure or obtain the cure of the subject default to the extent provided herein. Sublessee shall not have any claim against Sublessor by reason of Landlord's failure or refusal to comply with any of the provisions of the Lease. This Sublease shall remain in full force and effect notwithstanding Landlord's failure or refusal to comply with any such provisions of the Lease and Sublessee shall pay Rent and all other charges provided for herein without any abatement, deduction or setoff whatsoever. Sublessee further covenants not to take any action or do or perform any act or fail to perform any act which would result in the failure or breach of any of the covenants, agreements, terms, provisions or conditions of the Lease on the part of Sublessor thereunder.
- 14. Approvals and Consents. Notwithstanding anything to the contrary contained in this Sublease, Landlord's consent or approval shall be required for all matters under this Sublease for which the approval or consent of Landlord is required under the Lease. Upon execution and delivery of this Sublease by both parties, Sublessor shall promptly and diligently seek Landlord's consent to this Sublease. Sublessor shall have no obligation to pay any fee or charge of any nature whatsoever other than customary and reasonable fees and charges which are required to be paid under the Lease in connection with or as a condition to obtaining such consent and shall suffer and incur no liability to Sublessee for its failure to obtain such consent.

15. Condition of the Premises; Sublessee's Alterations.

(a) On the Commencement Date, the Premises shall be delivered to Sublessee in a condition substantially consistent with the Final Working Drawings (as defined in the Lease). Notwithstanding anything herein to the contrary, (i) any costs attributable to any change in construction of the improvements requested by Sublessee and approved by Sublessor from the plans prepared by Studios Architects dated November 5, 2015 shall be borne by Sublessee, and (ii) any costs attributable to any change in construction of the improvements initiated by Sublessor from the plans prepared by Studios Architects dated November 5, 2015 shall be borne by Sublessor. Sublessee acknowledges that it enters into this Sublease without any representations or warranties by Sublessor or Landlord, or anyone acting or purporting to act on

behalf of Sublessor or Landlord, as to the present or future condition of the Premises or the appurtenances thereto or any improvements therein or of the Building, except as specifically set forth in this Sublease. It is further agreed that Sublessor shall have no obligation to perform any other work in or for the benefit of the Premises.

- (b) Notwithstanding anything to the contrary contained in the Lease, Sublessee shall not make any alterations or changes to the Premises whatsoever, including, without limitation, structural or non-structural changes, without the prior written consent of Sublessor and Landlord, pursuant to and in accordance with the terms and conditions of the Lease.
- 16. <u>Time Limits</u>. In the event Sublessee receives from Sublessor any notice to cure any default hereunder or under the Lease which notice is based on a notice sent to Sublessor by Landlord pursuant to the Lease, Sublessee shall cure such condition three (3) days prior to the time required of Sublessor by Landlord for the cure thereof.
- 17. <u>Assignment and Subletting</u>. Notwithstanding anything to the contrary contained in the Lease, Sublessee, for itself, its successors and assigns, expressly covenants that it shall not assign, whether by operation of law or otherwise, or pledge or otherwise encumber this Sublease, or sublet all or any part of the Premises. Any attempted assignment or subletting shall be void and of no force and effect. Sublessor reserves the right to transfer and assign its interest in and to this Sublease to any entity or person whom shall succeed to Sublessor's interest in and to the Lease.

18. Insurance.

- with regard to the Premises, at its sole cost and expense, commercial general public liability insurance, property damage insurance, and fire and extended coverage insurance and any other insurance coverage required to be obtained by Sublessor, as tenant under the Lease, and such insurance coverage shall be in the nature and amounts set forth therein. Such insurance policies shall name Sublessor and Landlord (and such other person as Sublessor may request by notice to Sublessee from time to time) as additional insureds thereunder. Any reference to Landlord in that provision of the Lease relating to the tenant's insurance requirements shall include both Sublessor and Landlord. Sublessee shall pay all premiums and charges for such insurance. If Sublessee shall fail to obtain such insurance, Sublessor may, but shall not be obligated to, obtain the same, in which event the amount of the premium paid shall be paid by Sublessee to Sublessor upon Sublessor's demand therefor. Such amount shall be deemed additional rent hereunder and shall be collectible by Sublessor in the same manner and with the same remedies as though said sums were Monthly Base Rent reserved hereunder.
- (b) On or before the date of this Sublease, Sublessee shall furnish to Sublessor and Landlord certificates evidencing the aforesaid insurance coverage, and renewal certificates shall be furnished to Sublessor and Landlord at least thirty (30) days prior to the expiration of each policy for which a certificate was theretofore furnished. All insurance policies required of Sublessee hereunder shall provide that Sublessor and Landlord will be given at least thirty (30) days prior written notice of any cancellation or material change in the policy, or any other expiration or defaults thereunder.
 - (c) Sublessee acknowledges that neither Landlord nor Sublessor will carry

any insurance in favor of Sublessee, of Sublessee's furniture, fixtures, equipment, improvements, appurtenances or other property of Sublessee in or about the Premises.

- (d) Notwithstanding the foregoing, for so long as the initial named Sublessee as specified in the opening paragraph of this Sublease remains the sole occupant of the Premises, Tenant shall have the right to self-insure in lieu of obtaining the insurance described above.
- 19. Release and Waiver of Subrogation. Any property damage, fire or extended coverage insurance policy obtained by Sublessee, and covering the Premises or the personal property, fixtures and equipment located therein or thereon, shall contain an endorsement pursuant to which the respective insurance companies waive subrogation against Landlord and Sublessor. Sublessee hereby releases Sublessor and Landlord to the limits of the coverage of the insurance policies required to be held by Sublessee under this Sublease with respect to any claim (including a claim for negligence) which it might otherwise have against Sublessor and Landlord for loss, damage or destruction with respect to its property.
- 20. Hold-Over. If Sublessee shall not immediately surrender the Premises at the end of the Term, then Sublessee shall, by virtue of this Sublease, become a tenant at sufferance at a monthly rental equal to twice the Monthly Base Rent plus any additional rent due under the other terms of this Sublease, commencing with the first day following the end of the Term. Sublessee, as a tenant at sufferance, shall be subject to all of the conditions and covenants of this Sublease (including payment of additional rent) as though the tenancy had originally been a monthly tenancy. During the holdover period, each party hereto shall give to the other at least thirty (30) days written notice to guit the Premises, except in the event of nonpayment of Monthly Base Rent or additional rent when due, or of the material breach of any other provision hereof by Sublessee, in which event, Sublessee shall not be entitled to any notice to quit, the usual thirty (30) days' notice to quit being expressly waived. Without limiting the generality of Paragraph 12 above, and notwithstanding anything to the contrary contained in this Paragraph 20, Sublessee specifically agrees to be responsible for, and indemnify and hold Sublessor harmless from and against, all costs incurred by Sublessor under the Lease (including, without limitation, holdover rent for the entire Prime Lease Premises, to the extent charged by Landlord) to the extent it results from Sublessee's failure to surrender the Premises on the Expiration Date.

21. Notices.

- (a) Any notice, demand or communication required or desired hereunder by either party to the other shall be in writing and shall be given when personally delivered or three (3) days after sent by certified or registered mail, first class, postage prepaid, or one (1) business day after delivery to a recognized national overnight courier, to the party for whom intended (i) prior to the Commencement Date, at the respective addresses of Sublessor and Sublessee first set forth above, and (ii) from and after the Commencement Date, at the Building. Either party may, by like written notice, designate a new address to which such notice, demand or communication shall thereafter be given.
- (b) Sublessee shall promptly after receipt thereof, furnish to Sublessor by hand delivery a copy of any notice, demand or other communication received from Landlord with respect to the Premises.

21. Landlord's Consent.

(a) Sublessor and Sublessee each acknowledge and agree (i) that this Sublease

is subject to, and will not be effective without the receipt of, the written consent of Landlord in accordance with the terms of the Lease, and (ii) that Landlord's consent to this Sublease shall not create any contractual liability or duty on the part of Landlord to Sublessee, and shall not in any manner increase, decrease or otherwise affect the rights and obligations of Landlord and Sublessor, as landlord and tenant under the Lease, with respect to the Premises.

(b) This Sublease is subject and subordinate to the Lease and to the matters to which the Lease is or shall be subordinate. In the event of the termination of the Lease, or the reentry or dispossession of Sublessor, as tenant, by Landlord under the Lease, Landlord, at its option, may either terminate this Sublease, in which case Sublessee shall peacefully vacate the Premises, or require Sublessee to attorn to Landlord as its sublessor pursuant to the then applicable terms of this Sublease for the remaining term hereof, except that Landlord shall not be (i) liable for damages for any previous act or omission of Sublessor under this Sublease, (ii) subject to any offset which theretofore accrued to Sublessee against Sublessor, or (iii) bound by any previous modification of this Sublease not consented to in writing by Landlord or by a previous prepayment of rent more than one month in advance.

23. Miscellaneous.

- (a) This Sublease may not be extended, renewed, terminated (other than in accordance with the terms hereof), or otherwise modified except by an instrument in writing signed by the party against whom enforcement of any such modification is sought.
- (b) It is understood and agreed that all understandings and agreements heretofore had between the parties hereto are merged in this Sublease, which alone fully and completely expresses their agreement. This Sublease has been entered into after full investigation, neither party relying upon any statement, representation or warranty made by the other not embodied in this Sublease.
- (c) The section headings appearing herein are for purposes of convenience only and are not deemed to be a part of this Sublease.
- (d) The provisions of this Sublease shall be governed by and construed in accordance with the laws of the District of Columbia. Any action or proceeding in connection with any matter arising out of or in any way connected with this Sublease, Sublessee's use or occupancy of the Premises, and/or any claim for injury or damage related thereto shall be brought and maintained in the Federal District Court for the Federal District in which the Building is located, or the applicable state court for the county in which the Building is located.
 - (e) Time is of the essence as to the obligations contained in this Sublease.
- (f) Sublessor and Sublessee each hereby waive trial by jury in any action, proceeding or counterclaim brought by either of them against the other in connection with any matter arising out of or in any way connected with this Sublessee's use or occupancy of the Premises, and/or any claim for injury or damage.
- (g) Sublessor and Sublessee each hereby agree that neither shall be permitted to record this Sublease nor any memorandum nor assignment thereof.

[signatures appear on following page]

370 371	IN WITNESS WHEREOF, this first above written.	Sublease has been duly execute	d as of the day and year	
372				
373	WITNESS/ATTEST:	SUBLESSOR:		
374 375	2	NATIONAL ASSOCIATI Delaware not-for-profit co		
376 377 378 379	Berle	By: Ollarah Al Name: Deborah Sto Its: Directar	laute outamire HIL	
380				
381	WITNESS/ATTEST:	<u>SUBLESSEE</u> :		
382 383		COUNTY OF LOS ANGE	LES, a body politic and	
384		corporate /	Asl:	
385 386 387	Grow E. Harrison	By: Mame: Hilda L. Solis Title: Chair, Board of Sup	pervisors	
388	ATTEST:			
389 390 391 392 393	Lori Glasgow Executive Officer - Clerk of the Board By Jachelle Smithern Deputy			78511
394			1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	
395	APPROVED AS TO FORM:	CALIFORN		
396	Mary C. Wickham		I hereby certify that pursuant Section 25103 of the Govern	nment Code,
397 398	County Counsel By:		delivery of this document ha	s been made.
399	Deputy:		LORI GLASGOW Executive Officer Clerk of the Board of Su	inervisors



#16

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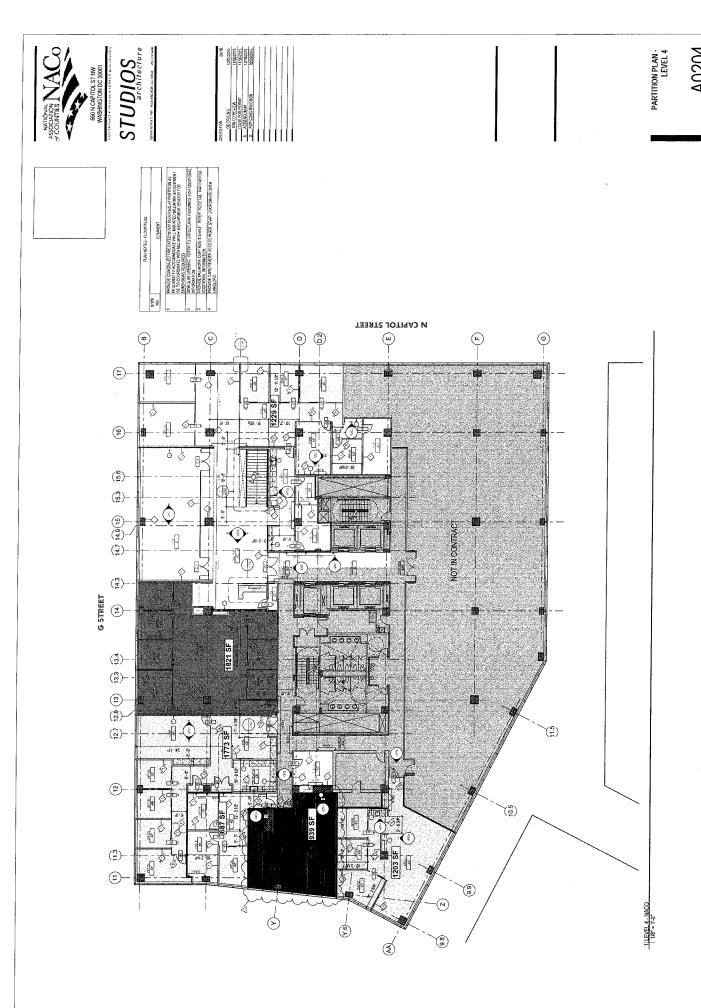


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EXHIBIT A

Plan of Premises





PLAN NOTES - PLOOR PLAN

DEMONSTRACING STATES OF THE STRUCTURAL DRAWNOS FOR ADDITIONAL DRAWNO



STUDIOS

1625 M STREET, NW - WASHINGTON, DC 20036 - 202,736,5000

	_DD PRICING	10/02/201
	70% CD REVIEW	11/05/201
	ISSUE FOR PERMIT	11/20/201
Α	_ADDENDUM #1	12/10/201
D	FOR CONSTRUCTION	02/26/201
_		

G STREET 13.3 13.4 11.3 (12) 12.7 12.8 13 14) 14.3 14.7 14.9 15 15.3 15.6 16 17) i -BOTTO! 1821 SF 939 SF N CAPITOL STREET (2) NOT IN CONTRACT 9.9 -(F) 10.5

> PARTITION PLAN -LEVEL 4

> > A0204

OJECT NO.

9122

NATIONAL ASSOCIATION OF COUNT

402 <u>EXHIBIT B</u> 403 Lease

OFFICE LEASE AGREEMENT

BY AND BETWEEN

660 NORTH CAPITOL STREET PROPERTY LLC

AND

NATIONAL ASSOCIATION OF COUNTIES

Republic Square II 660 North Capitol Street, N.W. Washington, D.C. 20001-1431

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OFFICE LEASE AGREEMENT

THIS OFFICE LEASE AGREEMENT (this "Lease") is dated as of the 5th day of October 2015, by and between 660 NORTH CAPITOL STREET PROPERTY LLC, a Delaware limited liability company ("Landlord"), and NATIONAL ASSOCIATION OF COUNTIES, a Delaware not-for-profit corporation ("Tenant").

ARTICLE I DEFINITIONS

- 1.1 **Building:** an eight story above grade building deemed to contain one hundred ninety four thousand four hundred sixty five (194,465) square feet of office rentable area ("**Office Area**") and one hundred ninety eight thousand three hundred four (198,304) square feet of total building rentable area ("**Total Area**"), located at 660 North Capitol Street, N.W., Washington, DC 20001-1431, and known as Republic Square II.
 - 1.2 **Premises:** deemed to contain thirty nine thousand nine hundred eighty seven (39,987) square feet of rentable area consisting of (i) all of the rentable area (twenty four thousand five hundred eleven (24,511) square feet of rentable area) on the third (3rd) floor of the Building, and (ii) fifteen thousand four hundred seventy six (15,476) square feet of rentable area) on a portion of the fourth (4th) floor of the Building, as more particularly designated on Exhibits A-1 and A-2, measured in accordance with the BOMA Standards as provided in Section 27.18.
- 1.3 Lease Term: From the Lease Commencement Date and continuing through the last day of the calendar month in which the expiration of one hundred eightieth (180) months from the Rent Commencement Date occurs.
 - 1.4 Base Rent: an annual amount payable as follows:

Annual Rate ner

Lease Year	Rentable Square Foot of Premises	Monthly Installment	Annual Installment
1	\$62.00	None - Rent Abated	None - Rent Abated
2	\$63.550	\$211,764.49	\$2,541,173.88
3	\$65.139	\$217,059.42	\$2,604,713.10
4	\$66.767	\$222,484.33	\$2,669,812.00
5	\$68.436	\$228,045.85	\$2,736,550.30
6	\$70.147	\$233,747.33	\$2,804,968.00

7	\$71.901	\$239,592.10	\$2,875,105.20
8	\$73.699	\$245,583.49	\$2,947,001.90
9	\$75.541	\$251,721.49	\$3,020,657.90
10	\$77.430	\$258,016.11	\$3,096,193.40
11	\$79.365	\$264,464.01	\$3,173,568.20
12	\$81.349	\$271,075.20	\$3,252,902.40
13	\$83.383	\$277,853.00	\$3,334,236.00
14	\$85.468	\$284,800.74	\$3,417,608.90
15	\$87.604	\$291,918.42	\$3,503,021.10
16	\$89.794	\$299,216.05	\$3,590,592.60

1.5 Lease Commencement Date.

As defined in Section 3.2

1.6 **Rent Commencement Date:** The date that is twelve (12) months after the Lease Commencement Date.

1.7 **Security Deposit Amount:** None.

- 1.8 **Broker(s):** Jones Lang LaSalle Brokerage, Inc. ("**Tenant's Broker**"); and Jones Lang LaSalle Brokerage, Inc. ("**Landlord's Broker**").
- 1.9 **Tenant Notice Address:** Prior to the Lease Commencement Date, National Association of Counties, 25 Massachusetts Avenue, N.W., Washington, D.C. 20001, and after the Lease Commencement Date, National Association of Counties, 660 North Capitol Street, N.W., Washington, D.C. 20001.
- 1.10 **Landlord Notice Address:** 660 North Capitol Street Property LLC, c/o Republic Properties Corporation, Suite 280, 1280 Maryland Avenue, S.W., Washington, D.C. 20024, Attn: Steven Grigg, with a copy to Republic Properties Corporation, 660 North Capitol Street, N.W., Washington, D.C. 20001 Attn: Property Manager.
- 1.11 Landlord Payment Address: 660 North Capitol Street Property LLC, c/o Republic Properties Corporation, 1280 Maryland Avenue, S.W., Washington, D.C. 20024, Attn: Accounting Department. At Tenant's option, Tenant shall make all payments by means of electronic transfer of funds in accordance with instructions provided by Landlord to Tenant and without charging Tenant for any banking costs incurred by Landlord.

- 1.12 **Building Hours** or **business hours:** 8:00 a.m. to 7:00 p.m. Monday through Friday (excluding Holidays) and 9:00 a.m. to 1:00 p.m. on Saturday (excluding Holidays).
 - 1.13 Guarantor(s): None.
- 1.14 **Retail Area:** the area comprised of premises leased or hereafter leased to tenants primarily for retail purposes and any areas of the Building designated solely for the use of retail tenants (collectively, the "**Retail Space**") (presently containing three thousand eight hundred thirty nine (3,839) rentable square feet).
- 1.15 **Base Year Office Specific Charges**: Office Specific Charges for calendar year 2017, subject to adjustment as provided in Section 5.2(f).
- 1.16 **Base Year Operating Charges**: Operating Charges for calendar year 2017, subject to adjustment as provided in Section 5.2(f).
- 1.17 **Base Year Taxes**: Real Estate Taxes for the D.C. Tax Year 2017 (the period beginning on October 1, 2016 and ending on September 30, 2017), subject to adjustment as provided in Section 5.3(c).
- 1.18 **Tenant's Proportionate Share:** 20.164% for Operating Charges; 20.563% for Office Specific Charges; and 20.164% for Real Estate Taxes.
- 1.19 **Parking Allotment:** One (1) monthly parking permit for each nine hundred (900) rentable square feet leased by Tenant pursuant to this Lease, being forty-four (44) monthly parking permits for the initial Premises.
 - 1.20 **Holidays:** All holidays recognized by the United States Federal government.

ARTICLE II PREMISES

Landlord leases the Premises to Tenant, and Tenant leases the Premises from Landlord, for the Lease Term upon the conditions and covenants set forth in this Lease. Tenant will have access to and the non-exclusive right at all times (except during any emergencies or periods of routine maintenance) to use those areas and facilities of the Building and improvements to the Land for the use or benefit of tenants in the Building and their employees, clients, customers, licensees and invitees or for use or benefit by the public ("Common Areas"), including, (a) the Building lobby and access corridors, elevator foyers and core bathrooms, (b) Building-wide mailrooms, fire rooms, vending areas, health and fitness facilities, rooftop deck, janitorial areas and other similar facilities of the Building, (c) any and all non-exclusive grounds, parks, landscaped areas, courtyards, plazas, outside sitting areas, sidewalks, pedestrian ways, loading docks, and (d) generally all other common and public improvements on the Land. Except as may otherwise be expressly provided in this Lease, including as provided for in Section 9.4 below, the lease of the Premises does not include the right to use the roof, mechanical rooms, electrical closets, janitorial closets, telephone rooms, parking areas or non-common or non-public areas of any portion of the Building, it being understood, however, that Tenant shall have the non-

exclusive right to use (1) the electrical closets, telephone rooms, ducts, plenums, risers or pipes on or serving the floor on which the Premises are located (other than those installed for another tenant's exclusive use and provided Tenant shall have utilization of each such facility or area in no greater proportion than the ratio by which the square feet of rentable area in the Premises compares to the square feet of rentable area in the Building) in accordance with plans and specifications to be approved by Landlord in its reasonable discretion, (2) the Parking Facility (as hereinafter defined), in accordance with Article XXIV, and (3) any mechanical rooms, electrical closets and telephone rooms located within the Premises, for the purpose for which they were intended, but only with Landlord's prior reasonable consent (except to the extent that such rooms and closets contain no system, wiring or other item related to either the Building Structure and Systems (defined below) or to a structure or system of any tenant or occupant other than Tenant, in which case no such prior consent of Landlord shall be required for the use of such area by Tenant's, properly licensed and trained technicians) and in accordance with Landlord's reasonable rules, regulations and requirements in connection therewith, and (4) the Satellite Dish Equipment Area in accordance with Article XXVI.

ARTICLE III TERM

- 3.1 All of the provisions of this Lease shall be in full force and effect from and after the date first above written. The Lease Term shall commence on the Lease Commencement Date specified in Section 3.2; provided, however, that prior to the Lease Commencement Date and commencing on the Delivery Date (hereafter defined), Tenant shall perform all of Tenant's obligations under this Lease other than the payment of Base Rent and amounts payable pursuant to Article V. Landlord agrees to deliver sole and exclusive possession of the Premises to Tenant on the date (the "Delivery Date") that is the later of (1) February 1, 2016 or (ii) the date on which the Premises are in Ready for Buildout Condition (as defined in Exhibit B); provided, however, that Landlord reserves the right to enter the Premises after the Delivery Date solely for the purpose of constructing the Base Building Work as set forth in Exhibit B.
- 3.2 The "Lease Commencement Date" shall be the date that is the earlier to occur of (A) the date on which Tenant commences business operations in the Premises; and (B) the later of (i) November 1, 2016 (the "Tenant Completion Date"), (ii) one hundred eighty (180) days from the date that Landlord delivers to Tenant possession of the Premises in Ready for Buildout Condition, and (iii) the Base Building Substantial Completion Date (as defined in paragraph 10 of Exhibit B). Notwithstanding the foregoing, the Tenant Completion Date shall be extended on a day-for-day basis to the extent Tenant is actually delayed in completing the Leasehold Work (as hereinafter defined) on or before the Tenant Completion Date as a result of any failure by Landlord to deliver the Premises in Ready for Buildout Condition on or before May 1, 2016. In the event of any such delay in delivery of the Premises to Tenant in Ready for Buildout Condition, Tenant shall use good faith reasonable efforts, at no additional cost or expense to Tenant, to minimize any delay in its completion of the Leasehold Work caused by any such delay in delivery of the Premises. "Actual delay", "actual delay", or "actually delayed" for purposes of this Lease shall mean delay in the completion of the work that would not have occurred but for the applicable event.

- 3.3 Landlord presently anticipates that the Premises will be delivered to Tenant in Ready for Buildout Condition (as defined in paragraph 11 of Exhibit B) on or about February 1, 2016, and that the Base Building Substantial Completion Date will be on or before August 1, 2016. In the event Landlord is delayed in achieving such delivery or condition by such date, regardless of the reasons or causes of such delay, this Lease shall not be rendered void or voidable as a result of such delay. Furthermore, except as specifically provided in this Lease, Landlord shall not have any liability whatsoever to Tenant on account of any such delay except as expressly set forth in Section 3.4 and Section 3.5. Notwithstanding the foregoing, in the event Landlord fails to achieve Base Building Completion by November 1, 2016, Tenant shall have the right to terminate this Lease and shall have no liability whatsoever to Landlord.
- 3.4 If all or any portion of the Premises are not in Ready for Buildout Condition by May 1, 2016, or the Base Building Substantial Completion Date has not occurred by November 1, 2016 and, as a result of either such failure, Tenant is actually delayed in commencing occupancy and business operations in the Premises by November 1, 2016 for any reason other than a Tenant Delay (as defined in Exhibit B), then the Base Rent and the amounts payable pursuant to Article V shall be abated beyond the Rent Commencement Date by the number of Additional Abatement Days (hereafter defined). For purposes hereof, "Additional **Abatement Days**" shall be the number of days beyond November 1, 2016 that Tenant is actually delayed in commencing occupancy and business operations in the Premises as a result of any such failure by Landlord under this Section 3.4(a). In no event shall the number of Additional Abatement Days resulting from a failure of Landlord to deliver the Premises in Ready for Buildout Condition by May 1, 2016 exceed the number of days between May 1, 2016 and the date that Landlord actually delivers the Premises in Ready for Buildout Condition. In addition, in no event shall the number of Additional Abatement Days resulting from the failure of the Base Building Substantial Completion Date to occur by November 1, 2016 exceed the number of days between November 1, 2016 and the earlier of (1) the date that Tenant occupies and commences business operations at the Premises, or (2) the Base Building Substantial Completion Date.
- (b) Notwithstanding anything in this Lease to the contrary, for the purposes of determining whether Tenant is entitled to any additional rent abatement pursuant to Section 3.4(a) or any amounts payable pursuant to Section 3.5, the May 1, 2016 and November 1, 2016 dates referenced in this Section 3.4 and Section 3.5 shall be extended on a day for day basis by any period of delay that is a direct result of a Tenant Delay
- 3.5 (a) Tenant is presently leasing and occupying approximately 35,369 square feet of rentable area of office space (the "Current Space"), in the office building located at 25 Massachusetts Avenue, N.W., Washington, D.C. pursuant to that certain Office Lease Agreement dated as of May 12, 2006 as amended May 15, 2006 (as amended, the "Current Lease"), by and between Tenant and 25 Massachusetts Avenue Property LLC, as assigned by 25 Massachusetts Avenue Property LLC to T-C Republic Square Owner.
- (b) If all or any portion of the Premises are not in Ready for Buildout Condition by May 1, 2016, or the Base Building Substantial Completion Date has not occurred by November 1, 2016 and, as a result of either such failure, Tenant becomes obligated to pay and pays any Holdover Penalty Rent (hereafter defined), then Landlord shall promptly reimburse

Tenant for all Holdover Penalty Rent paid by Tenant that accrues during the period that Tenant is actually delayed in commencing occupancy and business operations in the Premises as a result of any such failure by Landlord under this Section 3.5(b).

- (c) For purposes hereof, the "Holdover Penalty Rent" shall mean the difference, if any, between (1) the rent payable under the Current Lease after the expiration of the term thereof (the "Monthly Holdover Rent") actually paid pursuant to the Current Lease during the Holdover Period (taking into account any increases thereto on account of increases in operating expenses and real estate taxes) (exclusive of any interest, and penalties that may be payable thereunder due to Tenant's default under the Current Lease and exclusive of charges for after building hours HVAC services or other special services), and (2) the rent payable under the Current Lease immediately prior to the expiration of the term thereof (the "Current Lease Monthly Rent") that would be payable over the same time period if the Current Lease Monthly Rent were in effect during the Holdover Period (taking into account any increases thereto on account of increases in operating expenses and real estate taxes). For purposes hereof, the term "Holdover Period" shall mean the period commencing on March 1, 2017 and continuing monthly until the last day of the calendar month in which Tenant's obligation to pay Holdover Rent terminates.
- (d) Any amendment of Tenant's Current Lease that affects the amount of Holdover Penalty Rent payable by Tenant under the Current Lease shall not increase the computation of the Holdover Penalty Rent pursuant to the provisions of this Lease.
- (e) The parties acknowledge and agree that, because the May 1, 2016 and the November 1, 2016 dates are subject to extension pursuant to Section 3.4(b) as a result of Tenant Delay, the Holdover Period (and, thereby, Landlord's obligation to pay Holdover Penalty Rent) may not commence on the first date that Monthly Holdover Rent becomes payable under the Current Lease. Any such holdover rent accruing prior to the date Tenant is entitled to any abatement based on Holdover Penalty Rent obligations shall be Tenant's sole responsibility.
- 3.6 For purposes hereof, occupancy of the Premises by Tenant or its contractors solely for the purpose of constructing the Leasehold Work or for moving furniture, equipment, cabling and personal property into the Premises shall not be considered the conduct of Tenant's business operations in the Premises.
- 3.7 "Lease Year" shall mean a period of twelve (12) consecutive months commencing on the Lease Commencement Date, and each successive twelve (12) month period thereafter.
- Right"), exercisable at Tenant's option, to renew the term of this Lease for one (1) term of five (5) years (the "First Renewal Term"), and, if the First Renewal Right is exercised, a conditional right (the "Second Renewal Right"), to renew the term of this Lease for an additional term of five (5) years (the "Second Renewal Term" (the First Renewal Right and the Second Renewal Right being each hereinafter referred to as a "Renewal Right" and the First Renewal Term and the Second Renewal Term being each hereinafter referred to as a "Renewal Term"). If a Renewal Right is exercised, and if the conditions applicable thereto have been satisfied, the

Renewal Term applicable to such Renewal Right shall commence immediately following the end of the then current Lease Term. Each Renewal Right herein granted to Tenant shall be subject to, and shall be exercised in accordance with, the following terms and conditions:

- (a) Tenant shall exercise such Renewal Right by giving Landlord written notice (the "Renewal Notice") exercising such Renewal Right not earlier than eighteen (18) months nor later than fifteen (15) months prior to the expiration of the then current Lease Term. In the event that the Renewal Notice is timely given, then all provisions of this Lease shall continue in full force and effect during the Renewal Term, except that (i) the monthly Base Rent payable during each Renewal Term shall be the Market Rate (hereinafter defined) for the Premises as of the first day of such Renewal Term, with such Market Rate being escalated annually by the market escalation rate that shall be determined as part of the determination of the Market Rate, and (ii) Landlord Concessions shall be at the Market Rate. "Landlord Concessions" shall mean any period of free rent during the Renewal Term, any tenant improvement allowance and any other concessions for renewal leases of comparable space in the Market Area (hereinafter defined).
- (b) If the Renewal Notice is not given timely, then Tenant's Renewal Rights shall lapse and be of no further force or effect. If an uncured monetary or material non-monetary Event of Default exists under this Lease on the date Tenant sends the Renewal Notice, then, at Landlord's written election, the Renewal Term shall not commence and the Lease Term shall expire at the expiration of the then current Lease Term. Tenant's rights of renewal under this Section may be exercised only by Tenant, an Affiliate of Tenant and may not be exercised by or for the benefit of any sublessee of Tenant other than an Affiliate.
- In the event that Tenant exercises any Renewal Right to renew the Lease Term, (i) the monthly Base Rent payable during such Renewal Term shall be the Market Rate (hereinafter defined) for the Premises as of the first day of such Renewal Term, with such Market Rate being escalated annually by the market escalation rate that shall be determined as part of the determination of the Market Rate, and (ii) Landlord Concessions shall be at the Market Rate. For purposes hereof, "Market Rate" shall mean fair market extension term base rent for space comparable to the Premises in comparable buildings in the market in which the Building is located (the "Market Area"), taking into account all relevant factors, including, without limitation (a) the general office rental market for buildings of similar class, size, age, finishes, method of construction and system design in the Market Area, (b) rental rates then being obtained by other building owners for comparable buildings in the Market Area and Landlord Concessions then being provided by such building owners to obtain such rental rates, (c) the rental rates then being obtained by Landlord for comparable office space in the Building and the Landlord Concessions then being provided by Landlord for comparable space in the Building, (d) all of the terms and conditions of this Lease, (e) any Landlord Concessions to be provided during the Renewal Term and (f) whether any brokerage commission is to be paid by Landlord and, if so, the amount of same. If during the thirty (30) day period commencing after Tenant exercises it Renewal Right, the parties are unable, for any reason whatsoever, to agree on the Market Rate. then either party shall thereafter have the right to start an arbitration process by delivering written notice to the other party and upon such party's delivery of such notice, the parties shall have ten (10) days to each appoint a real estate broker who shall be licensed in the District of Columbia

and who specializes in the field of commercial office space leasing in the Market Area and has at least ten (10) years of experience. Such two brokers shall each determine within ten (10) days after their appointment the Market Rate for the Renewal Term. If such two brokers do not agree on the Market Rate for the Renewal Term, then the two brokers shall, within five (5) days, render separate written reports of their determinations and together appoint a third broker meeting the qualifications of the first two brokers. The third broker shall within ten (10) days after his or her appointment select the Market Rate determined by Landlord's broker or the Market Rate determined by Tenant's broker and such third broker shall not have any power or authority to select as the Market Rate any rate other than the Market Rate determined by the Landlord's broker or the Market Rate determined by the Tenant's broker or to modify any of the provisions of this Lease, and the decision of the third broker shall be final and binding upon Landlord and Tenant. Landlord and Tenant shall each bear the cost of its broker and shall share equally the cost of the third broker.

- 3.9 Landlord hereby grants to Tenant the one time conditional right (the "Termination Right"), exercisable at Tenant's option, to terminate the Lease Term effective as of the date (the "Termination Date") that is the last day of the tenth (10th) Lease Year, provided that Tenant delivers written notice (the "Termination Notice") to Landlord exercising such Termination Right at least fifteen (15) months prior to the Termination Date. The Termination Right herein granted to Tenant shall be subject to, and shall be exercised in accordance with, the following terms and conditions:
- (a) If the Termination Notice is not given timely, then Tenant's Termination Right shall lapse and be of no further force or effect.
- (b) As a condition to the effectiveness of the Termination Notice, Tenant shall pay to Landlord as a termination fee Four Million Seven Hundred Seventy Four Thousand Seven Hundred Twenty-Nine Dollars (\$4,774,729) (the "Termination Amount"). The Tenant shall pay the Termination Amount to Landlord on or before the Termination Date.
- Tenant shall have the one-time option (the "Expansion Option") to lease all, but not less than all, of the contiguous space (the "Expansion Space") to be designated by Landlord containing between 3,000 and 6,000 rentable square feet on the second (2nd) floor of the Building. Landlord shall plan its leasing program with respect to the Expansion Space so as to ensure that the date on which the Expansion Space is projected to become available for delivery to Tenant (the "Planned Delivery Date") occurs no earlier than seventy three (73) months after the Lease Commencement Date and no later than ninety (90) months after the Lease Commencement Date. Landlord shall deliver written notice (the "Expansion Space Designation Notice") to Tenant designating the Planned Delivery Date and including a floor plan showing the location and configuration of the Expansion Space no later than fifteen (15) months prior to the Planned Delivery Date. If Tenant desires to exercise the Expansion Option, Tenant must send written notice to Landlord of its exercise of the Expansion Option no later than ninety (90) days after Landlord delivers to Tenant the Expansion Space Designation Notice; provided that Tenant shall not be obligated to exercise the Expansion Option earlier than twelve (12) months prior to the Planned Delivery Date designated by Landlord. In the event that Tenant timely exercises the Expansion Option, the Expansion Space shall be added to the Premises covered by this Lease so

that the Expansion Space is leased pursuant to all the provisions of this Lease, for a term that expires on the date of expiration of the Lease Term (as may be extended pursuant to Section 3.8), subject only to the modifications set forth in Section 3.10(b). Tenant's lease of the Expansion Space shall commence on the date of Landlord's actual delivery of the Expansion Space to Tenant (the "Expansion Lease Commencement Date") in "as is" condition; provided, however, that if any demising walls are required to be installed in order to separate the Expansion Space from space not leased by Tenant, Landlord shall install such demising walls at Landlord's cost. Landlord agrees to deliver possession of the entire demised Expansion Space to Tenant on the Planned Delivery Date, except that if Landlord is prevented from doing so by reason of the holdover of any then existing tenant, Landlord shall use commercially reasonable efforts, including the institution of eviction proceedings, to recover possession of the Expansion Premises and deliver possession thereof to Tenant no later than ninety (90) days after the Planned Delivery Date. In the event Landlord fails to deliver the Expansion Premises within such time period, Tenant may terminate the Expansion Option at any time prior to the delivery of possession of the Expansion Premises to Tenant. Landlord shall not execute, amend or extend any lease (or agree to any holdover by a tenant) that would be inconsistent with Landlord's obligations to deliver possession of the Expansion Space to Tenant on the Planned Delivery Date.

Tenant shall lease the Expansion Space effective as of the date of the (b) aforesaid delivery of the Expansion Space to Tenant upon all of the terms and conditions as are contained in this Lease (and with the initial term of the leasing of the Expansion Space expiring on the expiration date for the initial Lease Term and with the Expansion Premises being deemed part of the Premises for all purposes of this Lease, including the exercise of any Renewal Right pursuant to Section 3.8), except that (1) Tenant shall not be entitled to any Allowance or test fit allowance except as otherwise set forth in this Section 3.10(b), (2) Tenant shall pay Base Rent for the Expansion Space at the same per annum per rentable square foot Base Rent rate then payable for the Premises multiplied by the number of rentable square feet of the Expansion Space, and such Base Rent shall be subject to the same 2.50% annual increase applicable to the Premises, adjusted on the same date as the annual adjustment of the Base Rent for the Premises, (3) Tenant's Pro Rata Share of Operating Charges and Tenant's Pro Rata Share of Taxes with respect to the Expansion Space shall equal the fraction whose numerator is the number of rentable square feet of the Expansion Space and whose denominator is the Total Area, and Tenant's Pro Rata Share of Office Specific Charges with respect to the Expansion Space shall equal the fraction whose numerator is the number of rentable square feet of the Expansion Space and whose denominator is the Office Area, (4) Landlord shall provide Tenant with an Allowance for the Expansion Space equal to the product of the rentable square footage of the Expansion Space multiplied by (a) One Hundred Twenty Five Dollars (\$125.00) multiplied by (b) a fraction whose numerator is the number of months in the period from the date that Base Rent commences for the Expansion Space and ending upon the date of expiration of the initial Lease Term and whose denominator is one hundred eight (180), (5) Base Rent with respect to the Expansion Space and the payment of Tenant's Pro Rata Share of Operating Charges, Tenant's Pro Rata Share of Office Specific Charges and Tenant's Pro Rata Share of Taxes with respect to the Expansion Space shall be abated for the number of months equal to the product of (a) twelve (12) multiplied by a fraction whose numerator is the number of months in the period from the date that Base Rent commences for the Expansion Space and ending upon the expiration date of the initial Lease Term and whose denominator is one hundred eighty (180), and (6) Tenant shall have the right, but

not the obligation, to obtain monthly parking contracts at the rate of one (1) monthly parking contract per nine hundred (900) square feet of the Expansion Space in accordance with the provisions of Article XXIV.

- Expansion Space is leased to Tenant, and thereafter Tenant exercises its Termination Right pursuant to Section 3.9, such termination shall apply to both the original Premises and the Expansion Premises and, in addition to the payment by Tenant to Landlord of the Termination Amount set forth in Section 3.9 with respect to the initial Premises, Tenant shall pay to Landlord an additional amount (the "Additional Termination Payment") equal to the unamortized portion as of the Termination Date, amortized on a straight line basis using an interest rate of seven percent (7%) per annum, of the sum of the leasing commissions, the Allowance paid by Landlord for the Expansion Space and the abatement of Base Rent and Tenant's Proportionate Share of Operating Charges, Office Specific Charges and Real Estate Taxes during the period commencing on the date possession of the Expansion Space is delivered to Tenant and ending on the day prior to the date that Base Rent commences for the Expansion Space. The Additional Termination Payment shall be payable as and when the Termination Amount is payable under Section 3.9(b) of this Lease.
- (d) At the request of either party, within twenty (20) days after the exercise of the Expansion Option the parties shall enter into an amendment to this Lease, in form which meets with the reasonable satisfaction of Landlord and Tenant, incorporating the Expansion Space as part of the Premises and containing such other amendments with respect to the Expansion Space as are necessary to incorporate the provisions of this Section 3.10 and containing no substantive changes from the provisions of this Section 3.10 not mutually satisfactory to Landlord and Tenant.
- (e) Notwithstanding anything contained in the foregoing to the contrary, Tenant shall not be entitled to exercise the Expansion Option in the event that at the time of exercise of the Expansion Option any uncured Event of Default then exists. The Expansion Option may be exercised only by the original Tenant under this Lease or an Affiliate of the original Tenant under this Lease that becomes the Tenant under this Lease and not by any other person or entity. If at the time that Tenant exercises the Expansion Option Tenant and/or any Affiliate of Tenant are not occupying at least eighty percent (80%) of the square feet of rentable area of the Premises for its own use, then Tenant's rights to exercise the Expansion Option shall lapse and be of no further force or effect.
- 3.11 (a) Tenant shall have the continuous and ongoing right of first offer ("ROFO") to lease all office space (including any sublease space that Landlord has the right to recapture) on the second (2nd) floor of the Building that becomes available in the Building during the term of this Lease, including any renewal and extensions thereof ("ROFO Premises"). Subject to the terms set forth in this Section 3.11, after the Landlord determines that the ROFO Premises will be available for and offered for rent to third party tenants, and specifically excluding the Expansion Space, then:

- (b) Landlord shall send written notice ("Landlord's ROFO Offer Notice") to Tenant of the availability of the ROFO Premises, including (i) a floor plan of the ROFO Premises and Landlord's proposed terms of leasing such ROFO Premises, including rental rate, escalations, term, improvement allowance, date of anticipated delivery of the ROFO Premises to Tenant, and any other principal terms upon which Landlord intends to offer the ROFO Premises or any portion thereof to others.
- Tenant, at its sole option, may indicate that it wishes to accept the terms set (c) forth in Landlord's ROFO Offer Notice by providing to Landlord written notice, within ten (10) days after receipt of Landlord's ROFO Offer Notice, of Tenant's acceptance of the terms set forth in Landlord's ROFO Offer Notice; and if Tenant does so, then Landlord shall expeditiously prepare a lease amendment for the ROFO Premises. Alternatively, Tenant may, at its sole option within ten (10) days after receipt of Landlord's ROFO Offer Notice, deliver to Landlord a notice of its desire to exercise its ROFO for the ROFO Premises, with a written counterproposal describing under what terms it will agree to lease the ROFO Premises. Landlord shall have the sole right to accept, reject, or negotiate such alternative terms which Tenant may have offered. If Landlord does not agree to the alternate terms of Tenant's counterproposal for the leasing of the ROFO Premises, then Landlord shall provide Tenant with its final offer. Tenant, at its sole option, shall then have five (5) days from the receipt of Landlord's final offer notice to accept or reject Landlord's final offer. If such final offer is accepted by Tenant, then Landlord shall expeditiously prepare a lease amendment for the ROFO Premises and the parties shall proceed in good faith and diligence toward the execution of the same. If, however, Tenant rejects Landlord's final offer, then either party shall thereafter have the right to start an arbitration process by delivering written notice (the "Arbitration Notice") to the other party within seven (7) days after the expiration of the aforesaid five (5) day period. In the event that the Arbitration Notice is delivered within such seven (7) day period, the parties shall have ten (10) days to jointly appoint as the arbitrator a real estate broker who shall be licensed in the District of Columbia and who specializes in the field of commercial office space leasing in the Market Area and has at least ten (10) years of experience. Such arbitrator shall within ten (10) business days after his or her appointment select the leasing terms for the ROFO Premises determined by Landlord or the leasing terms for the ROFO Premises determined by Tenant, and such arbitrator shall not have any power or authority to select as the leasing terms for the ROFO Premises other than the leasing terms for the ROFO Premises determined by the Landlord or the leasing terms for the ROFO Premises determined by the Tenant. The decision of the arbitrator shall be final and binding upon Landlord and Tenant. Landlord and Tenant shall share equally the cost of the arbitrator.
- (d) If Landlord and Tenant agree upon the lease terms for the ROFO Premises or the lease terms are determined by arbitration as aforesaid, the parties shall execute a mutually acceptable lease amendment. If Landlord is unable to deliver possession of the ROFO Premises to Tenant for any reason or condition beyond Landlord's control, including, without limitation, the failure of an existing tenant to vacate such space, Landlord, its agents and employees, shall not be liable or responsible for any claims, damages or liabilities in connection therewith or by reason thereof. In the event Landlord is unable to deliver possession of the ROFO Premises to Tenant within ninety (90) days after the date of anticipated delivery of the ROFO Premises to Tenant, as set forth in Landlord's ROFO Offer Notice. Tenant may terminate the lease amendment at any time

prior to the delivery of possession of the ROFO Premises to Tenant and shall have no liability to Landlord whatsoever.

- (e) Tenant's ROFO rights described above shall be subject to the following conditions:
- (i) Landlord may initially lease the ROFO Premises without limitation to any party, and, any and all rights of Tenant's ROFO rights shall be subordinate to (a) any pre-existing obligations of the Landlord to other tenants, and (b) any terms of the initial third party lease for the ROFO Premises which the Landlord may enter into.
- (ii) Tenant shall not be entitled to exercise its ROFO rights in the event that at the time of exercise of the ROFO any uncured Event of Default then exists. The ROFO may be exercised only by the Tenant under this Lease or an Affiliate of the Tenant under this Lease that becomes the Tenant under this Lease and not by any other person or entity. If at the time that Tenant exercises the ROFO Tenant and/or any Affiliate of Tenant are not occupying at least eighty percent (80%) of the square feet of rentable area of the Premises for its own use, then Tenant's rights to exercise the ROFO shall lapse and be of no further force or effect.

ARTICLE IV BASE RENT

- 4.1 From and after the Rent Commencement Date, Tenant shall pay the Base Rent in equal monthly installments in advance on the first day of each month during a Lease Year. No Base Rent and no amounts referred to in Article V shall be payable for the period commencing on the Lease Commencement Date and ending on the day immediately prior to the Rent Commencement Date. In the event that the Rent Commencement Date is not the first day of a calendar month or the earlier termination date is not the last day of a calendar month, Base Rent for such calendar month shall be prorated on a daily basis.
- 4.2 All sums payable by Tenant under this Lease shall be paid to Landlord in legal tender of the United States, without setoff, deduction or demand, except as may otherwise be provided for in this Lease, at the Landlord Payment Address, or to such other party or such other address as Landlord may designate in writing. At Tenant's option, Tenant shall make all payments by electronic transfer of funds. Landlord's acceptance of rent after it shall have become due and payable shall not excuse a delay upon any subsequent occasion or constitute a waiver of any of Landlord's rights hereunder. If any sum payable by Tenant under this Lease is paid by check which is returned due to insufficient funds, stop payment order, or otherwise, then: (a) such event shall be treated as a failure to pay such sum when due; and (b) in addition to all other rights and remedies of Landlord hereunder, Landlord shall be entitled (i) to impose a returned check charge of Fifty Dollars (\$50.00) to cover Landlord's administrative expenses and overhead for processing, and (ii) if such event has occurred more than two times during any Lease Year, to require that all future payments be remitted by wire transfer, money order, or cashier's or certified check.

ARTICLE V OPERATING CHARGES AND REAL ESTATE TAXES

- 5.1 For the purposes of this Article V, the term "Building" shall be deemed to include the site upon which the Building is to be constructed (which site is sometimes referred to herein as the "Land"), the roof of the Building and any physical extensions therefrom, any driveways, sidewalks, landscaping, alleys and parking facilities in the Building or on the Land, and all other areas, facilities, improvements and appurtenances relating to any of the foregoing.
- 5.2 (a) (1) From and after the January 1, 2018, Tenant shall pay as additional rent Tenant's Proportionate Share of increases in Operating Charges for each calendar year falling entirely or partly within the Lease Term over the Base Year Operating Charges. Tenant's Proportionate Share with respect to Operating Charges set forth in Article I has been calculated to be that percentage which is equal to a fraction, the numerator of which is the number of square feet of rentable area in the Premises as set forth in Section 1.2, and the denominator of which is the Total Area as set forth in Section 1.1.
- (2) From and after January 1, 2018, Tenant shall pay as additional rent Tenant's Proportionate Share of increases in Office Specific Charges for each calendar year falling entirely or partly within the Lease Term over the Base Year Office Specific Charges. Tenant's Proportionate Share with respect to Office Specific Charges as set forth in Article I has been calculated to be that percentage which is equal to a fraction, the numerator of which is the number of square feet of rentable area in the Premises as set forth in Section 1.2, and the denominator of which is the Office Area. In the event any portion of the Office Area is converted to Retail Area by Landlord in the future, Landlord shall have the right from time to time to change the denominator to reflect the square feet of rentable area then being used for Office Area, in which case Tenant's Proportionate Share with respect to Office Specific Charges shall be adjusted accordingly.
- "Operating Charges" shall mean all reasonable expenses, charges and (b) fees actually incurred by or on behalf of Landlord in connection with the management, operation, ownership, maintenance, servicing, insuring and repair of the Land and Building, including, without limitation, the following: (1) electricity, gas, water, HVAC, sewer and other utility costs, charges and fees of every type and nature; (2) premiums, deductibles (to the extent reasonable and customary) and other charges for insurance; (3) personnel costs of the Building (including Landlord's reasonable allocation of such costs paid by Landlord with respect to employees who are assigned part-time to the operation, maintenance and/or repair of the Building and all fringe benefits, workers' compensation insurance premiums and payroll taxes), for personnel not above the level of Director of Property Services (with such personnel costs of the Director of Property Services includible as an Operating Charge only to the extent that he or she performs the function of an on-site property manager and shall be limited to the portion of his or her time reasonably allocable to the Building rather than to buildings other than the Building for which such individual provides such services), and management fees of three percent (3%) of the gross revenues received by Landlord from the Building; (4) costs of service, access control, landscaping and maintenance contracts; (5) maintenance and repair expenses and supplies (including replacements that are not capital expenditures under generally accepted accounting principles); (6) any capital improvement if such capital improvement (collectively, "Permitted Capital

Improvements") either (A) is reasonably intended to result in a reduction in Operating Charges (e.g., a labor-saving improvement) provided the amount included in Operating Charges shall not exceed an amount equal to the savings reasonably determined by Landlord to have resulted from the installation and operation of such improvement, and/or (B) is made to comply with changes in Laws after the Lease Commencement Date, exclusive of any costs incurred to remedy any violation of Laws existing on the Lease Commencement Date, and such Permitted Capital Improvements shall be amortized on a straight-line basis as determined in accordance with generally accepted accounting principles, and the amount included in Operating Charges in any calendar year shall be equal to the annual amortized amount; (7) charges for janitorial and cleaning services and supplies; (8) any business, professional or occupational license tax payable by Landlord with respect to the Building and any association fees; (9) sales, use and personal property taxes payable in connection with tangible personal property and services purchased for and used in connection with the operation, maintenance and repair of the Building; (10) reasonable third party accounting and audit fees relating to the determination of Operating Charges and Office Specific Charges (and tenants' proportionate shares thereof) and the preparation of statements required by tenant leases; (11) expenses incurred in connection with concierge and other shared services provided to the Building; (12) the fair market rental value of any management office (not to exceed 1,500 rentable square feet) and the Fitness Facility in the Building (it being understood and agreed that such spaces have not been included in the rentable square feet of the Premises); (13) if required by any Law adopted after the date of execution of this Lease, costs for transit encouragement or traffic reduction programs or any similar purpose; and (14) all costs of operating, maintaining, and repairing equipment in any portion of the Fitness Facility (as defined in Section 14.4), all in accordance with generally accepted accounting principles.

Notwithstanding any provision contained in this Lease to the contrary, Operating Charges shall not include: (i) Retail Area Charges, Office Specific Charges (which also shall not include items (ii)-(xxix) of this paragraph), or Real Estate Taxes; (ii) any costs of financing or mortgaging Landlord's interest in the Building and/or Land and/or any interest in Landlord, including without limitation principal or interest payments on any Mortgages (as defined in Section 21.1) or any interest and amortization or any depreciation, interest and principal payments due under any other debt of Landlord except for the interest on Permitted Capital Improvements as expressly permitted above; (iii) the costs of special services and utilities reimbursable by particular tenants of the Building, whether or not such tenants reimburse Landlord; (iv) ground lease payments; (v) costs for which Landlord is to be reimbursed by Tenant, by insurance proceeds or from tenants of the Building whether or not Landlord is actually reimbursed (other than such tenants' regular contributions to Operating Charges); (vi) legal fees incurred for collecting rents or negotiating leases, contracts of sale or mortgages; (vii) costs directly and solely related to the maintenance and operation of the entity that constitutes the Landlord, such as accounting fees incurred solely for the purpose of reporting Landlord's financial condition; (viii) costs of repairs, replacements or other work occasioned by fire, windstorm or other casualty, or the exercise by governmental authorities of the right of eminent domain (except a commercially reasonable deductible); (ix) leasing commissions, attorneys' fees, marketing costs (including appraisal, advertising and promotional expenses), disbursements and other expenses incurred by Landlord or its agents in connection with negotiations for leases with tenants, other occupants or prospective tenants or other occupants of the Building, and similar

costs incurred in connection with disputes with and/or enforcement of any leases with tenants, other occupants, or prospective tenants or other occupants of the Building; (x) tenant allowances, tenant concessions, and other costs and expenses (including permit, license and inspection fees) incurred in connection with completing, fixturing, furnishing, renovating or otherwise improving, decorating or redecorating leased premises for tenants or other occupants of the Building, or vacant, leasable space in the Building, including space planning/interior architecture fees and/or engineering for same; (xi) costs or expenses (including fines, penalties and legal fees) incurred due to the violation (as compared to compliance costs, which are included in Operating Charges as provided above) by Landlord, its agents, any tenant (other than Tenant) or other occupant of the Building of any terms and conditions of this Lease or of the leases of other tenants in the Building, and/or of any valid applicable Laws that would not have been incurred but for such violation by Landlord, its agent, tenant, or other occupant, it being intended that each party shall be responsible for the costs resulting from its violation of such leases and Laws; (xii) fines, penalties or interest, including for any late payment by Landlord, including, without limitation, taxes and equipment leases; (xiii) compensation paid to clerks, attendants or other persons in commercial concessions (such as a snack bar, restaurant or newsstand, but not including Building amenities such as a fitness center); (xiv) Landlord's contributions to political and/or charitable organizations; (xv) costs of correcting defects, including any allowances for same, in the construction of the Building; (xvi) costs in connection with services (including electricity), items or other benefits of a material type which are not available to Tenant without specific charge therefor, but which are provided to another tenant or occupant of the Building, whether or not such other tenant or occupant is specifically charged therefor by Landlord; (xvii) costs or expenses for sculpture, paintings or other works of art, including costs incurred with respect to the purchase, ownership, leasing, showing, promotion, securing, repair and/or maintenance of same, other than normal building decorations customary in buildings comparable to the Building; (xviii) depreciation/amortization for capital expenditures, except Permitted Improvements; (xix) costs arising from the presence of Hazardous Materials in, about or below the Land or the Building (including any Hazardous Materials brought to, deposited on or disposed of at the Building by Landlord or Landlord's employees or agents) (but excluding those Hazardous Materials brought, deposited or disposed of by Tenant or its Agents with respect to its use or occupancy of space in the Building); (xx) reserves for repairs, maintenance and replacements; (xxi) any amounts which would otherwise be included in Operating Charges paid to any person, firm or corporation related or otherwise affiliated with Landlord or any general partner, officer or director of Landlord or any of its general partners, to the extent same exceeds arms-length competitive prices paid in the District of Columbia for the services or goods provided (i.e., that portion of the costs and expenses for such services that exceed the competitive rate shall not be included in Operating Charges); (xxii) legal and accounting expenses incurred in connection with disputes with prospective mortgagees, prospective purchasers, prospective tenants, contractors, lenders, ground lessors, employees or agents of Landlord; (xxiii) costs incurred in connection with the sale, selling or change of ownership of the Building, including brokerage commissions, attorneys' and accountants' fees, closing costs, title insurance premiums, transfer taxes and interest charges; (xxiv) expenses for repairs, replacements or maintenance that are reimbursed to Landlord by virtue of warranties from contractors or suppliers; (xxv) wages, salaries and benefits paid to or taxes paid for any persons not directly involved with the management of the Building or the oversight thereof and for executives and/or employees above

the grade of Director of Property Services; (xxvi) the costs of installing, operating and maintaining a specialty improvement, including a cafeteria, lodging or private dining facility, or an athletic, luncheon or recreational club unless Tenant is permitted to make use of such facility without additional cost or on a subsidized basis consistent with other users; (xxvii) fees paid by Landlord to the Parking Facilities operator; (xxviii) cost of repairs necessitated by the gross negligence or willful misconduct of Landlord or any of its employees or agents; and (xxix) Landlord's general corporate overhead and general and administrative expenses.

- (d) For purposes of calculating Operating Charges, Controllable Expenses for any calendar year shall be deemed not to have exceeded the Cap. The "Cap" means the Controllable Expenses (grossed up in accordance with provisions of Section 5.2(f)) incurred during calendar year 2017 increased at the rate of five percent (5%) per annum, compounded annually, for each calendar year commencing with (and including) calendar year 2018) to and including the calendar year for which the Cap is calculated. "Controllable Expenses" means all Operating Charges except for the following: (A) insurance premiums; (B) utility costs; (C) costs incurred for ice and snow removal; and (d) any other costs not within the reasonable control of Landlord.
- (e) "Retail Area Charges" shall mean those expenses, if any, that are solely attributable to tenants of the Retail Area (for example, expenses relating to janitorial, bussing and cleaning services; supplemental storage and removal of trash; maintenance and replacement of tables, chairs, trash receptacles and other furnishings or facilities; and electricity, gas, water, sewer and other utility service furnished solely to such space, to the extent applicable). "Office Specific Charges" shall mean all expenses attributable solely to the Office Area from time to time, including expenses relating to cleaning contracts and supplies relating, and electricity supplied, exclusively to the Office Area; provided, however, the items listed in clauses (ii)-(xxix) above shall be excluded.
- (f) If the average occupancy rate for the Building or the Office Area, as applicable, during any calendar year is less than ninety five percent (95%), or if any tenant is separately paying for (or does not require) electricity, janitorial or other utilities or services furnished to its premises, then Landlord shall include in Operating Charges (but only with respect to Operating Charges that vary depending upon occupancy levels) and Office Specific Charges, as applicable, for such year all additional expenses, as reasonably estimated by Landlord, which would have been incurred during such year if such average occupancy rate had been ninety-five percent (95%) and if Landlord paid for such utilities or services furnished to such premises. Landlord agrees that the maximum amount of Operating Charges and Office Specific Charges that it may recover from Tenant and the other tenants shall not exceed one hundred percent (100%) of the actual Operating Charges and Office Specific Charges incurred by Landlord. If requested by Tenant, Landlord shall provide a reasonable description of which Operating Charges and Office Specific Charges were grossed up and how such Operating Charges and Office Specific Charges were grossed up.
- (g) Tenant shall make estimated monthly payments to Landlord on account of the amount of Operating Charges and Office Specific Charges that are expected to be incurred during each calendar year (or portion thereof) in excess of the 2017 Base Year Operating Charges

and Base Year Office Specific Charges based on a reasonably detailed written statement from Landlord setting forth Landlord's reasonable estimate and Tenant's Proportionate Share of increases thereof. Tenant shall pay to Landlord on the first day of each month following receipt of such statement, until Tenant's receipt of the succeeding annual statement, an amount equal to one-twelfth (1/12) of each such share (estimated on an annual basis without proration pursuant to Section 5.4). Not more than once during any calendar year, Landlord may revise Landlord's estimate and adjust Tenant's monthly payments to reflect Landlord's revised estimate. Within approximately one hundred twenty (120) days after the end of each calendar year, or as soon thereafter as is feasible, Landlord shall submit a reasonably detailed written statement (the "Reconciliation Statement") showing (1) Tenant's Proportionate Share of increases in the amount of Operating Charges incurred during the preceding calendar year, (2) Tenant's Proportionate Share of increases in the amount of Office Specific Charges incurred during the preceding calendar year, and (3) the aggregate amount of Tenant's estimated payments made on account of Operating Charges and Office Specific Charges during such year. If such statement indicates that the aggregate amount of such estimated payments exceeds Tenant's actual liability, then Landlord shall, at Tenant's election, refund or credit the net overpayment toward Tenant's next estimated payment(s) pursuant to this Section and against the next installment(s) of Base Rent due under this Lease, or, if the Lease Term has expired or will expire before such credit can be fully applied, or to the extent Tenant is not otherwise liable to Landlord for further payment of Operating Charges and Office Specific Charges, Landlord shall reimburse Tenant for the amount of such overpayment within thirty (30) days after the delivery of such Reconciliation Statement. If such Reconciliation Statement indicates that Tenant's actual liability exceeds the aggregate amount of such estimated payments, then Tenant shall pay the amount of such excess as additional rent within thirty (30) days after delivery of such statement.

- 5.3 (a) From and after October 1, 2017, Tenant shall pay as additional rent Tenant's Proportionate Share of increases in Real Estate Taxes for each calendar year falling entirely or partly within the Lease Term over the Base Year Real Estate Taxes. In the event that the Rent Commencement Date is not the first day of a calendar month, the amount payable pursuant to this Section 5.3(a) for the calendar month in which the Rent Commencement Date occurs shall be prorated on a daily basis. Tenant's Proportionate Share with respect to Real Estate Taxes shall be that percentage which is equal to a fraction, the numerator of which is the number of square feet of rentable area in the Premises as set forth in Section 1.2, and the denominator of which is the Total Area as set forth in Section 1.1.
- (b) "Real Estate Taxes" shall mean (1) all real estate taxes, rates and assessments (including general and special assessments, if any), ordinary and extraordinary, foreseen and unforeseen, which are imposed upon Landlord or assessed against the Building or the Land, or Landlord's personal property used in connection therewith, (2) any other present or future taxes or charges that are imposed upon Landlord or assessed against the Building which are in the nature of or in substitution for real estate taxes, including any tax levied on or measured by the gross rents payable by tenants of the Building, any public safety fee or similar charge, any transit, sales, rental, use, receipts or occupancy tax or fee, and any assessment imposed in connection with business improvement, ballpark or other taxing districts, and (3) reasonable expenses (including, without limitation, reasonable attorneys' and consultants' fees and court costs) incurred in reviewing, protesting or seeking a reduction or abatement of, or defending or

otherwise participating in any challenge to, real estate taxes, whether or not such protest or reduction is ultimately successful (provided, however, that such review, protest, or reduction attempt is undertaken in good faith by Landlord with the reasonable expectation to reduce Real Estate Taxes for the Building) except to the extent such costs have been paid to Landlord from a real estate taxes refund. Tenant shall not initiate or participate in any contest of Real Estate Taxes without Landlord's prior written consent. Subject to the foregoing, Real Estate Taxes shall not include any inheritance, estate, gift, franchise, corporation, net income or net profits tax or excess profits, transfer, or recordation taxes assessed against Landlord from the operation of the Building. Real Estate Taxes shall not include any interest charges or penalties incurred as a result of Landlord's failure to timely pay Real Estate Taxes or by reason of the late filing of any income-expense or other report or filing required by a local or federal governmental entity or agency; provided, however, that if the taxing authority permits a taxpayer to elect to pay in installments, then, for purposes of determining the amount of Real Estate Taxes, if Landlord so elects to pay in installments, all interest charges shall be deemed Real Estate Taxes. Assessments which may be paid over a period in excess of twelve months without penalties shall be included in Real Estate Taxes only to the extent such payments are required to be made within the particular calendar year.

- As for the determination of the Base Year Real Estate Taxes, if (a) in the event the assessors' notes for the Building assessment for Tax Year 2017 clearly demonstrates that the assessment was reduced due to the fact that the Base Building build-out was not sufficiently complete to warrant a full assessment, then in such event, for purposes of determining the Base Year Real Estate Taxes, the assessment for the D.C. Tax Year 2018 (i.e., the period commencing October 1, 2017 through September 30, 2018) shall be used in place of the assessment for the D.C. Tax Year 2017, or if (b) in the event the assessor's notes for the Building assessment for Tax Year 2017 clearly demonstrates that the assessment was reduced due to excessive vacancy in the Building, then in such event, for purposes of determining the Base Year Real Estate Taxes, the assessment for the D.C. Tax Year 2018 (i.e., the period commencing October 1, 2017 through September 30, 2018) shall be used in place of the assessment for the D.C. Tax Year 2017. If, however, conditions (a) and/or (b) above are clearly demonstrated in the assessors notes for D.C. Tax Year 2018, then the parties agree that the assessment for the D.C. Tax Year 2018 shall be increased by such amount that Landlord may reasonably determine would have been the assessment for such D.C. Tax Year 2018 had such assessment not been so reduced by reason of conditions (a) and/or (b) above. All other components of the Base Year Real Estate Taxes shall remain constant. Landlord, upon the written request of Tenant, agrees to provide Tenant with a copy of the assessor's notes for the Building for the D.C. Tax Year 2017 and D.C. Tax Year 2018, as applicable.
- (d) Tenant shall make estimated monthly payments to Landlord on account of the amount of increases in Real Estate Taxes that are expected to be incurred during each calendar year based on a reasonably detailed written statement from Landlord setting forth Landlord's reasonable estimate of such amount and Tenant's Proportionate Share thereof. Tenant shall pay to Landlord on the first day of each month following receipt of such statement, until Tenant's receipt of the succeeding annual statement, an amount equal to one-twelfth (1/12) of such share (estimated on an annual basis without proration pursuant to Section 5.4). Not more than once during any calendar year, Landlord may revise Landlord's estimate and adjust Tenant's monthly

payments to reflect Landlord's revised estimate. Within approximately one hundred twenty (120) days after the end of each calendar year, or as soon thereafter as is feasible, Landlord shall submit a Reconciliation Statement showing (1) Tenant's Proportionate Share of the amount of Real Estate Taxes incurred during the preceding calendar year, and (2) the aggregate amount of Tenant's estimated payments made during such year. If such statement indicates that the aggregate amount of such estimated payments exceeds Tenant's actual liability, then Landlord shall, at Tenant's election, refund or credit the net overpayment toward Tenant's next estimated payment(s) pursuant to this Section and against the next installment(s) of Base Rent due under this Lease, or, if the Lease Term hereof has expired or will expire before such credit can be fully applied, or to the extent Tenant is not otherwise liable for further payment of Real Estate Taxes, Landlord shall reimburse Tenant for the amount of such overpayment within thirty (30) days after delivery of such statement. If such statement indicates that Tenant's actual liability exceeds the aggregate amount of such estimated payments, then Tenant shall pay the amount of such excess as additional rent within thirty (30) days after delivery of such statement. In the event any contest or appeal of the Real Estate Taxes for any given year shall result in a refund of Real Estate Taxes previously paid by Tenant, Tenant will receive its proportionate share of the amount of the net refund, inclusive of any interest received by Landlord by reason of the refund of Real Estate Taxes (i.e., the net amount remaining after paying all costs and expenses of securing the refund, including attorneys' fees). Landlord's obligation in this regard shall survive the expiration or earlier termination of the Lease.

- 5.4 If the Rent Commencement Date occurs on a day other than the first day of a calendar year, then Tenant's liabilities pursuant to this Article V for such calendar year in which the Rent Commencement Date occurs and Landlord's obligation to refund any overpayments for such calendar year shall be apportioned by multiplying the respective amount of Tenant's Proportionate Share thereof for the full calendar year by a fraction, the numerator of which is the number of days during such calendar year on and after the Rent Commencement Date and the denominator of which is three hundred sixty-five (365). If the Lease Term expires or terminates on a day other than the last day of a calendar year, then Tenant's liabilities pursuant to this Article V for such calendar year in which the term of this Lease expires or terminates and Landlord's obligation to refund any overpayments for such calendar year shall be apportioned by multiplying the respective amount of Tenant's Proportionate Share thereof for the full calendar year by a fraction, the numerator of which is the number of days during such calendar year falling within the Lease Term, and the denominator of which is three hundred sixty-five (365).
- 5.5 Landlord will notify Tenant and make an appropriate refund to Tenant if Landlord discovers prior to the expiration of one year following the date of Tenant's receipt of the applicable Reconciliation Statement that Operating Charges, Office Specific Charges and/or Real Estate Taxes were overstated for the year to which such Reconciliation Statement relates and Tenant will notify Landlord and make an appropriate additional payment to Landlord if Tenant discovers prior to the expiration of one year following the date of Tenant's receipt of the applicable Reconciliation Statement that Operating Charges, Office Specific Charges and/or Real Estate Taxes were understated for the year to which such Reconciliation Statement relates. Provided no uncured monetary or material nonmonetary Event of Default then exists hereunder and Tenant has paid the amount set forth in the applicable Reconciliation Statement, Tenant (through its regular, full-time employees who are reasonably qualified to do so), a qualified real

estate services firm or an independent, certified public accountant who, in each case, is hired by Tenant on a non-contingent (that is, fixed or hourly fee) basis and offers a full range of accounting services, shall have the right, during regular business hours, at the management office for the Building and after giving at least fifteen (15) days' advance written notice to Landlord, to commence to have Landlord's books and records related to (a) Operating Charges, Office Specific Charges and Real Estate Taxes (collectively, "Pass-Throughs") for the immediately preceding calendar year (or portion thereof) and (b) Base Year Operating Charges, Base Year Office Specific Charges and Base Year Real Estate Taxes (collectively, "Base Year Charges") reviewed (and if so commenced, to continuously, expeditiously and diligently pursue such review to completion), provided that such review shall be concluded not later than one year following the date of Tenant's receipt of the applicable Reconciliation Statement for the year in which such review relates in the case of Pass-Throughs and one year following the date of Landlord's delivery to Tenant of its calculation of Base Year Charges. If Landlord disagrees with the results of Tenant's review and Landlord and Tenant cannot otherwise agree on the amount of Pass-Throughs payable by Tenant for the calendar year reviewed (including any Base Year Charges), then Landlord and Tenant's auditor shall together select a neutral auditor of similar qualifications to conduct a review of such books and records (the fees of such neutral auditor to be shared equally by Landlord and Tenant), and the determination of Pass-Throughs reached by such neutral auditor shall be final and conclusive. If the amounts paid by Tenant to Landlord on account of Pass-Throughs (a) exceed the amounts to which Landlord is entitled hereunder, then Landlord shall, upon final determination, credit the amount of such excess toward the next monthly payment(s) of Pass-Throughs and Base Rent due hereunder or if after the termination of this Lease, refund to Tenant the overpayment, or (b) are less than the amounts to which Landlord is entitled hereunder, then Tenant shall pay such deficiency as additional rent. All costs and expenses of any such review shall be paid by Tenant; provided, however, that if the amount of either the Operating Charges or Office Specific Charges used in such statement to calculate Tenant's Proportionate Share of Operating Charges or Office Specific Charges, as applicable, was overstated by Landlord by more than three percent (3%), or the amount of the Real Estate Taxes used in such statement to calculate Tenant's Proportionate Share of Real Estate Taxes was overstated by Landlord by more than three percent (3%), or the amount of Base Year Charges was understated by more than three percent (3%), then and in any of such events Landlord shall reimburse Tenant for the commercially reasonable, out-of-pocket costs and expenses paid by Tenant in connection with Tenant's review (not to exceed \$10,000 in total with respect to any such particular review). Any and all information obtained through any review (including, without limitation, any matters pertaining to Landlord, its managing agent, or the Building), and any compromise, settlement or adjustment that may be proposed or reached between Landlord and Tenant, shall be held in strict confidence, and neither Tenant nor its Agents shall disclose any such information to any person or entity other than a Permitted Recipient on a need-to-know basis. A "Permitted Recipient" shall be the officers, partners and those employees of Tenant who have the need to know, Tenant's accountant, Tenant's consulting audit firm and/or Tenant's certified public accountants who have responsibilities related to Pass-Throughs, Tenant's attorney if involved in the dispute, any employees of Tenant's auditor involved with the review, or any person or entity to whom disclosure is required by applicable judicial or governmental authority. Prior to disclosing any such information to any Permitted Recipient (including its auditor), Tenant shall instruct such Permitted Recipient to abide by this confidentiality provision. Notwithstanding

anything herein to the contrary, if Tenant does not notify Landlord in writing of any objection to any Reconciliation Statement or Landlord's calculation of Base Year Charges within one year after receipt thereof, then Tenant shall be deemed to have waived any such objection and shall have no right to further review such Reconciliation Statement of Base Year Charges pursuant to this subsection. Landlord's and Tenant's obligations regarding any refund of any excess payment or payments of any deficiency and Tenant's right to review Landlord's books and records as provided herein shall survive the expiration or earlier termination of this Lease (subject to the one year period above set forth).

- 5.6 (a) Tenant shall not have the right to contest the validity of any Real Estate Tax, including any lien, assessment or claim against the Premises or the Building. If, however, Landlord elects not to contest same, then, provided no uncured monetary or material non-monetary Event of Default then exists, Tenant shall have the right to request that Landlord contest the validity of any tax, lien, assessment or claim against the Premises or the Building by providing Landlord with timely written notice setting forth the reasons why Tenant desires to institute such action ("Tenant's Request").
- (b) If, after timely receipt of Tenant's Request, Landlord reasonably believes that such action has merit and is likely to be successful, then Landlord shall commence and prosecute such action, the cost of which shall be included in Operating Charges. If Landlord succeeds in obtaining such a reduction or abatement, then Landlord shall apply Tenant's proportionate share of such reduction or abatement (net of any and all costs and expenses incurred by Landlord in connection therewith) toward the next installment of Operating Charges to be paid by Tenant.
- (c) If, after timely receipt of Tenant's Request, Landlord does not believe that Tenant's Request has merit or is likely to be successful ("Unmeritorious Claim"), then Landlord shall nevertheless commence and prosecute such action only if (i) Landlord believes that the institution and prosecution of such action would not result in the harassment or provocation of any governmental or quasi-governmental entity, official or employee, and (ii) Tenant agrees to pay all costs (including reasonable attorneys' fees and appraisers' fees) incurred in reviewing, instituting and prosecuting such action. If Landlord succeeds in obtaining such a reduction or abatement, then Landlord shall apply Tenant's proportionate share of such reduction or abatement (net of any and all costs and expenses incurred by or on behalf of Landlord in connection therewith) toward the next installment of Operating Charges to be paid by Tenant.

ARTICLE VI USE OF PREMISES

6.1 Tenant shall use and occupy the Premises solely for general (non-medical) office purposes compatible with comparable office buildings in the Market Area and uses accessory or incidental thereto and for no other use or purpose. Tenant shall not use or occupy the Premises for any unlawful purpose, or in any manner that will violate the certificate of occupancy for the Premises or the Building, or that will constitute waste, nuisance or unreasonable annoyance to Landlord or any other tenant or user of the Building, or in any manner that will increase the number of parking spaces required for the Building or its full occupancy as required by Law.

Tenant shall comply with all applicable laws (including, without limitation, the Americans with Disabilities Act (the "ADA") and the regulations promulgated thereunder, as the same may be amended from time to time), ordinances (including without limitation, zoning ordinances and land use requirements), regulations, orders and recommendations of any governmental authority having jurisdiction (collectively, "Laws") concerning the use, occupancy and condition of the Premises and all machinery, equipment, furnishings, fixtures and improvements therein, all of which shall be complied with in a timely manner at Tenant's sole expense. If any such Law requires an occupancy or use permit or license for the Premises or the operation of the business conducted therein, then Tenant shall obtain and keep current such permit or license at Tenant's expense and shall promptly deliver a copy thereof to Landlord. Notwithstanding the foregoing, Landlord at its expense (subject to reimbursement pursuant to Article V, if and to the extent permitted thereby) shall comply with Laws (including, without limitation, the ADA, building and fire codes, and Environmental Laws) to the extent the same apply directly to the Building Structure and Systems or the Common Areas; provided, however, that to the extent any non-compliance is a result of Tenant's particular use or occupancy of the Premises (as opposed to office use generally) or any negligence or willful misconduct of Tenant or any Agent of Tenant, or if any improvements made by Landlord to comply with such Laws benefit solely the Premises (and not any other premises) and are atypical of those performed for similarly situated tenants, then such compliance shall be at Tenant's cost. Without limiting the generality of any of the foregoing, Tenant, at its expense, shall install and maintain fire extinguishers and other above base-Building fire protection devices to the extent the same may be required with respect to Tenant's use of the Premises from time to time by any agency having jurisdiction thereof and/or the underwriters insuring the Building, and Tenant at its sole cost and expense shall be solely responsible for taking any and all measures which are required to comply with the ADA concerning the Premises (including suite entry doors and related items) and the business conducted therein. Any Alterations made or constructed by or for Tenant for the purpose of complying with the ADA or which otherwise require compliance with the ADA shall be done in accordance with this Lease; provided, that (i) Landlord's consent to such Alterations shall be subject to the approval standard for Alterations set forth in Article IX and Landlord shall act with reasonable promptness in responding to a request for such approval, and (ii) any consent provided by Landlord shall not constitute either Landlord's assumption, in whole or in part, of Tenant's responsibility for compliance with the ADA, or representation or confirmation by Landlord that such Alterations comply with the provisions of the ADA. Tenant shall not use any space in the Building or the Land for the sale of goods to the public at large or for the sale at auction of goods or property of any kind. Tenant shall not use any space in the Building or the Land except for the Premises to conduct any operations, sales, promotions, advertising or special events, without the consent of Landlord, which consent will not be unreasonably withheld, conditioned or delayed. In no event shall Tenant be required to comply with any Laws which would either require Tenant to (i) remove any Hazardous Materials located at the Premises or the Building prior to the Lease Commencement Date, (ii) correct or cure any defect or deficiency in the base Building or any work performed by or on behalf of Landlord, or (iii) perform any alterations or installations which arise solely by reason of modifications or alterations made in any part of the Building beyond the Premises by or for the benefit of Landlord or a party other than Tenant.

6.2 Tenant shall pay before delinquency any business, rent or other taxes or fees that are now or hereafter levied, assessed or imposed upon Tenant's use or occupancy of the Premises,

the conduct of Tenant's business at the Premises, or Tenant's equipment, fixtures, furnishings, inventory or personal property. If any such tax or fee is enacted or altered so that such tax or fee is levied against Landlord or so that Landlord is responsible for collection or payment thereof, then Tenant shall pay as additional rent the amount of such tax or fee upon receipt of Landlord's invoice accompanied by a copy of the taxing authorities invoice for same.

6.3 Neither Landlord nor Tenant shall allow, cause or permit any Hazardous Materials to be generated, used, treated, released, stored or disposed of in or about the Building or the Land, provided that each party may use and store normal and reasonable quantities of standard cleaning and office materials in the Premises as may be reasonably necessary for each party to conduct normal general office use operations so long as such materials are properly, safely and lawfully stored and used by each party and the quantity of same does not equal or exceed a "reportable quantity" as defined in 40 C.F.R. 302 and 305, as amended. "Hazardous Materials" means (a) asbestos and any asbestos containing material and any substance that is then defined or listed in, or otherwise classified pursuant to, any Environmental Law or any other applicable Law as a "hazardous substance," "hazardous material," "hazardous waste," "infectious waste," "toxic substance," "toxic pollutant" or any other formulation intended to define, list, or classify substances by reason of deleterious properties such as ignitability, corrosivity, reactivity, carcinogenicity, toxicity, reproductive toxicity, or Toxicity Characteristic Leaching Procedure (TCLP) toxicity, including toxic mold, (b) any petroleum and drilling fluids, produced waters, and other wastes associated with the exploration, development or production of crude oil, natural gas, or geothermal resources, and (c) any petroleum product, polychlorinated biphenyls, urea formaldehyde, radon gas, radioactive material (including any source, special nuclear, or by-product material), medical waste, chlorofluorocarbon, lead or lead-based product, and any other substance whose presence could be detrimental to the Building or the Land or hazardous to health or the environment. "Environmental Law" means any present and future Law and any amendments (whether common law, statute, rule, order, regulation or otherwise), permits and other requirements or guidelines of governmental authorities applicable to the Building or the Land and relating to the environment and environmental conditions or to any Hazardous Material (including, without limitation, CERCLA, 42 U.S.C. § 9601 et seq., the Resource Conservation and Recovery Act of 1976, 42 U.S.C. § 6901 et seq., the Hazardous Materials Transportation Act, 49 U.S.C. § 1801 et seq., the Federal Water Pollution Control Act, 33 U.S.C. § 1251 et seq., the Clean Air Act, 42 U.S.C. § 7401 et seq., the Toxic Substances Control Act, 15 U.S.C. § 2601 et seq., the Safe Drinking Water Act, 42 U.S.C. § 300f et seq., the Emergency Planning and Community Right-To-Know Act, 42 U.S.C. § 1101 et seq., the Occupational Safety and Health Act, 29 U.S.C. § 651 et seq., and any so-called "Super Fund" or "Super Lien" law, any Law requiring the filing of reports and notices relating to hazardous substances, environmental laws administered by the Environmental Protection Agency, and any similar state and local Laws, all amendments thereto and all regulations, orders, decisions, and decrees now or hereafter promulgated thereunder concerning the environment, industrial hygiene or public health or safety). Tenant shall: (i) give Landlord immediate verbal and follow-up written notice following written notice to Tenant of any actual or threatened Environmental Default with respect to conditions existing on account of Tenant's use or occupancy of the Premises or any action or inaction of Tenant or any Agent of Tenant, which Environmental Default Tenant shall cure in accordance with all Environmental Laws and only after Tenant has obtained Landlord's prior written consent, which shall not be unreasonably withheld, conditioned or delayed; and

- (ii) promptly deliver to Landlord copies of any notices or other items received from or submitted to any governmental or quasi-governmental agency, or any claim instituted or threatened by any third party, concerning the Premises, the occupancy or use thereof, or the existence or potential existence of Hazardous Materials therein. Upon any Environmental Default, in addition to all other rights available to Landlord under this Lease, at law or in equity, Landlord shall have the right but not the obligation to enter the Premises, to supervise and approve any actions taken by Tenant to address the Environmental Default, and, if Tenant fails to immediately address same in accordance with this Lease, to perform, with respect to conditions existing on account of Tenant's use or occupancy of the Premises or any action or inaction of Tenant or any Agent of Tenant, at Tenant's sole cost and expense, any lawful action necessary to address same. "Environmental Default" means any of the following by Tenant or any Agent of Tenant with respect to the Premises, Building and/or the Land: a violation of an Environmental Law; a release, spill or discharge of a Hazardous Material on or from the Premises, the Land or the Building; an environmental condition requiring responsive action; or an emergency environmental condition.
- 6.4 Notwithstanding anything to the contrary contained in this Lease, Landlord represents and warrants to Tenant that (i) Landlord has no knowledge of the current existence of any Hazardous Materials in or about the Premises, the Building or the Land and (ii) no Hazardous Materials were or will be used by Landlord in the construction of the Building. For the purposes of this Section, Hazardous Materials excludes substances of a type and in a quantity normally used in connection with the construction (during such construction only), occupancy or operation of office buildings (such as cleaning fluids and supplies normally used in the day to day operation of office establishments), which substances are being held, stored and used in compliance with federal, state and local Laws. Landlord agrees to cause all future leases for tenants in the Building to include provisions requiring such tenants to comply with all Laws governing the use, abatement, removal, storage, disposal or transport of any Hazardous Materials and any required or permitted alteration, repair, maintenance, restoration, removal or other work in or about the Premises, Building or Land that involves or affects any Hazardous Materials. Landlord shall be solely responsible for the remediation and removal (and all costs associated therewith) of all Hazardous Materials at the Building (including the Premises) unless the responsibility of Tenant as provided for in this Section.

ARTICLE VII ASSIGNMENT AND SUBLETTING

7.1 Tenant shall not assign (by operation of law or otherwise), transfer or otherwise encumber (collectively, "assign") this Lease or all or any of Tenant's rights hereunder or interest herein, or sublet or permit anyone to use or occupy (collectively, "sublet") the Premises or any part thereof, without obtaining the prior written consent of Landlord, which consent may be withheld or granted in Landlord's sole and absolute discretion (subject to the remainder of this Article VII). Notwithstanding any of the foregoing to the contrary, provided no uncured monetary or material non-monetary Event of Default then exists under this Lease, and subject to Landlord's rights and Tenant's obligations pursuant to Sections 7.3, 7.4 and 7.5 below, Landlord shall not unreasonably withhold, condition or delay its consent to any proposed subletting of the entire or any portion of the Premises or assignment of the Lease in its entirety. For purposes of the immediately preceding sentence, it shall be reasonable for Landlord to withhold its consent if,

for example: (i) the proposed subtenant or assignee is engaged in a business, or the Premises will be used in a manner, that is inconsistent with the first-class image of the Building; or (ii) the proposed use of the Premises is not in compliance with Article VI; or (iii) the initial Tenant does not remain fully liable as a primary obligor for the payment of all rent and other charges payable by Tenant under this Lease and for the performance of all other obligations of Tenant under this Lease; or (iv) the proposed subtenant or assignee is a medical or dental office or clinic or a party with sovereign immunity. Any attempted assignment, transfer, or other encumbrance of this Lease or all or any of Tenant's rights hereunder or interest herein, or any sublet or permission to use or occupy the Premises or any part thereof not in accordance with this Article VII, at Landlord's option shall be void and of no force or effect. Any assignment or subletting, Landlord's consent thereto, the listing or posting of any name other than Tenant's, or Landlord's collection or acceptance of rent from any assignee or subtenant shall not be construed either as waiving or releasing Tenant from any of its liabilities or obligations under this Lease as a principal and not as a guarantor or surety, or as relieving Tenant or any assignee or subtenant from the obligation of obtaining Landlord's prior written consent to any subsequent assignment or subletting. As security for this Lease, upon the occurrence of an Event of Default, Tenant hereby assigns to Landlord the rent due from any assignee or subtenant of Tenant. During any period that there exists an uncured Event of Default under this Lease, Tenant hereby authorizes each such assignee or subtenant to pay said rent directly to Landlord upon receipt of notice from Landlord specifying same. Tenant shall not mortgage, pledge, hypothecate or encumber (collectively, such acts are referred to herein as an "Encumbrance") this Lease without Landlord's prior written consent, which consent may be granted or withheld in Landlord's sole and absolute discretion. Tenant shall pay to Landlord all reasonable, out-of-pocket, third party legal expenses incurred by Landlord in connection with Tenant's request for Landlord to give its consent to any assignment, subletting, or Encumbrance, and Landlord's receipt of such reasonable sum shall be a condition to Landlord providing such consent. Tenant shall deliver to Landlord a fully executed copy of such agreement evidencing a sublease, assignment or Encumbrance within ten (10) business days after execution thereof.

7.2 Notwithstanding anything contained in this Article VII to the contrary, provided no uncured monetary or other material Event of Default exists hereunder, Tenant may, upon not less than ten (10) days' prior written notice to Landlord (which notice shall contain a written certificate from Tenant, signed by an authorized representative of Tenant, containing a representation as to the true, correct and complete legal and beneficial relationship of Tenant and the proposed assignee, transferee or subtenant) but without Landlord's prior written consent without any obligation to reimburse Landlord's legal expenses as set forth in Section 7.1 and without being subject to Landlord's rights and Tenant's obligations set forth in Sections 7.3, 7.4 and 7.5 below, assign or transfer its entire interest in this Lease or sublease the entire or any portion of the Premises to any of the following (each, an "Affiliate"): (i) to a corporation or other business entity (herein sometimes referred to as a "successor corporation") into or with which Tenant shall be merged or consolidated, or to which substantially all of the assets of Tenant may be transferred or sold, provided that such successor corporation shall have a net worth at least equal to the net worth of Tenant immediately prior to such merger, consolidation or transfer or otherwise reasonably acceptable to Landlord taking into account the fact that the original Tenant under this Lease is not being released, and provided that the successor corporation shall assume in writing all of the obligations and liabilities of Tenant under this Lease and the proposed use of the

Premises is in compliance with Article VI; or (ii) to a corporation or other business entity (herein sometimes referred to as a "related corporation") which shall control, be controlled by or be under common control with Tenant, provided that such related corporation shall assume in writing all of the obligations and liabilities of Tenant under this Lease (without relieving Tenant therefrom) and the proposed use of the Premises is in compliance with Article VI. In the event of any such assignment or subletting, Tenant shall remain fully liable as a primary obligor for the payment of all rent and other charges required hereunder and for the performance of all obligations to be performed by Tenant hereunder. For purposes of clause (ii) above, "control" shall be deemed to be ownership of more than fifty percent (50%) of the stock or other voting interest of the controlled corporation or other business entity. Tenant shall have the further right, without the necessity of obtaining Landlord's consent thereto provided that notice thereof is provided by Tenant to Landlord, to share space with, or permit the use without subletting of space by, members of Tenant and affiliated organizations.

- If at any time during the Lease Term Tenant desires to assign or sublet all or part of this Lease or the Premises, then in connection with Tenant's request to Landlord for Landlord's consent thereto, Tenant shall give notice to Landlord in writing ("Tenant's Request Notice") containing: the identity of the proposed assignee or subtenant and a description of its business; the terms of the proposed assignment or subletting (including a copy of the proposed document for same); the anticipated commencement date of the proposed assignment or subletting (the "Proposed Sublease Commencement Date"); the area proposed to be assigned or sublet (the "Proposed Sublet Space"); financial statements for the prior two (2) years certified by an authorized officer of Tenant or a certified public accounting firm (if reasonably available), or other evidence of financial responsibility of such proposed assignee or subtenant; and, solely for purposes of determining if and to the extent any "profit" is to be shared with Landlord pursuant to Section 7.4 below, a certification executed by Tenant and such party stating whether or not any premium or other consideration is being paid for the assignment or sublease. Landlord's consent to such assignment or subletting shall be granted or denied in writing within twenty (20) days after Landlord's receipt of Tenant's Request Notice provided that Tenant's Request Notice shall contain at the top of the first page in bold black capital letters in 12 font or larger the statement that "FAILURE OF LANDLORD TO RESPOND WITHIN TWENTY (20) DAYS OF THE DATE OF RECEIPT BY LANDLORD OF THIS NOTICE SHALL BE DEEMED A CONSENT TO THE TRANSACTION IDENTIFIED IN THIS NOTICE". If Landlord fails to notify Tenant in writing of Landlord's election within the aforementioned period, Landlord shall be deemed to have elected to consent to the proposed assignment or sublease.
- 7.4 If any sublease or assignment (whether by operation of law or otherwise, including without limitation an assignment pursuant to the provisions of the Bankruptcy Code or any other Insolvency Law) provides that the subtenant or assignee thereunder, other than an Affiliate of Tenant, is to pay any amount in excess of the sum of (a) the rent and other charges due under this Lease plus (b) the reasonable out-of-pocket expenses, which Tenant reasonably incurred in connection with the procurement of such sublease, assignment or other transfer (which expenses shall be amortized on a straight-line basis over the initial sublease term for the purposes hereof), including standard leasing commissions, legal fees, marketing expenses, improvement allowances, free rent, costs relating to such space attributable to any period during which such space was vacant and was being marketed for sublease or assignment, and other market tenant

concessions, then whether such net excess be in the form of an increased monthly or annual rental, a lump sum payment, payment for the sale, transfer or lease of Tenant's fixtures, leasehold improvements, furniture and other personal property (minus the fair market value of such fixtures, leasehold improvements, furniture and other personal property), or any other form of payment having the effect of a "disguised" rental payment (and if the subleased or assigned space does not constitute the entire Premises, the existence of such excess shall be determined on a pro-rata basis), Tenant shall pay to Landlord fifty percent (50%) of any such net excess or other premium applicable to the sublease or assignment, which amount shall be calculated and paid by Tenant to Landlord within thirty (30) days of Tenant's receipt of such payment as additional rent. Tenant shall be entitled to recover the expenses described in clause (b) above prior to payment to Landlord of any net excess payment hereunder. Acceptance by Landlord of any payments due under this Section shall not be deemed to constitute approval by Landlord of any sublease or assignment, nor shall such acceptance waive any rights of Landlord hereunder. Landlord shall have the right, upon reasonable advance notice and during regular business hours, to inspect and audit Tenant's books and records relating to any sublease or assignment.

- 7.5 No assignment of this Lease, whether or not requiring Landlord's consent, shall be effective unless the assignee executes and delivers to Landlord a written assumption agreement pursuant to which such assignee assumes all obligations of the assignor under this Lease, whether or not accruing before or after the date of such assignment, as if such assignee had originally executed this Lease. Each sublease is subject to the condition that if the Lease Term is terminated or Landlord succeeds to Tenant's interest in the Premises by voluntary surrender or otherwise, at Landlord's option the subtenant shall be bound to Landlord for the balance of the term of such sublease and shall attorn to and recognize Landlord as its landlord under the then executory terms of such sublease.
- 7.6 Notwithstanding any other provision of this Article VII, upon prior notice to Landlord, but without the consent of Landlord, and provided Tenant's primary use of the Premises is not changed, Tenant shall be allowed to have Permitted Users (hereinafter defined) use space in the Premises, provided that (i) no Event of Default shall have occurred and remain uncured; (ii) Tenant remains fully liable as a primary obligor for all obligations of "Tenant" under this Lease, (iii) such Permitted User shall conduct a permitted use under Article VI of this Lease and such use shall have no material adverse impact on the operations of the Building, and (iv) in no event shall any Permitted User be granted, or be deemed to have been granted, any real property interest in the Premises or Tenant's leasehold interest therein. The use of the Premises by Permitted Users shall not constitute an assignment or sublease hereunder. As used herein, the term "Permitted Users" means (a) any member or affiliated organization, including but not limited to, the National Association of Pretrial Services Agencies, the National Association of Behavioral Health and Developmental Disability Directors, the National Organization of Black County Officials, the National Association of County Veteran Services Officers, the County of Los Angeles, the National Association of Regional Councils, the National Association of County Engineers, the Government Finance Officers Association and the Veterans Community Connection, (b) clients of Tenant who are working on a matter in which Tenant is providing services, or (c) professional service providers that are directly involved with Tenant in a matter, that, in each case, (i) have a bona fide reason for collocating in the Premises, (ii) are of a type and quality consistent with the tenants in comparable buildings

in the Washington, DC office market, and (iii) will not impose any additional material burden upon Landlord in the operation of the Building (i.e., a greater burden than that which Landlord would have had if Tenant continued to use such part of the Premises). Promptly upon the request of Landlord from time to time, Tenant shall provide written notice to Landlord specifying the names of all Permitted Users and the portions of the Premises currently occupied by such Permitted Users.

ARTICLE VIII MAINTENANCE AND REPAIRS

- Tenant shall maintain all fixtures, furnishings and equipment located in, or 8.1 exclusively serving, the Premises in clean, safe and sanitary condition, shall take good care thereof and make all required repairs thereto. Tenant, at Tenant's sole cost and expense, shall promptly make all non-structural repairs and perform all maintenance in and to the Premises that are necessary or desirable to keep the Premises in proper operating condition and repair, in a clean, safe and tenantable condition, and otherwise in accordance with the requirements of this Lease, normal wear and tear excepted. Tenant shall maintain throughout the Lease Term, at Tenant's sole cost and expense, all non-Building standard supplemental heating, ventilation and air conditioning equipment and systems serving exclusively the Premises; special fire protection equipment, telecommunications and computer equipment, kitchen/galley equipment and fixtures, all other furniture, furnishings, equipment and systems of Tenant and all Alterations (collectively, "Tenant Items"). Tenant shall give Landlord prompt written notice of any defects or damage to the structure of, or equipment or fixtures in, the Building or any part thereof, or any mold or moisture condition, of which Tenant has actual knowledge. Tenant shall suffer no waste or injury to any part of the Premises, and shall, at the expiration or earlier termination of the Lease Term, surrender the Premises in an order and condition equal to or better than their order and condition on the Lease Commencement Date, except for ordinary wear and tear and as otherwise provided in Article IX, Article XIII, Article XVII or Article XVIII. Except as otherwise provided in Article XIII, Article XVII or Article XVIII, all injury, breakage and damage to the Premises and to any other part of the Building or the Land caused by any act or omission of any agent, employee, subtenant, assignee, contractor, client, family member, licensee, customer, invitee or guest of Tenant (collectively, "Agents") or Tenant, shall be repaired by and, subject to the provisions of Section 13.3, at Tenant's expense, except that if either an emergency condition exists or the Lease Term has expired or Tenant fails to commence repair of any such injury, breakage or damage within a reasonable period (not to exceed ten (10) business days) following Tenant's receipt of notice from Landlord, then Landlord shall have the right at Landlord's option to make any such repair and to charge Tenant for all costs and expenses incurred in connection therewith. Landlord shall provide and install replacement tubes for Building standard light fixtures (subject to reimbursement pursuant to Article V). All other bulbs and tubes for the Premises shall be provided and installed at Tenant's expense. Except with respect to Tenant Items, the foregoing Tenant repair and maintenance obligations shall be subject to Landlord's obligations set forth in this Lease including Section 8.2, Article XVII and Article XVIII.
- 8.2 Landlord at its expense (subject to reimbursement pursuant to Article V if and to the extent permitted thereby) shall keep the structural components of the Building, the exterior of the Building, the Parking Facility, the Building courtyard, the loading dock and entrance ramp

thereto, common area walls, main lobby in the Building, slab floors, exterior windows, load bearing elements, foundations, roof (including the roof membrane) and common areas that form a part of the Building, all other Common Areas, and the building standard mechanical, electrical, HVAC and plumbing systems, pipes and conduits that are provided by Landlord in the operation of the Building (collectively, the "Building Structure and Systems"), clean and in good operating condition and regularly maintained in accordance with standard engineering practice, and, promptly after becoming aware of any item needing repair, will make repairs (including replacements to such items as are reasonably required) thereto within a reasonable time period and diligently prosecute the same to completion. Landlord shall provide Tenant with no less than forty-eight (48) hours prior written notice of any scheduled maintenance to the Building Structure and Systems, including maintenance occurring over the weekend that will cause any outage or interruption of the operation of such systems for any period of time, except that in the event of an emergency, Landlord may provide such notice that is less than forty-eight (48) hours that is practical under the circumstances. Notwithstanding any of the foregoing to the contrary: maintenance and repair of all Tenant Items shall be the sole responsibility of Tenant and shall be deemed not to be a part of the Building Structure and Systems.

8.3 Landlord agrees that the Building including all exterior Common Areas shall be operated and managed consistent with other Class A office buildings in the Washington, D.C. metropolitan area. For the purposes of this Section 8.3, the designation "Class A" shall refer to the standards for Class A office buildings in the Washington, D.C. metropolitan area as of the Lease Commencement Date.

ARTICLE IX ALTERATIONS

- 9.1 Tenant shall accept the Premises in its "as is" condition as of the Lease Commencement Date provided all Landlord's Work set forth in Exhibit B has been installed, constructed and performed in a good and workmanlike manner in accordance with the provisions of Exhibit B, and all components of Landlord's Work are new and in good operating condition as of the Lease Commencement Date. The initial improvement of the Premises under this Lease shall be accomplished by Tenant or its designated contractor in accordance with Exhibit B and all other applicable provisions of this Lease (including, without limitation, Articles IX, XIII and XIX). Landlord is under no obligation to make any structural or other alterations, decorations, additions, installations, demolitions, improvements or other changes (collectively, "Alterations") in or to the Premises or the Building except as may be otherwise expressly provided in this Lease.
- 9.2 Subsequent to the completion of the Leasehold Work (which shall be accomplished in accordance with Exhibit B), Tenant shall not make or permit anyone to make any Alterations in or to the Premises or the Building, without the prior written consent of Landlord, which consent may be withheld or granted in Landlord's sole and absolute discretion with respect to Structural Alterations and those non-Structural Alterations which are visible from the exterior of the Premises, and which consent shall not be unreasonably withheld, conditioned or delayed with respect to all other non-Structural Alterations. "Structural Alterations" means any Alteration that (i) is structural or affects the exterior of the Building; (ii) in Landlord's good faith judgment materially and adversely affects the Building Structure and Systems; or (iii) affects the

certificate of occupancy for the Premises or the Building. Notwithstanding the foregoing, following the completion of the Leasehold Work, Tenant shall have the right to make Cosmetic Changes (as defined below) within the Premises without requiring the consent of Landlord. "Cosmetic Changes" shall mean those minor, non-Structural Alterations of a decorative nature consistent with a first-class office building for which a building permit is not required and which cost (including installation) in the aggregate less than Two Hundred Fifty Thousand Dollars (\$250,000) per project or series of related projects (as reasonably determined by Landlord), such as painting, carpeting, installation or removal of office furniture, installation or removal of work stations, installation and removal of Tenant's equipment (including cable pulls in connection therewith) and hanging pictures. Any Alterations made by Tenant shall be made: (a) in a good. workmanlike, first-class manner; (b) using new, like new or comparable materials only; (c) by a contractor reasonably approved in writing by Landlord, (d) on days and at times reasonably approved in writing by Landlord; (e) except in the case of Cosmetic Changes, under the supervision of an architect or construction manager reasonably approved in writing by Landlord; (f) except in the case of Cosmetic Changes for which plans and specifications are not normally provided (such as painting and carpeting), in accordance with plans and specifications prepared by an engineer and/or architect reasonably acceptable to Landlord, which plans and specifications shall be approved in writing by Landlord, such approval not to be unreasonably withheld, conditioned or delayed; (g) in accordance with all Laws and in compliance with the Building rules and regulations; (h) [intentionally omitted]; (i) after obtaining public liability and worker's compensation insurance policies as required pursuant to Article XIII; (j) with the obligation for Tenant to obtain and deliver to Landlord written, unconditional full or partial (as applicable) waivers of mechanics' and materialmen's liens against the Premises and the Building from all contractors, subcontractors, laborers and material suppliers for all work, labor and services to be performed and materials to be furnished in connection with Alterations within twenty (20) business days after the applicable portion of the Alterations are completed by such contractor, subcontractor, laborer or material supplier; and (k) in accordance with the requirements of Article XIII. If any lien (or a petition to establish such lien) is filed in connection with any Alteration made by or on behalf of Tenant, such lien (or petition) shall be discharged by Tenant within twenty (20) days after Tenant receives notice thereof, at Tenant's sole cost and expense, by the payment thereof or by the filing of a reasonably acceptable bond. If Landlord gives its consent to the making of any Alteration, such consent shall not be deemed to be an agreement or consent by Landlord to subject its interest in the Premises or the Building to any liens which may be filed in connection therewith. Tenant acknowledges that any Alterations are accomplished for Tenant's account, Landlord having no obligation or responsibility in respect thereof. Landlord's approval of any plans and drawings (and changes thereto) regarding any Alterations or any contractor or subcontractor performing such Alterations shall not constitute Landlord's representation that such approved plans, drawings, changes or Alterations comply with all Laws. Any deficiency in design or construction of any Alterations, although same had prior approval of Landlord, shall be solely the responsibility of Tenant. All Alterations involving structural, electrical, mechanical or plumbing work, the heating, ventilation and air conditioning system of the Premises or the Building, fire and life safety system, the roof of the Building or any other areas outside the Premises shall, at Landlord's election, be performed by Landlord's designated contractor or subcontractor at Tenant's expense (provided the timing and cost therefor is competitive). Promptly after the completion of an Alteration (other than Cosmetic Changes), Tenant at its

expense shall deliver to Landlord one (1) set of as-built (or record) drawings and CAD files showing such Alteration in place.

9.3 If any Alterations (including any portion of the Leasehold Work) that require Landlord's consent are made without the prior written consent of Landlord, then, if either an emergency condition exists, or the Lease Term has expired, or Tenant fails to commence removal and correction of such Alterations and restoration of the Premises and the Building to their condition immediately prior thereto within a reasonable period (not to exceed thirty (30) days) following Tenant's receipt of notice from Landlord, Landlord shall have the right, at Tenant's expense, to so remove and correct such Alterations and restore the Premises and the Building. Any entry into the Premises pursuant to the foregoing shall be at Landlord's sole risk. All Alterations to the Premises or the Building made by either party (including any portion of the Leasehold Work) shall remain upon and be surrendered with the Premises as a part thereof at the expiration or earlier termination of the Lease Term; provided, however, that (a) Tenant shall have the right to remove, prior to the expiration or the earlier termination of the Lease Term, all of Tenant's personal property including any movable furniture, furnishings and equipment installed in the Premises solely at the expense of Tenant, (b) Tenant shall remove at its expense, prior to the expiration or the termination of the Lease Term, (i) all Tenant Work and Alterations that consist of internal stairways and telecommunications equipment in the Premises or the Building as part of the Leasehold Work or any Alterations unless such cables and wiring are terminated in outlets, and (ii) Tenant shall remove at its expense, prior to the expiration or the termination of the Lease Term, all other items which Landlord requested and designated in writing for removal at the time Tenant sought and Landlord granted consent to such Alteration. Landlord shall make such designation promptly after receipt of a written request by Tenant given with Tenant's request for Landlord's approval of such Alteration and, in any event, no later than with its approval of the Alteration. Notwithstanding the foregoing, Tenant shall not be required to remove pursuant to the preceding clause (ii) any Alterations consisting of standard buildout items that are typically installed by similar tenants in multi-tenanted, multi-story, Class A office buildings (such as partitions) and whose removal would not materially increase the cost of finishing such space for another tenant or occupant. If such removal causes damage or injury to the Premises or the Building, then, if either an emergency condition exists, or the Lease Term has expired, or Tenant fails to commence repair of the same within a reasonable period (not to exceed thirty (30) days) following Tenant's receipt of notice from Landlord, Landlord shall have the right, at Tenant's expense, to repair all damage and injury to the Premises or the Building caused by such removal as aforesaid. If such personal property, furniture, furnishings and equipment are not removed by Tenant prior to the expiration or the earlier termination of the Lease Term, the same shall at Landlord's option be deemed abandoned or become the property of Landlord to be surrendered with the Premises as a part thereof; provided, however, that Landlord shall have the right at Tenant's expense to remove from the Premises any or all such items, or to require Tenant to do the same, except as otherwise provided in this Section. If Tenant fails to return the Premises to Landlord as required by this Section, then Tenant shall pay to Landlord all reasonable third-party costs incurred by Landlord in effectuating such return.

ARTICLE X SIGNS

- Landlord, at Landlord's sole cost and expense, will provide Tenant with listings on 10.1 the Building's main directory in the Building lobby identifying each of Tenant's business entities and affiliated organizations and approved assignees and subtenants not to exceed twelve (12) listings. At Tenant's request, Landlord will additionally provide at Landlord's sole cost and expense, Building standard signage on the suite entry door on the Fourth (4th) floor identifying each of Tenant's business entities and affiliated organizations, assignees and subtenants. On the Third (3rd) floor, Tenant may install, at Tenant's expense, such signage identifying Tenant or any of its business entities or affiliated organizations, assignees and subtenants as Tenant may from time to time determine provided that the same cannot be seen from outside the Building. Except as expressly set forth in Section 10.2, Tenant shall not place, inscribe, paint, affix or otherwise display any sign, advertisement, picture, lettering or notice of any kind on any part of the exterior or interior of the non-Premises portion of the Building (including windows and doors but excluding the Building standard signage on the 3rd floor suite entry door and Tenant's signage on its suite entry door on the 4th floor), or on any part of the interior of the Premises which can be seen from outside the Premises, without the prior written approval of Landlord, which may be granted or withheld in Landlord's sole and absolute discretion. If any such item that has not been approved by Landlord is so displayed, then, if the Lease Term has expired or Tenant fails to commence to remove such items within thirty (30) days following Tenant's receipt of notice from Landlord, Landlord shall have the right to remove such item at Tenant's expense. Landlord reserves the right to install and display signs, advertisements and notices on any part of the exterior or interior of the Building excluding the Premises, provided that the same does not violate or conflict with the remaining provisions of this Lease.
- 10.2 So long as National Association of Counties or any Affiliate thereof occupies at least the equivalent of an entire full floor of the Building, National Association of Counties or any Affiliate thereof shall have the non-exclusive right to maintain a plaque sign or similar glass mounted graphic (the "Entrance Area Sign") on the exterior of the Building proximate to the main lobby entrance in the approximate area shown on Exhibit G attached hereto which shall identify National Association of Counties or any Affiliate thereof or any business entity or affiliated organization of National Association of Counties or any Affiliate thereof or, if Landlord's consent thereto is obtained (which consent may be withheld by Landlord in its sole discretion), any assignee or subtenant. The Entrance Area Sign shall be installed by Landlord, in accordance with all Laws, and Landlord shall be responsible for obtaining all permits and approvals for the installation thereof. Tenant shall reimburse Landlord, out of the Allowance provided to Tenant pursuant to Exhibit B or otherwise, for the actual third party costs of installation (including obtaining permits and approvals) of the Entrance Area Sign. Landlord may permit other tenants to install an identification sign in the area shown on Exhibit G provided that no other tenant's identification sign shall be of a larger prominence than that provided to Tenant. Upon the expiration or the earlier termination of the Lease Term, or in the event that the original Tenant under this Lease, any Affiliate of the original Tenant or any assignee of the original Tenant under this Lease fails to occupy at least an entire full floor of the Building, Tenant shall, at Tenant's expense, remove such sign and repair any damage to the Building caused by the removal of such sign.

ARTICLE XI SECURITY DEPOSIT

Intentionally Deleted.

ARTICLE XII INSPECTION

Mortgage, to enter the Premises at any time and from time to time, without charge therefor and without diminution of the rent payable by Tenant, in order to examine, inspect or protect the Premises and the Building, to make such alterations and/or repairs as are permitted by the provisions of this Lease, or to exhibit the same to brokers, prospective tenants (during the last twelve (12) months of the Lease Term), lenders, purchasers and others. Except in the event of an emergency, Landlord shall give Tenant 24 hours prior written notice of any such entry and permit Tenant to have a representative present at such time; and Landlord shall use commercially reasonable efforts to minimize disruption to Tenant's normal business operations in the Premises in connection with any such entry (but same shall not prohibit Landlord from performing maintenance and repairs during business hours and that Landlord shall have no obligation to employ overtime or other premium pay labor or other costs in connection therewith).

ARTICLE XIII INSURANCE

- 13.1 Tenant shall not conduct or permit to be conducted any activity (other than using the Premises for the Permitted Uses), or place or permit to be placed any equipment or other item in or about the Premises or the Building, which will in any way increase the rate of property insurance or other insurance on the Building. If any increase in the rate of property or other insurance is due to any activity, equipment or other item of Tenant, then (whether or not Landlord has consented to such activity, equipment or other item) Tenant shall pay as additional rent due hereunder the amount of such increase. The statement of any applicable insurance company or insurance rating organization (or other organization exercising similar functions in connection with the prevention of fire or the correction of hazardous conditions) that an increase is due to any such activity, equipment or other item shall be conclusive evidence thereof.
- 13.2 (a) From and after the Delivery Date and throughout the period that Tenant has the right to possession of the Premises and throughout the Lease Term, Tenant shall obtain and maintain: (1) commercial general liability insurance (Bodily Injury and Property Damage, (written on an occurrence basis) including contractual liability coverage insuring the obligations assumed by Tenant under this Lease (including those set forth in Section 15.2), premises and operations coverage, and personal injury coverage (which personal injury coverage can be provided by a policy that is separate from the general liability insurance policy), an exception to any pollution exclusion which insures damage or injury arising out of heat, smoke or fumes from a hostile fire, and a standard separation of insureds provision, and shall cause Tenant's independent contractors to carry the liability insurance required by this Section 13.2(a) and to name the Landlord Insured Parties (hereafter defined) as additional insureds; (2) business

interruption insurance; (3) all-risk property insurance; (4) comprehensive automobile liability insurance (covering automobiles owned, hired or used by Tenant in carrying on its business, if any); (5) statutory worker's compensation insurance (covering Tenant's employees); (6) employer's liability insurance (covering Tenant's employees); (7) umbrella and/or excess liability coverage on a true following form basis in excess of the primary commercial liability, business auto liability, and employer's liability coverages specified above and which insures against bodily injury, property damage and personal injury claims; and (8) boiler and machinery insurance against loss or damage from an accident from Tenant's equipment, including any Tenant Items. Such commercial general liability insurance shall be in minimum amounts typically carried by prudent tenants engaged in similar operations, but in no event shall be in amounts less than One Million Dollars (\$1,000,000) combined single limit per occurrence, Two Million Dollar (\$2,000,000) annual general aggregate, Two Million Dollars (\$2,000,000) products/completed operations aggregate, One Million Dollars (\$1,000,000) personal injury liability, One Hundred Thousand Dollars (\$100,000) fire damage legal liability, and Five Thousand Dollars (\$5,000) medical payments. Such business interruption insurance shall be in minimum amounts typically carried by prudent tenants engaged in similar operations, but in no event shall be in an amount less than the annual Base Rent then in effect. Such property insurance shall be in an amount not less than that required to replace all tenant improvements installed in the Premises, the Leasehold Work, all Alterations and all other contents of the Premises (including, without limitation, Tenant's trade fixtures, decorations, furnishings, inventory, equipment and personal property, as well as any Tenant Items). Such automobile liability insurance shall be in an amount not less than One Million Dollars (\$1,000,000) combined single limit for each accident. Such worker's compensation insurance shall be in minimum limits as defined by the law of the jurisdiction in which the Building is located (as the same may be amended from time to time). Such employer's liability insurance shall be in an amount not less than Five Hundred Thousand Dollars (\$500,000) for each accident, Five Hundred Thousand Dollars (\$500,000) disease-policy limit, and Five Hundred Thousand Dollars (\$500,000) disease-each employee. Such umbrella excess liability insurance shall be in minimum amounts of Three Million Dollars (\$3,000,000) per occurrence and Three Million Dollars (\$3,000,000) annual aggregate, in addition to the limits stated above for the commercial general liability, business auto liability and employer's liability insurance. Such boiler and machinery coverage shall be in minimum amounts typically covered by prudent tenants engaged in similar operations. The minimum amounts for insurance other than the umbrella excess liability insurance may be lower than those required in this Section 13.2 provided that any decrease in such insurance below the aforesaid minimum amounts is covered by umbrella excess insurance.

(b) All such insurance shall: (1) be issued by a company that is licensed to do business in the jurisdiction in which the Building is located, and that has a rating equal to or exceeding A-:VIII from the most current Best's Insurance Guide; (2) name Landlord, any and all assigned and/or applicable entities specific to the ownership of the Building, Landlord's advisors, the managing agent of the Building and the holder of any Mortgage, in each case of whom Landlord gives notice to Tenant (and who initially will be Portals Development Associates Limited Partnership and SunTrust Bank and any other parties that Landlord may designate from time to time in writing (the "Landlord Insured Parties") as additional insureds with respect to all liability insurance policies; (3) contain an endorsement that such policy shall remain in full force and effect notwithstanding that the insured may have waived its right of

action against any party prior to the occurrence of a loss (Tenant hereby waiving its right of action and recovery against and releasing Landlord and Landlord's affiliates, shareholders, directors, officers. employees, agents and representatives ("Landlord's Representatives") from any and all liabilities, claims and losses for which they may otherwise be liable to the extent Tenant is covered by insurance carried by Tenant or required to be carried by Tenant under this Lease); (4) provide that the insurer thereunder waives all right of recovery by way of subrogation against Landlord and Landlord's Representatives in connection with any loss or damage covered by such policy; (5) be reasonably acceptable in form and content to Landlord; and (6) be primary and non-contributory. Tenant shall deliver an Acord 25 certificate with respect to all liability insurance and an Acord 28 certificate with respect to all commercial property insurance (which certificates shall include an endorsement for each policy indicating that the Landlord Insured Parties are named as additional insureds on liability policies (except employer's liability and workers' compensation) to Landlord on or before the Lease Commencement Date and at least annually thereafter. If Tenant fails to provide evidence of insurance required to be provided by Tenant hereunder, prior to commencement of the Lease Term and thereafter within thirty (30) days following Landlord's request during the Lease Term (and in any event within thirty (30) days prior to the expiration date of any such coverage, any other cure or grace period provided in this Lease not being applicable hereto), Landlord shall be authorized (but not required) after ten (10) days' prior notice to procure such coverage in the amount stated with all costs thereof to be chargeable to Tenant and payable as additional rent upon written invoice therefor.

13.3 Landlord agrees to carry and maintain all-risk property insurance (with replacement cost coverage) covering the Building and Landlord's property therein in an amount required by its insurance company to avoid the application of any coinsurance provision. Landlord hereby waives its right of recovery against Tenant and releases Tenant from any and all liabilities, claims and losses for which Tenant may otherwise be liable to the extent Landlord is covered by insurance carried or required to be carried under this Lease. Landlord shall secure a waiver of subrogation endorsement from its insurance carrier. Landlord also agrees to carry and maintain commercial general liability insurance in limits it reasonably deems appropriate (but in no event less than the limits required by Tenant pursuant to Section 13.2). Landlord may elect to carry such other additional insurance or higher limits as it reasonably deems appropriate. Tenant acknowledges that Landlord shall not carry insurance on, Tenant's personal property or any Alterations (including, without limitation, the Leasehold Work), and that Landlord shall not carry insurance against, or be responsible for any loss suffered by Tenant due to, interruption of Tenant's business.

ARTICLE XIV SERVICES AND UTILITIES

14.1 Landlord shall manage and operate (or cause to be managed and operated) the Building in a manner consistent with comparable first-class office Buildings in the downtown Washington, D.C. office market area (the "Comparable Standard"). From and after the Lease Commencement Date, Landlord will provide to the Premises: heating, ventilation and airconditioning (HVAC) during the seasons they are required in Landlord's reasonable judgment (the Base Building HVAC system has been generally designed so as to maintain a maximum

standard design temperature of 75° F in the summer and a minimum temperature of 72° F in winter for normal general office occupancy loading as more fully described in Schedule 1 to Exhibit B attached hereto); janitorial service after 6:30 p.m. on Monday through Friday only (excluding Holidays) substantially in accordance with Exhibit J, electric power from the utility provider for customary lighting purposes and normal office use; standard hot and cold water in Building standard bathrooms and chilled water in Building standard drinking fountains twentyfour (24) hours a day, seven (7) days a week; elevator service (with at least one (1) passenger elevator and one "jump" elevator (providing access to the Parking Facility via the Building's entrance lobby) (there being in the aggregate five passenger elevators and two dedicated jump elevators (of which one is used for both passengers and freight) generally serving the Building) in operation at all times, except in the event of an emergency); landscaping and snow removal during the seasons they are required; and exterior and interior window-cleaning service. If Tenant requires HVAC beyond the Building Hours, then Landlord will furnish the same, provided Tenant gives Landlord reasonable advance notice of such requirement, at Landlord's then-current charge based on a charge per hour, per floor (which shall be pro-rated on an equitable basis if other tenants on such floor request such service), with a four (4) hour minimum, in all instances, which shall reflect Landlord's cost of providing such service as aforesaid. Landlord shall limit future increases to actual increases tied to costs of delivery such service including but not limited to electricity, administration and reasonable wear and tear on equipment. Landlord shall provide a full-time on-site property manager and engineer at the Building; it being understood that such personnel may have offices in the Building or an adjacent building being operated in conjunction with the Building. To the extent Tenant provides or contracts for any services relating to any Building Structure or System or any service or utility being provided by Landlord (including, without limitation, extermination and janitorial services) to the Premises directly from the supplier (which Tenant shall not be permitted to do without Landlord's prior written consent, which consent shall not be unreasonably withheld conditioned or delayed), Tenant shall enter into and maintain a service contract therefor with a contractor licensed to do business in the jurisdiction in which the Building is located and otherwise approved by Landlord in Landlord's reasonable discretion and consistent with Building standard operating procedures as adopted by Landlord from time to time. Tenant shall have access to the Building (and the elevators thereof) twenty-four (24) hours per day each day of the year (except in the event of an emergency). The Building shall contain TV monitoring cameras at select entry points of the Building that are operated 24 hours per day but the same shall not be continuously monitored 24 hours per day. The floors leased in whole or part by Tenant shall have an elevator service lock-off feature programmable by Landlord in accordance with Tenant's reasonable requirements subject to such lock-off programming on the 4th floor of the Building being subject to the approval of any other tenants occupying space on the 4th floor of the Building. Landlord shall provide a card key (or similar type of) access system to provide access to the Building and the Parking Facility (defined in Section 24.1) at times other than Building Hours. Landlord shall provide one (1) access card to each of Tenant's full-time employees and a reasonable number of access cards for Tenant's vendors, temporary employees and guests. Such access cards shall be issued by Landlord to Tenant at least ten (10) days in advance of Tenant's initial occupancy of the Premises. After Tenant's initial occupancy, Landlord shall provide replacement cards or cards for new employees, vendors or guests at Landlord's normal charge (which charge is \$10.00 per card as of the date of this Lease) for such replacement or additional cards. In lieu of Landlord providing access cards to

Tenant, Tenant shall have the right, at no fee or charge payable by Tenant to Landlord, to elect to have Tenant's access cards for the Premises programmed into the Building card key access system in order for such cards to also serve as Building access cards provided that Tenant uses a Siemens system that is compatible with the Building's system and Tenant pays (or reimburses Landlord for) all costs incurred by Landlord or Tenant by reason thereof. Tenant shall not permit anyone, except for Tenant's employees, permitted subtenants and assigns and authorized guests, to enter the Building at times other than the Building Hours. All persons entering or exiting the Building at times other than the normal hours of operation of the Building shall, at Landlord's discretion, be required to sign in and out.

- service, or other security services (collectively, including without limitation the electronic card or key system mentioned in Section 14.1 above, the "Security Services") for the Building during the Term of the Lease consistent with other Class A office properties in the Capitol Hill submarket of Washington, DC as Landlord may determine from time to time; provided, however, that no representation or warranty with respect to the adequacy, completeness or integrity of the Security Services is made by Landlord, and any failure of the Security Services in any way shall not modify or affect any of the terms of this Lease with respect to Landlord's liability to Tenant. The Landlord reserves the right to modify, supplement or revise the Security Services at any time in its good faith judgment.
- 14.3 Landlord may install, at Landlord's expense, check meters to electrical circuits serving Tenant's equipment to verify that Tenant is not consuming electricity in excess of seven (7) watts demand per rentable square foot (2 watts/rsf of 277/480 volt power for lighting) and power (5 watts/rsf of 120 volt power) (exclusive of base building systems including the base building HVAC systems) ("Excess Electrical Usage"). If such checkmeters indicate Excess Electrical Usage by Tenant, then Landlord may install at Tenant's expense submeters to ascertain Tenant's actual electricity consumption, and Tenant shall thereafter pay for such Excess Electrical Usage at the then-current rates charged by the electric service provider selected and used by Landlord without any profit or overhead to Landlord or its management agent (or, at Landlord's sole option, Tenant shall thereafter pay for Tenant's entire consumption at such rates, with Landlord making an appropriate adjustment to Base Rent Rate and Operating Charges on account thereof). Landlord shall use commercially reasonable efforts not to make determinations of excessive consumption of electricity in a manner which unreasonably discriminates among similarly situated tenants.
- 14.4 Tenant shall reimburse Landlord for the cost of any excess water, sewer and chiller usage in the Premises without any profit or overhead to Landlord or its management agent. Excess usage shall mean (i) the excess of the estimated usage in the Premises (per square foot of rentable area) during any three (3) month billing period over the average office usage (per square foot of rentable area) during the same period for the entire Building, as reasonably calculated by Landlord in good faith, and (ii) the usage of any supplemental HVAC systems installed by Tenant as part of the Leasehold Work or any Alterations.
- 14.5 Throughout the term of the Lease and any renewals thereof, Landlord shall provide the following amenities to Tenant and its employees at no additional cost to Tenant or its

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employees (other than recovery of Operating Charges and Office Specific Charges if and to the extent permitted by Article V):

- Fitness Facility: the non-exclusive right to use at no additional charge (except Operating Charges related thereto) the unstaffed fitness facility in the Building (the "Fitness Facility") during the hours of operation of 6 a.m. to 9 p.m. Mondays through Fridays (excluding Holidays), 8 a.m. to 5 p.m. on Saturdays (excluding Holidays) and 9:00 a.m. to 3:00 p.m. Sundays and Holidays and such additional hours that Landlord may elect to provide access to the Fitness Facility by means of Building standard card key readers. The Fitness Facility shall be equipped with men's and women's locker rooms, with showers and towel service, and high quality weight lifting, cardiovascular and other customary fitness equipment of a type and quality customarily found in a similarly situated, newly built, Class A office building in Washington, D.C. Use of the Fitness Facility will be limited to tenants (including any Permitted Users and permitted assignees and subtenants) of the Building and their employees on a non-exclusive basis. Tenant and its employees shall use the Fitness Facility at its own risk and will provide any certifications of waiver of liability as Landlord may reasonably request from time to time. Without limiting the generality of the foregoing, each user of the Fitness Facility shall be required to execute and deliver a waiver of liability in the form attached hereto as Exhibit D (or in another similar form provided by and reasonably acceptable to Landlord). Notwithstanding anything in this Lease to the contrary, Landlord shall have the right at any time, in its sole and absolute discretion to staff the Fitness Facility (or not) and contract or terminate any party hired in connection therewith. If Landlord elects to staff the Fitness Facility, then Landlord shall have the right to provide for the operation of the Fitness Facility by a third party via management agreement, lease or other arrangement.
- (b) <u>Concierge</u>: the non-exclusive right to use the Building's concierge service during Building Hours. Use of the Concierge service will be limited to tenants (including any permitted assignees and subtenants) of the Building on a non-exclusive basis. Concierge service costs shall be included in Office Specific Charges.
- (c) <u>Rooftop Terrace</u>. The non-exclusive right to use, and to have elevator access to, the rooftop terrace on the roof of the Building (the "Rooftop Terrace") of a size and configuration substantially in accordance with the plan attached hereto as <u>Exhibit I</u>, including the kitchen galley and the restrooms related thereto. Such Rooftop Terrace shall be furnished and maintained in a manner, type and quality customarily found in a similarly situated, newly built, Class A office building in Washington, D.C. Operating Charges relating to the Rooftop Terrace shall be included in Office Specific Charges.
- (d) <u>Bike Room</u>: The non-exclusive right to use the secured bicycle storage room to be located within the Parking Facility or the first floor of the Building, as determined by Landlord.
- (e) Tenant shall have a non-exclusive right to use each of the fire stairs connecting any two (2) or more contiguous floors constituting the Premises or a portion thereof (the "Fire Stairs") only for access between such floors, at no additional rental charge to Tenant, provided that (1) such use shall be permitted by applicable Laws, (ii) Tenant shall comply with all

of Landlord's reasonable rules and regulations adopted in good faith with respect to such use, (iii) access doors to the Fire Stairs shall never be propped or blocked open, (iv) Tenant shall not store or place anything in the Fire Stairs or otherwise impede ingress thereto or egress therefrom, (v) Tenant shall not permit or suffer any person to use any portion of the Fire Stairs other than for ingress and egress between the different floors of the Premises, except in case of emergency, (vi) Tenant shall, at Landlord's election and at Tenant's expense, tie such closing devices into the base-Building fire-alarm and life-safety system and (vii) subject to applicable re-entry rules and regulations from time to time in effect, Tenant shall, at Tenant's expense, install a key-card locking system reasonably satisfactory to Landlord on all doors between the Fire Stairs and the floors of the Premises. Such key-card locking system shall be tied to the Building's security system and all gates or other barriers shall also have key cards keyed to the Building's master system. All of the provisions of this Lease in respect of insurance and indemnification shall apply to the Fire Stairs as if the Fire Stairs were part of the Premises. Tenant shall have no right to restrict use of the Fire Stairs themselves, which shall be available to all persons in the Building. The area of the Fire Stairs shall not be included in the rentable area of the Premises for purposes of determining any rent, charge or other sum that is computed based on the rentable area of the Premises, it being the intent of the parties that Tenant shall not be obligated to pay any sum to Landlord as a condition to Tenant's right to use the Fire Stairs.

- (f) Landlord shall provide Wi-Fi to the Rooftop Terrace and the Fitness Facility.
- (g) Use of the amenities referenced in this Section shall, in addition to the foregoing provisions, be in accordance with all applicable provisions of this Lease (including, without limitation, the insurance and indemnity provisions) and subject to such reasonable rules and regulations as Landlord may promulgate with respect thereto from time to time and notify Tenant thereof. Landlord shall have the right at any time to: (1) limit or modify the hours of operation of any of the foregoing amenities; (2) modify the size, type, capacity or configuration of the foregoing amenities; (3) relocate any of the foregoing amenities; or (4) perform any other reasonable act with respect to the foregoing amenities. In the event that Landlord makes any modification with respect to the foregoing amenities pursuant to the immediately preceding sentence, then costs of such modification shall be included within Operating Charges if and to the extent permitted by Article V. In exercising its rights under this paragraph, Landlord shall use reasonable efforts to minimize such interruption and interference with Tenant's enjoyment of these amenities as well as the normal business operations in the Premises.

14.6 In the event Tenant desires to install supplementary air conditioning to serve the Premises or any portion thereof (the "Supplementary System"), Landlord shall permit Tenant to connect the Supplementary System to the condenser water system for the Building. Landlord shall provide Tenant with no less than forty-eight (48) hours prior written notice of any scheduled maintenance to the condenser water system for the Building that will cause any outage or interruption of the operation of such system for any period of time, except that in the event of an emergency, Landlord may provide such notice that is less than forty-eight (48) hours that is practical under the circumstances, and Landlord shall restore the services of Supplementary System upon completion of such maintenance. The Supplementary System shall include a meter or other measuring devices specified by Landlord, installed by Tenant at its

expense, which meters or other measuring device will be connected to the base Building monitoring system and record the hours of operation of each unit installed as part of the Supplementary System. During the Lease Term, Landlord shall furnish condenser water on a twenty-four (24) hour per diem basis (if requested) to the Supplementary System at Building design criteria sufficient for operation of the Supplementary System, up to a maximum of 100 tons of air conditioning, based on the rate of capacity of the unit or units collectively constituting the Supplementary System. Tenant shall pay to Landlord, as additional rent with respect to each air conditioning unit that is part of the Supplementary System, an amount equal to the product of (i) the then-applicable Condenser Water Charge (as defined below), multiplied by (ii) the number of tons for each such unit, multiplied by (iii) the number of hours of operation of each unit of the Supplementary System since the prior reading of such meters or other measuring devices without any profit or overhead to Landlord or its management agent. Landlord shall bill Tenant for such additional rent from time to time and each such billing shall be paid by Tenant within thirty (30) days after Tenant's receipt of the same. Upon reasonable advance notice, Tenant shall have the right to inspect Landlord's records regarding such usage and to verify the charges billed to Tenant. As used herein, the term "Condenser Water Charge" shall mean the commercially reasonable per ton hour charge established by Landlord from time to time for furnishing condenser water to the supplementary air conditioning systems operated by (or for the benefit of) tenants in the Building. It is understood and agreed if more than one supplemental air conditioning unit is included in the Supplementary System, the elapsed time for the same shall be measured and the amount payable by Tenant pursuant to this Section 14.6 shall be computed separately with respect to each such supplemental air conditioning unit. Notwithstanding anything to the contrary contained in this Lease, Tenant shall, at its sole cost and expense, maintain and repair its Supplementary System in good working order and condition at all times during the Lease Term (including the making and maintaining of replacements, if any) and shall surrender the same to Landlord in good and proper working order and condition upon the expiration or earlier termination of this Lease, normal wear and tear excepted. Notwithstanding anything contained herein to the contrary, Tenant shall have the right to install within the Premises (or as provided in the immediately following sentence) its own stand-alone supplemental HVAC equipment in lieu of, or in addition to, tying into the Landlord's condenser water system for the Building. Tenant shall be solely responsible for the installation cost and maintenance of any stand-alone supplemental HVAC system, and, if and to the extent that space is available in the Building (including the roof or garage) for such purpose, Landlord shall allow Tenant to install and maintain such equipment in a reasonable amount of such space at such location that may be approved by Landlord, which approval shall not be unreasonably withheld conditioned or delayed (subject to payment of a reasonable fee as mutually agreed upon by Landlord and Tenant if such space could otherwise be used for income producing purposes) and subject to the right of Landlord to approve, which approval shall not be unreasonably withheld conditioned or delayed, the specifications and appearance of such equipment.

14.7 Landlord shall submit the Building for LEED Gold certification and Landlord represents that upon completion and commissioning, the Building will achieve LEED Gold Certification. Tenant shall not be required to pursue or obtain LEED-CI or take any other action to comply with LEED or other sustainable Building initiatives that may be undertaken by Landlord from time to time other than customary recycling programs and other programs or

policies required of tenants by applicable law or regulation. Landlord agrees to support any LEED-CI that Tenant elects to pursue and Landlord agrees to cooperate with Tenant and provide such information or details in Landlord's possession as may be reasonably requested by Tenant that are related or required in connection with any such certification sought by Tenant.

Landlord shall not have any liability to Tenant, and Tenant shall not be entitled to terminate this Lease or receive a rent abatement, in the event of Landlord's failure or inability to furnish any of the utilities or services required to be furnished by Landlord hereunder; provided, however, that if (i) Tenant is precluded from having reasonable access to the Premises or any portion thereof (other than for occupancy by a security guard and/or receptionist) and Tenant has ceased using the Premises or the affected portion thereof for a period longer than three (3) consecutive business days; or (ii) any failure or stoppage of any Essential Service (hereinafter defined) to be provided by Landlord under this Lease renders the Premises or any portion thereof untenantable for the normal conduct of Tenant's business in all or a portion of the Premises for a period longer than three (3) consecutive business days in which Tenant has ceased using the Premises or the affected portion thereof (other than de minimis use, such as accessing such space to retrieve files or Tenant's personal property); Tenant's obligation to pay Base Rent and Tenant's Proportionate Share of Operating Charges, Office Specific Charges and Real Estate Taxes for the affected portion of the Premises shall be abated beginning on (x) the expiration of such five(5) consecutive business day period with respect to cessation of use under (i) or (y) immediately with respect to cessation of use under (ii) and shall continue with respect to the Premises or the affected portion thereof (as applicable) until the earlier of (i) the conditions precluding Tenant's reasonable access to the Premises (or any portion thereof) or causing the Premises to be untenantable for the normal conduct of Tenant's business cease to exist or (ii) Tenant commences using the affected portion of the Premises for the normal conduct of its business; provided, however, if such lack of access or stoppage or failure of service is caused by the acts or omissions of third-parties (which shall not include Landlord or its employees, agent and/or contractors) occurring off-site (i.e., not on the Land or at the Building) and does not arise from a named peril that would be covered by Landlord's insurance, then the aforementioned abatement shall not apply. "Essential Service" shall mean any service or obligation (including, without limitation, failure to provide electricity, water or heating or air-conditioning service or to maintain the common areas and Building Structure and Systems as required of Landlord under this Lease) to be provided or performed by Landlord under this Lease to or for Tenant which if not provided or performed shall (1) effectively deny access to the Premises (or any portion thereof), (2) threaten the health or safety of any occupants of or threaten to materially damage any personal property or Alterations located within the Premises, or (3) prevent or materially impair the usage of the Premises or any portion thereof for the ordinary conduct of Tenant's business.

<u>ARTICLE XV</u> <u>LIABILITY OF LANDLORD</u>

15.1 Except as provided for elsewhere in this Lease, Landlord and Landlord's Representatives shall not be liable to Tenant, any Agent or any other person or entity for any damage, injury, loss or claim based on or arising out of any cause whatsoever (except as otherwise provided in this Section), including without limitation the following: repair to any portion of the Premises or the Building; interruption in the use of the Premises or the Building or

any equipment therein; any accident or damage resulting from any use or operation (by Landlord, Tenant or any other person or entity) of elevators or heating, cooling, electrical, sewage or plumbing equipment or apparatus; termination of this Lease by reason of damage to the Premises or the Building; any fire, robbery, theft, vandalism, mysterious disappearance or any other casualty; actions of any other tenant of the Building or of any other person or entity; failure or inability to furnish any service specified in this Lease; and leakage in any part of the Premises or the Building from water, rain, ice or snow that may leak into, or flow from, any part of the Premises or the Building, or from drains, pipes or plumbing fixtures in the Premises or the Building. If any condition exists which may be the basis of a claim of constructive eviction, then Tenant shall give Landlord written notice thereof and a reasonable opportunity to correct such condition. Any person receiving an article delivered for Tenant shall be acting as Tenant's agent for such purpose and not as Landlord's agent. For purposes of this Article, the term "Building" shall be deemed to include the Land. Any property placed by Tenant or any Agent in or about the Premises or the Building shall be at the sole risk of Tenant, and Landlord shall not in any manner be held responsible therefor. Notwithstanding the foregoing provisions of this Section, Landlord shall not be released from liability to Tenant for any injury to persons or property caused by the negligence or willful misconduct of Landlord or Landlord's Representatives to the extent such injury is not covered by insurance either carried by Tenant (or such person) or required by this Lease to be carried by Tenant; provided, however, that Neither Landlord nor any of Landlord's Representatives (nor any past, present or future board member, partner, trustee, director, member, officer, employee, agent, representative or advisor of any of them) shall under any circumstances be liable for any exemplary, punitive, consequential or indirect damages (or for any interruption of or loss to business) in connection with or relating to this Lease.

- 15.2 Except to the extent caused by the negligence or willful misconduct of Landlord or Landlord's Representatives, Tenant shall indemnify, defend and hold them harmless from and against all reasonable costs, damages, claims, liabilities, expenses (including reasonable attorneys' fees), losses, penalties and court costs (collectively, "Costs") suffered by or claimed against them, directly or indirectly, based on or arising out of, in whole or in part, (a) use and occupancy of the Premises or the business conducted therein, (b) any negligent or willful act or omission of Tenant or any Agent of Tenant, provided, however, that neither Tenant nor any past, present or future board member, partner, trustee, director, member, officer, employee, agent, representative or advisor of Tenant shall under any circumstances be liable for any exemplary, punitive, consequential or indirect damages (or for any interruption of or loss to business) in connection with or relating to this Lease.
- 15.3 Except to the extent caused by the negligence or willful misconduct of Tenant or an Agent of Tenant, Landlord shall indemnify and hold Tenant harmless from and against all Costs suffered or claimed against Tenant as a result of Landlord's use or control of the common areas of the Building and the Building Structure and Systems or any negligent or willful act or omission of Landlord or any employee, contractor or agent of Landlord. In no event, however, shall Tenant have any liability to Landlord or Landlord's employees, contractors, or agents for interruption or loss to Landlord's business or any indirect or consequential damages or for any liability covered by any insurance policy carried (or required to be carried) by Landlord or such person.

Any provision of the Lease to the contrary notwithstanding and except to the extent caused by the negligence or willful misconduct of Tenant or its Agents, Landlord shall reimburse Tenant and its Agents and shall indemnify and hold them harmless from and against all Costs suffered by or claimed against them, directly or indirectly, based on or arising out of, in whole or in part, from: (a) any accident, injury or damage to any person or the property of any person in or about the common areas except to the extent arising from the negligence or willful misconduct of Tenant or its employees, agents or contractors; (b) Landlord's use or control of the Building Structure and Systems, and (c) any breach of Landlord's obligations under this Lease. In no event, however, shall Landlord have any liability to Tenant or its Agents for interruption or loss to Tenant's business or any indirect or consequential damages or for any liability covered by any insurance policy carried (or required by this Lease to be carried) by Tenant or such person.

- 15.4 No landlord hereunder shall be liable for any obligation or liability based on or arising out of any event or condition occurring during the period that such landlord was not the owner of the Building or a landlord's interest therein. Within ten (10) days after the then-current Landlord's written request, Tenant shall attorn to any transferee landlord and execute, acknowledge and deliver any reasonable document submitted to Tenant confirming such attornment provided such transferee assumes the obligations of Landlord hereunder which accrue from and after the date of the transfer and agrees that Tenant's possession of the Premises shall not be disturbed except as set forth in this Lease or as agreed in any such attornment agreement.
- Except as expressly set forth in this Lease, including in Section 7(d) of Exhibit B, 15.5 Tenant shall not have the right to set off or deduct any amount allegedly owed to Tenant pursuant to any claim against Landlord from any rent or other sum payable to Landlord. Tenant's sole remedy for recovering upon such claim shall be to institute an independent action against Landlord, which action shall not be consolidated with any action of Landlord; provided, however, that the foregoing shall not prohibit Tenant from asserting a compulsory counterclaim in any proceeding instituted by Landlord against the Tenant that is required to be brought by applicable statute and will be deemed forever waived if not then asserted by Tenant. Notwithstanding the foregoing, if Landlord fails to make any payment, as and when due, of the Improvements Allowance, which payment is required to be made by Landlord to Tenant or Tenant's designees in accordance with the terms of Exhibit B hereto (such unpaid Allowance shall be referred to as the "Overdue Allowance"), and such Overdue Allowance remains unpaid after the expiration of thirty (30) days following Tenant's delivery to Landlord of written notice of such failure ("Allowance Failure Notice"), then Tenant shall have the right to set off against the Rent next due and payable under this Lease such amount(s) not paid by Landlord until such obligation are satisfied. The Allowance Failure Notice shall include a statement that Tenant intends to exercise this right to set off and shall identify in reasonable detail the basis for the offset and the date on which such amounts should have been paid to Tenant or Tenant's Contractor, as the case may be. In the event Tenant exercises its right to set off as set forth in this Section 15.5, Tenant shall apply an amount equal to the amount as set off towards its Improvements costs (it being understood and agreed that, in the event such Overdue Allowance was requisitioned by Tenant for payment by Landlord directly to Tenant's Contractor, then Tenant must pay Tenant's Contractor contemporaneously with Tenant's set off against Rent.

15.6 If Tenant or its Agents is awarded a money judgment against Landlord, then recourse for satisfaction of such judgment shall be limited to execution against Landlord's estate and interest in the Building, which shall be deemed to include proceeds actually received by Landlord from any sale of the Building (net of all expenses of sale), insurance or condemnation proceeds (subject to the rights of any Mortgagees), and rental income from the Building (net of all third party expenses) to the extent all of the foregoing are held in an account for Landlord and have not been applied or distributed by Landlord in the ordinary course of business (*i.e.*, not as a fraud against creditors). No other asset of Landlord, and no asset of any of Landlord's Representatives (or any past, present or future board member, partner, director, member, officer, trustee, employee, agent, representative or advisor of any of them (each, an "officer")) or any other person or entity, shall be available to satisfy or be subject to any such judgment. No such Landlord's Representative, officer or other person or entity shall be held to have personal liability for satisfaction of any claim or judgment whatsoever under this Lease.

ARTICLE XVI RULES

regulations specified in Exhibit C. To the extent of any conflict between the terms of this Lease and the terms of the Rules and Regulations as set forth in Exhibit C, the terms of this Lease shall control. Tenant and Agents shall also abide by and observe any other rule that Landlord may reasonably promulgate from time to time for the operation and maintenance of the Building, provided that written notice thereof is given, such rule is not inconsistent with prudent management practices of first-class office buildings in the District of Columbia and such rule is consistently applied as to all Building tenants and occupants. All rules shall be binding upon Tenant and enforceable by Landlord as if they were contained herein. Nothing contained in this Lease shall be construed as imposing upon Landlord any duty or obligation to enforce such rules, or the terms, conditions or covenants contained in any other lease, as against any other tenant, and Landlord shall not be liable to Tenant for the violation of such rules by any other tenant or its employees, agents, assignees, subtenants, invitees or licensees. Landlord shall use reasonable efforts not to enforce any rule or regulation in a manner which unreasonably discriminates among similarly situated tenants.

ARTICLE XVII DAMAGE OR DESTRUCTION

17.1 If the Premises or the Building are totally or partially damaged or destroyed thereby rendering the Premises totally or partially inaccessible or unusable for Tenant's business use, then Landlord shall diligently repair and restore the Premises and the Building to substantially the same condition they were in prior to such damage or destruction subject to the provisions set forth herein; provided, however, that if in Landlord's reasonable judgment such repair and restoration cannot be completed within one hundred eighty (180) days after the occurrence of such damage or destruction (taking into account the reasonable time needed for effecting a satisfactory settlement with any insurance company involved, removal of debris, preparation of plans and issuance of all required governmental permits), then Landlord shall have the right to terminate this Lease by giving written notice of termination within forty-five (45) days

after the occurrence of such damage or destruction. If this Lease is terminated pursuant to this Article 17, then Base Rent and Tenant's Proportionate Share of Operating Charges, Office Specific Charges and Real Estate Taxes shall be abated beginning on the date such damage or destruction occurred with respect to (based on the portion of the Premises which is usable and used for Tenant's business use after such damage or destruction), and paid to the earlier of the date of termination or the date Tenant ceases to use the Premises for Tenant's business use on account of such damage and Landlord shall be entitled to the portion of the insurance proceeds received by Tenant that are attributable to amortized replacement value of the Leasehold Work and other improvements insured or required to be insured by Tenant that would remain in the Premises at the end of the Lease Term. If this Lease is not terminated as a result of such damage or destruction, then until such repair and restoration of the Premises are substantially complete, Tenant shall be required to pay rent only for the portion of the Premises that is usable while such repair and restoration are being made. Landlord shall proceed with and bear the expenses of such repair and restoration of the Premises and the Building; provided, however, that Tenant shall pay the amount by which the cost of restoring any item which Landlord is required to restore and Tenant is required to insure exceeds the insurance proceeds received by Landlord (either from Tenant or Tenant's insurer) with respect thereto.

- 17.2 If, within thirty (30) days after the occurrence of the damage or destruction described in Section 17.1, Landlord determines in its sole but reasonable judgment that the repairs and restoration cannot be substantially completed within one hundred eighty (180) days after the date of such damage or destruction, and provided Landlord does not elect to terminate this Lease pursuant to this Article, then Landlord shall promptly notify Tenant of such determination in writing. For a period continuing through the later of the thirtieth (30th) day after the occurrence of the damage or destruction or the tenth (10th) day after receipt of such notice, Tenant shall have the right to terminate this Lease by providing written notice to Landlord (which date of such termination shall be not more than thirty (30) days after the date of Tenant's notice to Landlord).
- If the Premises or the Building are damaged and Landlord does not timely elect to terminate as provided in Section 17.1, and if Landlord fails to substantially complete such repair and restoration such that Tenant has reasonable use of and access to the Premises for Tenant's business use within three hundred sixty-five (365) days after commencement of such repair and restoration (notwithstanding any force majeure factors or causes described in Section 27.21 but subject to any delay caused by Tenant or any of Tenant's Agents), then, Tenant shall have the right to terminate this Lease by providing written notice of termination to Landlord (the effective date of such termination to be not more than thirty (30) days after the date of Tenant's termination notice to Landlord). If at any time or times prior to the expiration of such three hundred sixty five (365) day period (as the same may be extended pursuant to this sentence) Landlord determines that it will not be able to complete such repair and restoration within such three hundred sixty five (365) day period, Landlord shall send written notice thereof to Tenant requesting Tenant to extend the aforesaid time period to such date that Landlord determines it will be able to complete such repair and restoration. Tenant shall have a period of ten (10) days after the receipt of such written notice to either consent to such extension or to send notice to Landlord terminating this Lease, and if Tenant fails to send such notice to Landlord prior to the expiration of such ten (10) day period, Tenant shall be deemed to have consented to such extension.

17.4 If, during the final twelve (12) months of the then-current Lease Term, (i) seventy-five percent (75%) or more of the rentable area of the Premises is damaged or destroyed, or (ii) the Premises or the Building are otherwise damaged or destroyed such that the Premises are totally inaccessible or unusable for Tenant's business use, then Tenant shall have the right to terminate this Lease by providing written notice to Landlord not later than the tenth (10th) business day after the occurrence of such damage or destruction. If Tenant fails to timely exercise such termination right, then such right shall immediately lapse and be of no further force or effect.

ARTICLE XVIII CONDEMNATION

- If one-third or more of the Premises, or the use or occupancy thereof, shall be taken or condemned by any governmental or quasi-governmental authority for any public or quasi-public use or purpose or sold under threat of such a taking or condemnation (collectively, "condemned"), then this Lease shall terminate on the day prior to the date title thereto vests in such authority and rent shall be apportioned as of such date. If less than one-third of the Premises or occupancy thereof is condemned, then this Lease shall continue in full force and effect as to the part of the Premises not so condemned, except that as of the date title vests in such authority Tenant shall not be required to pay rent with respect to the part of the Premises so condemned. In such event, Landlord shall be obligated, at Landlord's sole cost and expense, to erect such walls as may be necessary to demise the portion of the Premises not condemned, to perform such other construction as may be required for the proper operation of all systems and utilities that serve the Premises, or otherwise to restore the remainder of the Premises to an architectural unit as nearly like the condition of the Premises prior to such condemnation as is practicable under the circumstances. Landlord shall notify Tenant of any condemnation contemplated by this Section promptly after Landlord receives notice thereof. Within ten (10) days after receipt of such notice, Tenant shall have the right to terminate this Lease with respect to the remainder of the Premises not so condemned as of the date title vests in such authority if such condemnation renders said remainder of the Premises totally unusable for their intended purpose. Notwithstanding anything herein to the contrary, if twenty-five percent (25%) or more of the Land or the Building is condemned, then whether or not any portion of the Premises is condemned, Landlord shall have the right to terminate this Lease as of the date title vests in such authority.
- 18.2 All awards, damages and other compensation paid on account of such condemnation shall belong to Landlord, and Tenant assigns to Landlord all rights to such awards, damages and compensation. Tenant shall not make any claim against Landlord or such authority for any portion of such award, damages or compensation attributable to damage to the Premises, value of the unexpired portion of the Lease Term, loss of profits or goodwill, leasehold improvements or severance damages. Nothing contained herein, however, shall prevent Tenant from pursuing a separate claim against the authority for relocation expenses and for the value of furnishings, equipment and trade fixtures installed in the Premises at Tenant's expense and which Tenant is entitled pursuant to this Lease to remove at the expiration or earlier termination of the Lease Term, provided that such claim shall in no way diminish the award, damages or compensation payable to or recoverable by Landlord in connection with such condemnation (it being understood that Landlord shall not seek as part of its damages or compensation an award for the value of Tenant's personal property and trade fixtures which were installed in the Premises

at Tenant's sole cost and which Tenant is entitled to remove upon the expiration or earlier termination of the Lease Term).

ARTICLE XIX DEFAULT

- Each of the following shall constitute an "Event of Default": (a) Tenant's failure 19.1 to make when due any payment of the Base Rent, additional rent or other sum, which failure shall continue for a period of five (5) days after Tenant's receipt of written notice from Landlord; (b) Tenant's failure to perform or observe any covenant or condition of this Lease not otherwise specifically described in this Section 19.1, which failure shall continue for a period of thirty (30) days after Landlord sends Tenant written notice thereof; provided, however, that if such cure cannot reasonably be effected within such thirty (30) day period and Tenant begins such cure promptly within such thirty (30) day period and is pursuing such cure in good faith and with diligence and continuity during such thirty (30) day period, then, except in the event of an emergency, Tenant shall have such additional time as is reasonably necessary to effect such cure; (c) an Event of Bankruptcy (as hereafter defined) subject to the provisions of Article XX; (d) Tenant's dissolution or liquidation subject to the provisions of Article XX; or (e) any Environmental Default as specified in Section 6.3 and which is not cured within thirty (30) days following notice of such Environmental Default; provided however, that if such cure cannot reasonably be effected within such 30-day period and Tenant begins such cure promptly within such 30-day period and is pursuing such cure in good faith and with diligence and continuity during such 30-day period, then, Tenant shall have such additional time as is reasonably necessary to effect such cure. For purposes of this lease, an "Event of Bankruptcy" is the occurrence of any of the following: (a) Tenant becoming insolvent, as that term is defined in Title 11 of the United States Code (the "Bankruptcy Code" or the "Insolvency Laws"); (b) appointment of a receiver or custodian for any property of Tenant, or the institution of a foreclosure or attachment action upon any property of Tenant which appointment is not dismissed within sixty (60) days or such longer time as may be permitted under the related legal proceedings; (c) filing by Tenant of a voluntary petition under the provisions of the Bankruptcy Code or Insolvency Laws; (d) filing of an involuntary petition against Tenant as the subject debtor under the Bankruptcy Code or Insolvency Laws, which either (1) is not dismissed in accordance with the applicable Bankruptcy Code or Insolvency Laws, or (2) results in the issuance of an order for relief against the debtor; (e) Tenant making or consenting to a general assignment for the benefit of creditors or a composition of creditors; or (f) an admission by Tenant in writing of its inability to pay debts as they become due.
- Date), then the provisions of this Section shall apply. Landlord shall have the right, at its sole option, to terminate this Lease. In addition, with or without terminating this Lease, Landlord may re-enter, terminate Tenant's right of possession and take possession of the Premises. The provisions of this Article shall operate as a notice to quit, and Tenant hereby waives any other notice to quit or notice of Landlord's intention to re-enter the Premises or terminate this Lease. If necessary, Landlord may proceed to recover possession of the Premises under applicable Laws, or by such other proceedings, including re-entry and possession, as may be applicable. If Landlord elects to terminate this Lease and/or elects to terminate Tenant's right of possession, everything

contained in this Lease on the part of Landlord to be done and performed shall cease without prejudice, however, to Tenant's liability for all Base Rent, additional rent and other sums specified herein. If an Event of Default exists and Tenant has vacated the Premises, and if Landlord has terminated this Lease as a result of such Event of Default, then Landlord shall thereafter use reasonable efforts to relet the Premises; provided, however, that Tenant understands and agrees that Landlord's main priority will be the leasing of other space in the Building (and not then leased or being marketed for lease by Landlord), and the reletting of the Premises will be of lower priority. Tenant hereby expressly waives, for itself and all persons claiming by, through or under it, any right of redemption, re-entry or restoration of the operation of this Lease under any present or future Law, including without limitation any such right which Tenant would otherwise have in case Tenant shall be dispossessed for any cause, or in case Landlord shall obtain possession of the Premises as herein provided. Landlord may relet the Premises or any part thereof, alone or together with other premises, for such term(s) (which may extend beyond the date on which the Lease Term would have expired but for Tenant's Event of Default) and on such terms and conditions (which may include any concessions or allowances granted by Landlord) as Landlord, in its sole but reasonable discretion, may determine, but Landlord shall not be liable for, nor shall Tenant's obligations hereunder be diminished by reason of, any failure by Landlord to relet all or any portion of the Premises or to collect any rent due upon such reletting. Whether or not this Lease is terminated or any suit is instituted, Tenant shall be liable for any Base Rent, additional rent, damages or other sum which may be due or sustained prior to such Event of Default, and for all costs, fees and expenses (including, but not limited to, attorneys' fees and costs, brokerage fees, expenses incurred in placing the Premises in rentable condition, advertising expenses, and any concessions or allowances granted by Landlord) incurred by Landlord in pursuit of its remedies hereunder and/or in recovering possession of the Premises and renting the Premises to others from time to time. Tenant also shall be liable for additional damages which at Landlord's election shall be an amount equal to the difference between (i) all Base Rent, additional rent and other sums due or which would be due and payable under this Lease as of the date of Tenant's default through the end of the scheduled Lease Term, and (ii) the fair market value rental of the Premises over the same period (net of all expenses (including reasonable attorneys' fees) and all vacancy periods reasonably projected by Landlord to be incurred in connection with the reletting of the Premises), as determined by Landlord in its sole and absolute discretion, which difference shall be discounted at a rate equal to one (1) whole percentage point above the discount rate in effect on the date of payment at the Federal Reserve Bank nearest the Building, and which resulting amount shall be payable to Landlord in a lump sum on demand, it being understood that upon payment of such liquidated and agreed final damages, Tenant shall be released from further liability under this Lease with respect to the period after the date of such payment, and that Landlord may bring suit to collect any such damages at any time after an Event of Default shall have occurred. Tenant shall pay all expenses (including reasonable attorneys' fees) incurred by Landlord in connection with or as a result of any Event of Default whether or not a suit is instituted. The provisions contained in this Section shall be in addition to, and shall not prevent the enforcement of, any claim Landlord may have against Tenant for anticipatory breach of this Lease (including, without limitation, the right of injunction and the right to invoke any remedy allowed at law or in equity as if reentry, summary proceedings and other remedies were not provided for herein). Nothing herein shall be construed to affect or prejudice Landlord's right to prove, and claim in full, unpaid rent accrued prior to termination of this Lease. If

Landlord is entitled, or Tenant is required, pursuant to any provision hereof to take any action upon the termination of the Lease Term, then Landlord shall be entitled, and Tenant shall be required, to take such action also upon the termination of Tenant's right of possession.

- 19.3 If Landlord fails to perform or observe any covenant or condition of this Lease, which failure shall continue for a period of thirty (30) days after Tenant sends Landlord written notice thereof; provided, however, that if such cure cannot reasonably be effected within such thirty (30) day period and Landlord begins such cure promptly within such thirty (30) day period and is pursuing such cure in good faith and with diligence and continuity during such thirty (30) day period then Landlord shall have such additional time as is reasonably necessary to effect such cure, then Tenant shall have the right, subject to any limitations set forth in this Lease, to exercise all rights and remedies available to Tenant under applicable law, including the right of specific performance.
- 19.4 All rights and remedies of Landlord set forth in this Lease are cumulative and in addition to all other rights and remedies available to Landlord at law or in equity, including those available as a result of any anticipatory breach of this Lease. The exercise by Landlord of any such right or remedy shall not prevent the concurrent or subsequent exercise of any other right or remedy. No delay or failure by Landlord or Tenant to exercise or enforce any of its respective rights or remedies or the other party's obligations (except to the extent a time period is specified in this Lease therefor) shall constitute a waiver of any such or subsequent rights, remedies or obligations. Neither party shall be deemed to have waived any default by the other party unless such waiver expressly is set forth in a written instrument signed by the party against whom such waiver is asserted. If either party waives in writing any default by the other party, such waiver shall not be construed as a waiver of any covenant, condition or agreement set forth in this Lease except as to the specific circumstances described in such written waiver.
- 19.5 If Landlord shall institute proceedings against Tenant and a compromise or settlement thereof shall be made, then the same shall not constitute a waiver of the same or of any other covenant, condition or agreement set forth herein, nor of any of Landlord's rights hereunder. Neither the payment by Tenant of a lesser amount than the monthly installment of Base Rent, additional rent or of any sums due hereunder nor any endorsement or statement on any check or letter accompanying a check for payment of rent or other sums payable hereunder shall be deemed an accord and satisfaction. Landlord may accept the same without prejudice to Landlord's right to recover the balance of such rent or other sums or to pursue any other remedy. Notwithstanding any request or designation by Tenant, Landlord may apply any payment received from Tenant to any payment then due. No re-entry by Landlord, and no acceptance by Landlord of keys from Tenant, shall be considered an acceptance of a surrender of this Lease.
- 19.6 If after five (5) days' written notice to Tenant, Tenant fails to make any payment to any third party or to do any act herein required to be made or done by Tenant, then Landlord may, but shall not be required to, make such payment or do such act. The taking of such action by Landlord shall not be considered a cure of such Event of Default by Tenant or prevent Landlord from pursuing any remedy it is otherwise entitled to in connection with such Event of Default. If Landlord elects to make such payment or do such act, then all expenses incurred by Landlord, plus interest thereon at a rate (the "**Default Rate**") equal to the greater of fifteen percent (15%)

per annum or the rate per annum which is five (5) whole percentage points higher than the prime rate published in the Money Rates section of the <u>Wall Street Journal</u> (the "**Prime Rate**"), from the date incurred by Landlord to the date of payment thereof by Tenant, shall constitute additional rent due hereunder; provided, however, that nothing contained herein shall be construed as permitting Landlord to charge or receive interest in excess of the maximum rate then allowed by law.

- 19.7 If Tenant fails to make any payment of Base Rent, additional rent or any other sum on or before the fifth (5th) day after the date such payment is due and payable (without regard to any grace period that may be specified in Section 19.1), then Landlord shall have the right to impose upon Tenant in writing a late charge of five percent (5%) of the amount of such payment. In addition, such payment and such late fee shall bear interest at the Default Rate from the date such payment or late fee, respectively, became due to the date of payment thereof by Tenant; provided, however, that nothing contained herein shall be construed as permitting Landlord to charge or receive interest in excess of the maximum rate then allowed by law. Such late charge and interest shall constitute additional rent due hereunder without any notice or demand. Notwithstanding any of the foregoing to the contrary, Landlord shall waive such late fee (but not the interest payable pursuant to the preceding sentence) the first two (2) times in each calendar year that Tenant fails to make a payment when due, provided such payment is made before the expiration of the grace period specified in Section 19.1(a).
- 19.8 Landlord hereby waives each and every right that Landlord now has or may hereafter have under any lease or other agreement, the laws of the state in which the Premises are situated or otherwise to claim or assert, or to seek to levy, execute or foreclose upon, any right or title to, interest in or lien upon Tenant's inventory, personal property and equipment, including, without limitation, any common law landlord's lien, statutory landlord's lien or contractual landlord's lien. Landlord agrees that Tenant's inventory, personal property and equipment (a) shall be and remain personal property, notwithstanding the manner of its annexation to the Premises, its adaptability to the uses and purposes for which the Premises is used and the intentions of the party making the annexation, and (b) shall not constitute fixtures. Landlord shall not have any lien or security interest in any personal property belonging to Tenant's employees or any owners of a beneficial interest in Tenant, or in the work product, documents, plans, records, or other printed materials belonging to Tenant or in Tenant's possession.
- 19.9 If more than one natural person or entity shall constitute Tenant, then the liability of each such person or entity shall be joint and several. If Tenant is a general partnership or other entity the partners or members of which are subject to personal liability, then the liability of each such partner or member shall be joint and several. No waiver, release or modification of the obligations of any such person or entity shall affect the obligations of any other such person or entity.
- 19.10 All obligations of Tenant under this Lease shall be obligations solely of Tenant and all permitted assignees of Tenant's interest under this Lease and in no event shall any of Tenant's affiliates, shareholders, partners, directors, officers, members, trustees, employees, agents and representatives be held to have any personal liability for satisfaction of any claim or judgment against Tenant under this Lease.

19.11 Landlord shall in all instances use commercially reasonable efforts to mitigate its losses in connection with any Tenant Event of Default.

ARTICLE XX BANKRUPTCY

Upon the occurrence of an Event of Bankruptcy, Landlord shall have all rights and remedies available pursuant to Article XIX; provided, however, that while a case (the "Case") in which Tenant is the subject debtor under the Bankruptcy Code is pending, Landlord's right to terminate this Lease shall be subject, to the extent required by the Bankruptcy Code, to any rights of Tenant or its trustee in bankruptcy (collectively, "Trustee") to assume or assume and assign this Lease pursuant to the Bankruptcy Code. After the commencement of a Case: Trustee shall perform all post-petition obligations of Tenant under this Lease and in accordance with Section 365 of the Bankruptcy Code. Any person or entity to which this Lease is assigned pursuant to an order of the Bankruptcy Court shall be deemed without further act or deed to have assumed all of the obligations arising under this Lease on and after the date of assignment, and any such assignee shall upon request execute and deliver to Landlord an instrument confirming such assumption. To the extent the Trustee seeks to assume and assign the Lease, the Trustee shall give the Landlord written notice in accordance with the applicable Bankruptcy rules.

ARTICLE XXI SUBORDINATION

- 21.1 This Lease is subject and subordinate to the lien, provisions, operation and effect of all mortgages, deeds of trust, ground leases or other security instruments which may now or hereafter encumber any portion of the Building or the Land (collectively, "Mortgages"), to all funds and indebtedness intended to be secured thereby, and to all renewals, extensions, modifications, recastings or refinancings thereof only if, when, and after Landlord, Tenant, and the secured party under the Mortgage have executed and delivered to Tenant a Subordination Non- Disturbance and Attornment Agreement in the form required by Section 21.3. Said subordination and the provisions of this Section shall be self-operative and no further instrument of subordination shall be required to effect such subordination. The holder of any Mortgage to which this Lease is subordinate shall have the right (subject to any required approval of the holders of any superior Mortgage) at any time to declare this Lease to be superior to the lien, provisions, operation and effect of such Mortgage.
- 21.2 Upon any such transfer or by the transferee following such transfer, then, at the request of such transferee and assumption of Landlord's obligations as required hereby, Tenant shall attorn to such transferee and shall recognize such transferee as the landlord under this Lease.
- 21.3 Concurrently with the execution of this Lease, Landlord and Tenant have executed the Subordination, Nondisturbance and Attornment Agreement attached hereto as Exhibit E (the "Sun Trust SNDA") with SunTrust Bank (the "Existing Lender"). Landlord represents that the Existing Lender is the only holder of a Mortgage with respect to the Building as of the date hereof. Landlord shall use commercially reasonable efforts to have the Existing Lender execute the Sun Trust SNDA, and in the event that the Sun Trust SNDA is not executed by the Existing

Lender and a fully executed original thereof delivered to Tenant prior to the expiration of ten (10) business days from the date of execution of this Lease, Tenant shall have the right, at its option, to terminate this Lease by sending written notice of termination to Landlord at any time prior to the earlier of (i) the date of delivery of a fully executed original of the Sun Trust SNDA to Tenant or (ii) fifteen (15) days after the expiration of the aforesaid ten (10) business day period. Upon request by Landlord from time to time during the term of this Lease, Tenant agrees to execute and deliver to any lender (the "New Lender") hereafter designated by Landlord a Subordination, Nondisturbance and Attornment Agreement in the form attached hereto as Exhibit E as the same may be modified by Landlord for any Permitted Modifications. For purposes hereof, "Permitted Modifications" shall mean any modifications requested by the New Lender to reflect the name and address of the New Lender and the description of the Mortgage documents and any modifications that would not (a) materially adversely affect any of Tenant's rights and obligations under this lease, (b) materially decrease any of Landlord's obligations hereunder, or (c) cause Tenant any additional expense pursuant to this Lease (each a "Permitted SNDA Form"). Tenant shall at Landlord's request, and within ten (10) business days after Landlord's delivery to Tenant of a Permitted SNDA Form, execute and deliver to Landlord such Permitted SNDA Form. In the event that Landlord does not cause any New Lender to execute and deliver a subordination, nondisturbance and attornment agreement reasonably approved by Tenant or a Permitted SNDA Form, then the provisions of this Article XXI shall not apply to the Mortgage granted to the New Lender except that in the event of any transfer of the property secured by such Mortgage by reason of the foreclosure of such Mortgage or deed in lieu thereof, Tenant shall attorn to such transferee and shall recognize such transferee as the landlord under this Lease, provided that such transferee agrees by written and recordable instrument to recognize this Lease and Tenant's rights hereunder.

ARTICLE XXII HOLDING OVER

If Tenant (or anyone claiming through Tenant) does not surrender the Premises or any portion thereof upon the expiration or earlier termination of the Lease Term, then the rent payable by Tenant hereunder shall be increased to equal one hundred fifty percent (150%) of the Base Rent, plus the additional rent and other sums that would have been payable pursuant to the provisions of this Lease if the Lease Term had continued during such holdover period. Such rent shall be computed by Landlord and paid by Tenant on a monthly basis and shall be payable on the first day of such holdover period and the first day of each calendar month thereafter during such holdover period until the Premises have been vacated. Notwithstanding any other provision of this Lease, Landlord's acceptance of such rent shall not in any manner adversely affect Landlord's other rights and remedies, including Landlord's right to evict Tenant and recover costs of enforcement of Landlord's remedies except in no event shall Tenant be liable for any exemplary, punitive, consequential or indirect damages. Any such holdover of more than thirty (30) days shall be deemed to be a tenancy-at-sufferance and not a tenancy-at-will or tenancy from month-to-month. In no event shall any holdover lasting beyond thirty (30) days be deemed a permitted extension or renewal of the Lease Term, and nothing contained herein shall be construed to constitute Landlord's consent to any holdover or to give Tenant any right with respect thereto.

ARTICLE XXIII COVENANTS OF LANDLORD

- 23.1 Landlord covenants that it has the right to enter into this Lease, and that if an Event of Default does not exist, then, subject to the provisions of this Lease, Tenant shall during the Lease Term peaceably and quietly occupy and enjoy the full possession of the Premises (i.e., quiet enjoyment) without hindrance by Landlord, its employees or agents or anyone claiming under Landlord.
- Subject to other applicable terms and provisions expressly provided in this Lease, 23.2 Landlord reserves the following rights: (a) to change the street address and name of the Building provided that Tenant's access to the Premises is not materially and adversely affected; (b) to change the arrangement and location of entrances, passageways, doors, doorways, corridors, elevators, stairs, toilets or other public parts of, and make additions to, the Building provided that Tenant's access to the Premises is not materially and adversely affected; (c) to erect, use and maintain pipes, wires, structural supports, ducts and conduits in and through the plenum areas of the Premises provided such work does not cause the usable area of the Premises to be reduced beyond a de minimis amount; (d) to grant to anyone the exclusive right to conduct any particular business in the Building not inconsistent with Tenant's Permitted Use of the Premises; (e) to exclusively use and/or lease the roof areas (excluding the Rooftop Terrace), the sidewalks and other exterior areas; (f) to resubdivide the Land or to combine the Land with other lands; (g) to relocate any parking areas designated for Tenant's use, provided the same are on the Land; (h) to construct improvements (including kiosks) on the Land and in the public and common areas of the Building provided that Tenant's access to and use of the Building, Premises or the Parking Facilities are not materially and adversely affected; (i) to prohibit smoking in the entire Building or portions thereof (including the Premises); and (j) if any excavation or other substructure work shall be made or authorized to be made upon land adjacent to the Building or the Land, to enter the Premises for the purpose of doing such work as is required to preserve the walls of the Building and to preserve the land from injury or damage and to support such walls and land by proper foundations provided Landlord provides reasonable advance notice to Tenant thereof. Subject to the other applicable terms and provisions expressly provided in this Lease, Landlord may exercise any or all of the foregoing rights without being deemed to be guilty of an eviction, actual or constructive, or a disturbance of Tenant's business or use or occupancy of the Premises and Tenant shall have no claim against Landlord in connection therewith. Landlord shall use reasonable efforts to minimize interference with Tenant's normal business operations in the Premises or its access to the Building, the Premises or the Parking Facilities (subject, however, in all cases to governmental requirements, emergencies and/or temporary maintenance and repair activities, and in no event shall Landlord have any obligation to employ contractors or labor at overtime or other premium pay rates or incur any other overtime costs).

ARTICLE XXIV PARKING

During the Lease Term (including all renewal periods), Landlord agrees to make available (or cause the Parking Facility operator to make available) to Tenant and its employees monthly parking permits for the unreserved parking of passenger automobiles in the garage on the lower

levels of the Building (the "Parking Facility") in an amount equal to the Parking Allotment; provided, however, Tenant shall have the right to convert not more than eight (8) unreserved parking permits of the Parking Allotment to reserved parking permits at a location in the Parking Facility reasonably acceptable to Tenant. The permits shall be for non-exclusive, unassigned, unreserved parking spaces on a self-park basis, and the charge for such permits shall be the prevailing rate charged from time to time by Landlord or the operator of the Parking Facility for unreserved and reserved permits, as applicable. Such charges shall be paid monthly in advance to the Parking Facility operator. Except as otherwise provided herein, contracts for parking permits shall be with the Parking Facility operator and shall contain the same terms as are usually contained in contracts with other customers of the Parking Facility operator. Within ninety (90) days after the Lease Commencement Date, Tenant shall notify Landlord in writing of Tenant's desire to obtain all or a specified number of the Parking Allotment and Tenant shall enter into parking contracts with the Parking Facility operator for such permits. If Tenant or Tenant's employee(s) shall fail to execute monthly parking contracts for any portion of the Parking Allotment within the aforementioned period, or if Tenant or Tenant's employee(s) subsequently fails to continuously maintain or cause to be maintained parking contracts for such portion of Tenant's Parking Allotment, Tenant shall nonetheless have the right to elect at any later date(s) to utilize Tenant's full Parking Allotment (or a portion thereof, if Tenant so elects) by providing Landlord and the Parking Facility operator with at least sixty (60) days' prior written notice of such election, which notice shall also state the number of additional contracts that Tenant desires to utilize and the date(s) on which Tenant would like such contract(s) to commence (which date(s) must be the first day of a calendar month). The Parking Facility operator shall provide a card key (or similar type of) access system to provide monthly permit holders access to the Parking Facility. Tenant shall not use the Parking Facility for the servicing or extended storage of vehicles. Tenant shall not assign, sublet or transfer any of its rights hereunder, except in connection with any assignment or sublease permitted pursuant to Article VII hereof where parking is provided for in the sublease or assignment. Landlord reserves the right to institute a valet parking system or to otherwise change the parking system. Tenant and its employees shall observe reasonable safety precautions in the use of the Parking Facility and shall at all times abide by all rules and regulations governing the use of the Parking Facility. If Landlord, in its sole and absolute discretion, grants to any other tenant of the Building the exclusive right to use any particular parking spaces, then neither Tenant nor its employees or visitors shall use such spaces. The Parking Facility will remain open on Monday through Friday (excluding legal holidays) during the hours of 6 a.m. to 7 p.m.; however, automobiles may enter and exit the Parking Facility at any time subject to certain access requirements. Landlord reserves the right to temporarily deny access to, and use of, any portion of the Parking Facility where such denial is necessary to effectuate any maintenance or repairs but Landlord shall use commercially reasonable efforts to minimize any disruption, including staging the work in different areas and performing work during non-business hours and Landlord shall provide Tenant with reasonable prior written notice (except in the case of an emergency) of such denial of access or use. At all times when the Parking Facility is closed, monthly permit holders shall be afforded access by means of a magnetic card or other procedure provided by Landlord or the Parking Facility operator. If all or any portion of the Parking Facility shall be damaged or rendered unusable by fire or other casualty or any taking pursuant to eminent domain proceeding (or deed in lieu thereof), and as a result thereof Landlord or the Parking Facility operator is unable to make available to Tenant the

parking provided for herein, then the number of cars which Tenant shall be entitled to park hereunder (i.e., the Parking Allotment) shall be proportionately reduced so that the number of cars which Tenant may park in the Parking Facility after the casualty or condemnation in question shall bear the same ratio to the total number of cars which can be parked in the Parking Facility at such time as the number of cars Tenant had the right to park in the Parking Facility prior to such casualty or condemnation bore to the aggregate number of cars which could be parked therein at that time. Landlord shall not be liable to Tenant and this Lease shall not be affected if any parking rights hereunder are impaired by any Law imposed after the Lease Commencement Date. Landlord reserves the right to determine whether the parking facilities are becoming crowded and to allocate and assign parking spaces among Tenant and the other tenants provided that the Parking Allotment will not be reduced thereby.

ARTICLE XXV RIGHT OF FIRST OPPORTUNITY TO PURCHASE

25.1 Throughout the term of the Lease and any renewal(s) or extension(s) thereof, if Landlord elects to sell or otherwise transfer all of the Building or all of its interests in the Building to a third party that is not an affiliate of, or related to, Landlord, then Landlord must first notify both Tenant and National League of Cities ("NLC") in writing sent via certified mail of its intent to sell or transfer ("Landlord's Initial Notice") granting to Tenant and NLC jointly (the "Purchase Opportunity Holder") the right of first opportunity to purchase the Land and Building (collectively the "Property") in accordance with the provisions of this Article XXV (the "Right of First Opportunity to Purchase"). Until the Purchase Opportunity Holder's Right of First Opportunity to Purchase has expired or terminated in accordance with the provisions of this Article XXV, Landlord shall not (i) list the Property for sale with a broker or other agent or otherwise offer it for sale or otherwise transfer the Property or all of its interests in the Property to a third party; or (ii) discuss or negotiate the terms of a sale or transfer of the Property with any third party. Prior to the expiration of five (5) business days after the date of delivery of Landlord's Initial Notice to the Purchase Opportunity Holder, the Purchase Opportunity Holder shall send to Landlord notice in writing ("Purchase Opportunity Holder's Initial Response Notice") advising Landlord that it has an interest in purchasing the Property. If the Purchase Opportunity Holder does not deliver to Landlord Purchase Opportunity Holder's Initial Response Notice prior to the expiration of five (5) business days after the date of delivery of Landlord's Initial Notice to Purchase Opportunity Holder or if the Purchase Opportunity Holder's Initial Response Notice provides that the Purchase Opportunity Holder does not have an interest in purchasing the Property, the Purchase Opportunity Holder's Right of First Opportunity to Purchase shall expire and terminate and shall not be exercisable with respect to any other sale of, or proposal to sell, the Property that may occur thereafter. Within two (2) business days after Landlord's receipt of the Purchase Opportunity Holder's Initial Response Notice advising Landlord that it has an interest in purchasing the Property (if such Purchase Opportunity Holder's Initial Response notice was sent by Purchase Opportunity Holder to Landlord), Landlord shall send written notice ("Landlord's Acceptance Period Commencement Notice") to the Purchase Opportunity Holder advising the Purchase Opportunity Holder of the purchase price and other terms of sale that Landlord is willing to accept. The Purchase Opportunity Holder may accept Landlord's offer by notice to Landlord within thirty (30) days of receipt of Landlord's

Acceptance Period Commencement Notice (the "Acceptance Period"). If the Purchase Opportunity Holder is unable or unwilling to accept Landlord's offer, the Purchase Opportunity Holder may, by notice to Landlord prior to the expiration of the Acceptance Period, submit a counteroffer setting forth the price that the Purchase Opportunity Holder is willing to pay and other terms and conditions the Purchase Opportunity Holder is willing to accept. If the Purchase Opportunity Holder responds to Landlord with a counteroffer, then during the thirty (30) day period following the end of the Acceptance Period (the "Negotiation Period"), Landlord and the Purchase Opportunity Holder agree to proceed in good faith (but with each party being able to act in its own economic or other self-interest) in an effort to arrive at a mutually acceptable price, terms and conditions related to the purchase and sale of the Property. If, prior to the expiration of the Acceptance Period, Landlord has not received notice that the Purchase Opportunity Holder has either (i) accepted Landlord's terms; or (ii) elected to negotiate during the Negotiation Period by submitting a counteroffer, then the Right of First Opportunity to Purchase shall expire and terminate and not be exercisable with respect to any other sale of, or proposal to sell, the Property that may occur thereafter. Similarly, if prior to the expiration of the Negotiation Period, (a) neither Landlord's offer nor the Purchase Opportunity Holder's counteroffer has been accepted; and (b) Landlord and the Purchase Opportunity Holder fail to reach an agreement on mutually acceptable price, terms and conditions, then the Right of First Opportunity to Purchase shall expire and terminate and not be exercisable with respect to any other sale of, or proposal to sell, the Property that may occur thereafter. If Landlord's Notice of Intent applies to only a portion of the Property, then Purchase Opportunity Holder's right of first opportunity to purchase shall remain in effect as to the remainder, or any remaining portion, of the Property.

So long as the Lease executed by Landlord and Tenant and the Lease executed by Landlord and NLC are both in full force and effect, at any time after Landlord delivers Landlord's Initial Notice and prior to the expiration of thirty (30) days thereafter, Purchase Opportunity Holder may elect to assign and transfer to either Tenant or NLC or to any other entity controlled by Tenant and NLC or either of them the Right of First Opportunity to Purchase pursuant to this Article XXV (the "Designated Successor Purchase Opportunity Holder"), in which event such Designated Successor Purchase Opportunity Holder shall become the Purchase Opportunity Holder and Tenant and NLC acting jointly shall cease to be the Purchase Opportunity Holder. Purchase Opportunity Holder's Right of First Opportunity to Purchase shall not be assignable or transferable except to a Designated Successor Purchase Opportunity Holder timely designated in accordance with the provisions of this Section 25.2. In the event of any dispute between Tenant and NLC as to the exercise of the Right of First Opportunity to Purchase or as to the designation of a Designated Successor Purchase Opportunity, Landlord may ignore such dispute and may deal exclusively with the Purchase Opportunity Holder or any Designated Successor Purchase Opportunity Holder designated in accordance with the provisions of this Agreement. Tenant and NLC each agree that they will not assert any claim against Landlord or seek to take any legal action against Landlord seeking to extend the period required for delivering Purchase Opportunity Holder's Initial Response Notice or the Acceptance Period or the Negotiation Period or asserting that the Purchase Opportunity Holder is any party other than Tenant and NLC acting jointly (or if a Designated Successor Purchase Opportunity Holder has been designated in accordance with the provisions of this Section 25.2, such Designated Successor Purchase Opportunity Holder). Any breach of the provisions of the preceding sentence or any failure by Purchase Opportunity Holder

to follow strictly the requirement of this Article XXV (time being of the essence), shall render the Right of First Opportunity to Purchase null and void.

25.3 The Purchase Opportunity Holder's Right of First Opportunity to Purchase shall be subject and subordinate to any Mortgage Financing (hereafter defined) or Mezzanine Financing (hereafter defined) obtained by Landlord or any entity directly or indirectly controlling Landlord. For purposes hereof, "Mortgage Financing" means any financing secured by a mortgage or deed of trust on the Building, and "Mezzanine Financing" means any financing that is secured by a pledge of membership interests in any entity or entities directly or indirectly controlling Landlord or any preferred equity contributed to any entity or entities directly or indirectly controlling Landlord where the owner of such preferred equity has the right to take over control of the entity that issued such preferred equity in the event of failure to redeem such preferred equity interest under the circumstances required by the preferred equity agreement. The Purchase Opportunity Holder's Right of First Opportunity to Purchase shall terminate and be of no further force or effect in the event that prior to the consummation of any sale and conveyance of all or any portion of the Building to the Purchase Opportunity Holder, the holder of the Mortgage Financing or Mezzanine Financing exercises any of its remedies specific to a foreclosure and obtaining possession of the Building or obtaining control, directly or indirectly, of Landlord.

ARTICLE XXVI TENANT'S ROOF TOP SATELLITE DISH

Subject to the satisfaction of all applicable provisions of this Lease and the conditions in this Section, Tenant shall have the license, at Tenant's sole risk, cost and expense, to install and maintain up to two (a) antennae/satellite dishes and related equipment (the "Satellite Dish Equipment") on the roof of the Building within the area shown on Exhibit H (the "Satellite Dish Equipment Area") in accordance with plans and specifications to be approved by Landlord, which approval shall not be unreasonably withheld, conditioned or delayed. Such Satellite Dish Equipment shall be solely for the Tenant's own use. The exact location, size, weight, height and all other features and specifications of the Satellite Dish Equipment and the manner of the initial installation of the same shall be subject to Landlord's prior written approval, which approval shall not be unreasonably withheld, conditioned or delayed. Notwithstanding the foregoing, Tenant shall not be entitled to install such Satellite Dish Equipment (i) which is greater than approximately three (3) feet in diameter or four hundred (400) pounds in weight (including ballasts) without Landlord's prior written consent, (ii) which is more than approximately five (5) feet in height without Landlord's prior written consent, (iii) if such installation would adversely affect (or in a manner that would adversely affect) any warranty with respect to the structure of the Building, (iv) if such installation would adversely affect (or in a manner that would adversely affect) the structure or any of the building systems of the Building, or if such installation would require (or in a manner that would require) any structural alteration to the Building, or if such installation would disturb the roof membrane or make any other penetration to the roof or exterior facade of the Building, unless Landlord in its reasonable discretion approves in writing such structural alteration, (v) if such installation would violate (or in a manner that would violate) any covenant, condition, or restriction of record affecting the Building or any applicable federal, state or local law, rule or regulation, (vi) unless Tenant has obtained and maintains at Tenant's expense, and has submitted to Landlord copies of, all permits, licenses, special zoning variances,

authorizations and approvals relating to such Satellite Dish Equipment and such installation and maintenance and pays all taxes and fees related thereto, (vii) unless such Satellite Dish Equipment is installed and thereafter maintained, at Tenant's sole cost and expense, by a qualified contractor chosen by Tenant and approved in advance by Landlord, which approval shall not be unreasonably withheld, conditioned or delayed (viii) if the operation would adversely interfere with or disrupt the use or operation of any other equipment, or ability to maintain the enclosure of the Building or other tenants; (ix) unless Tenant obtains Landlord's prior reasonable consent to the manner and time in which such installation work is to be done. All plans and specifications concerning such equipment shall be subject to Landlord's prior written approval, which approval shall not be unreasonably withheld, conditioned or delayed. All maintenance, repairs and installations required after the initial installation of the Satellite Dish Equipment also shall be subject to Landlord's prior written reasonable approval which approval shall not be unreasonably withheld, conditioned or delayed and shall be at Tenant's sole cost and expense. Any failure to complete the installation/initial hook-up of the Satellite Dish Equipment and related equipment shall not delay the Lease Commencement Date or the Rent Commencement Date. Tenant shall have no right to any abatement or reduction in the Base Rent, additional rent or any other sums due or payable under this Lease if for any reason Tenant is unable to obtain any required approval for installation of the Satellite Dish Equipment, or is thereafter unable to use the Satellite Dish Equipment for any reason other than due to the negligence or willful acts of Landlord or any Landlord employee or agent.

- 26.2 Tenant shall not have access to any such Satellite Dish Equipment Area without Landlord's prior consent, which consent shall be reasonably granted to the extent necessary for Tenant to perform its maintenance, repair and replacement obligations hereunder only and only if Tenant is accompanied by Landlord's representative (if Landlord so requests and no emergency circumstances required otherwise) and it being expressly understood, however, that such access may be delayed or denied due to circumstances beyond Landlord's reasonable control. Any such access and the use and operation of the Satellite Dish Equipment by Tenant shall be subject to reasonable rules and regulations relating thereto established from time to time by Landlord, including without limitation rules and regulations prohibiting such access unless Tenant is accompanied by Landlord's representative and rules and regulations with respect to the periods during which the Satellite Dish Equipment may be tested. Landlord shall have the right to access the Satellite Dish Equipment Area at all times.
- 26.3 At all times during the Lease Term, Tenant shall (i) maintain all said equipment in clean, good and safe condition and in a manner that avoids adverse interference with or disruption to Landlord and other tenants of the Building, (ii) comply with all requirements of laws, ordinances, rules and regulations of all public authorities and insurance companies which shall impose any order or duty upon Landlord with respect to or affecting the equipment or wiring out of Tenant's use or manner of use thereof, and (iii) register the equipment, if required, with appropriate governmental authorities and keep same current. All repairs and maintenance shall be performed by a qualified contractor approved by Landlord, such approval not to be unreasonably withheld, conditioned or delayed. All repairs and maintenance to the Building made necessary by reason of the furnishing, installation, maintenance, operation or removal of the Satellite Dish Equipment (including, without limitation, any invalidation of any warranty due to the Satellite Dish Equipment or Tenant's actions) shall be at Tenant's sole cost. Landlord may, at its sole

option, install a separate meter, at Tenant's sole expense, to measure the electrical consumption of the Satellite Dish Equipment, and Tenant shall pay for such consumption at the then-current price per kilowatt hour charged Landlord by the utility. At the expiration or the earlier termination of the Lease Term, or upon termination of the operation of the Satellite Dish Equipment as provided below, Tenant shall, at Landlord's request, remove the Satellite Dish Equipment from the Building and in any event, surrender the Satellite Dish Equipment Area in good condition, ordinary wear and tear and damage by fire, casualty, and the elements excepted. If Tenant fails to so remove the Satellite Dish Equipment in accordance with the foregoing, Landlord shall have the right to remove and dispose of such Satellite Dish Equipment and related equipment, at Tenant's sole cost and expense, and Landlord shall have no liability therefor.

- 26.4 Upon at least thirty (30) days' prior written notice to Tenant, Landlord shall have the right to require Tenant to relocate the Satellite Dish Equipment to a mutually agreed location, if in Landlord's reasonable opinion such relocation is necessary. Any such relocation shall be performed by Tenant, at Landlord's expense, and in accordance with all of the requirements of this Section.
- 26.5 It is expressly understood that by granting Tenant the license hereunder, Landlord makes no representation as to the legality of such Satellite Dish Equipment. In the event that any federal, state, county, regulatory or other authority requires the removal or relocation of such Satellite Dish Equipment, Tenant shall remove or relocate such Satellite Dish Equipment and related equipment, at Tenant's sole cost and expense, and Landlord shall under no circumstances be liable to Tenant therefor. In addition, at Landlord's sole option and discretion, Landlord may require Tenant, at any time prior to the expiration or earlier termination of this Lease, to terminate the operation of the Satellite Dish Equipment if it is causing material physical damage to the structural integrity of the Building, interfering with any other service provided to the Building, interfering with any other tenant's business or causing the violation of any condition or provision of this Lease; provided, however, subject to Landlord's approval (which approval shall not be unreasonably withheld, conditioned or delayed) Tenant shall have the right to replace the Satellite Dish Equipment with a Satellite Dish Equipment which will not cause such damage, interference or violation. The right granted to Tenant under this Section is a non-exclusive, non-transferable (except in connection with a permitted sublease of the entire Premises or assignment of the Lease in its entirety pursuant to Article VII hereof), license to use the Satellite Dish Equipment Area and Satellite Dish Equipment solely in accordance with terms and conditions of this Section.
- 26.6 Tenant shall indemnify, defend and hold Landlord harmless from and against all costs, damages, claims, liabilities and expenses (including attorneys' fees) suffered by or claimed against Landlord, by a third party, based on, arising out of or resulting from any act or omission by Tenant or any of Tenant's Agents with respect to the installation, use, operation, maintenance, repair, removal or disassembly of such Satellite Dish Equipment and related equipment (including, without limitation, any damage to other wires or equipment of the Building or other tenants/occupants of the Building).
- 26.7 The Satellite Dish Equipment may be used only in the ordinary cause of the business conducted from the Premises.

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26.8 Tenant shall maintain such insurance (in addition to that required by Article XIII of this Lease) as is appropriate with respect to the installation, operation and maintenance of the Satellite Dish Equipment. Landlord shall have no liability on account of any damage to or interference with the operation of the Satellite Dish Equipment, except for physical damage caused by Landlord's or any employee or agent of Landlord's negligence or willful misconduct, and Landlord expressly makes no representations or warranties with respect to the equipment. The operation of the equipment shall be at Tenant's sole and absolute risk.

ARTICLE XXVII GENERAL PROVISIONS

- 27.1 Tenant acknowledges that neither Landlord nor any broker, agent or employee of Landlord has made any representation or promise with respect to the Premises or any portion of the Building except as herein expressly set forth, and no right, privilege, easement or license is being acquired by Tenant except as herein expressly set forth.
- 27.2 Nothing contained in this Lease shall be construed as creating any relationship between Landlord and Tenant other than that of landlord and tenant. Tenant shall not use the name of the Building for any purpose other than as the address of the business to be conducted by Tenant in the Premises, use the name of the Building as Tenant's business address after Tenant vacates the Premises, or do or permit to be done anything in connection with Tenant's business or advertising which in the reasonable judgment of Landlord may reflect unfavorably on Landlord or the Building or confuse or mislead the public as to any apparent connection or relationship between Landlord, the Building and Tenant.
- 27.3 Landlord and Tenant each warrants to the other that in connection with this Lease it has not employed or dealt with any broker, agent or finder, other than the Brokers. Landlord shall pay the Brokers pursuant to separate agreements between Landlord and such Brokers. Tenant shall indemnify and hold Landlord harmless from and against any claim for brokerage or other commissions, or for a lien under any applicable broker's lien law, asserted by any broker, agent or finder employed by Tenant or with whom Tenant has dealt other than the Brokers and, except that Tenant's indemnity obligations shall not extend to claims made by the Brokers to the extent Landlord fails to pay the Brokers pursuant to the aforesaid separate agreements. Landlord shall indemnify and hold Tenant harmless from and against any claim for brokerage or other commissions asserted by the Brokers and any other broker, agent or finder employed by Landlord or with whom Landlord has dealt. Tenant's and Landlord's indemnities set forth in this Section shall survive the expiration or earlier termination of the Lease Term.
- 27.4 At any time and from time to time, upon not less than twenty (20) days' prior written notice, Tenant shall execute, acknowledge and deliver to Landlord and/or any other person or entity designated by Landlord, a written statement in the form of Exhibit F or any other form certifying: (a) that this Lease is unmodified and in full force and effect (or if there have been modifications, that this Lease is in full force and effect as modified and stating the modifications); (b) the dates to which the rent and any other charges have been paid; (c) to Tenant's actual knowledge, whether or not Landlord is in default in the performance of any obligation, and if so, specifying the nature of such default; (d) the address to which notices to

Tenant are to be sent; (e) that Tenant has accepted the Premises and that all work thereto has been completed (or if such work has not been completed, specifying the incomplete work); and (g) such other factual matters regarding this Lease as Landlord may reasonably request. Any such statement may be relied upon by any owner of the Building or the Land, any prospective purchaser of the Building or the Land, any holder or prospective holder of a Mortgage or any other person or entity. Tenant acknowledges that time is of the essence to the delivery of such statements and that Tenant's failure to deliver timely such statements may cause substantial damages resulting from, for example, delays in obtaining financing. Tenant shall also be entitled to request and receive from Landlord an estoppel certificate substantially similar to that which Tenant is obligated to provide under the Lease and which shall be provided upon the same terms which Tenant is obligated under the Lease for the benefit of Tenant or any of Tenant's lenders, subtenants or assignees.

- 27.5 LANDLORD AND TENANT EACH WAIVES TRIAL BY JURY IN ANY ACTION, PROCEEDING, CLAIM OR COUNTERCLAIM BROUGHT IN CONNECTION WITH ANY MATTER ARISING OUT OF OR IN ANY WAY CONNECTED WITH THIS LEASE, THE RELATIONSHIP OF LANDLORD AND TENANT HEREUNDER, TENANT'S USE OR OCCUPANCY OF THE PREMISES, AND/OR ANY CLAIM OF INJURY OR DAMAGE. TENANT CONSENTS TO SERVICE OF PROCESS AND ANY PLEADING RELATING TO ANY SUCH ACTION AT THE PREMISES; PROVIDED, HOWEVER, THAT NOTHING HEREIN SHALL BE CONSTRUED AS REQUIRING SUCH SERVICE AT THE PREMISES. LANDLORD AND TENANT EACH WAIVES ANY OBJECTION TO THE VENUE OF ANY ACTION FILED IN ANY COURT SITUATED IN THE JURISDICTION IN WHICH THE BUILDING IS LOCATED, AND WAIVES ANY RIGHT, CLAIM OR POWER, UNDER THE DOCTRINE OF FORUM NON CONVENIENS OR OTHERWISE, TO TRANSFER ANY SUCH ACTION TO ANY OTHER COURT.
- All notices or other communications required under this Lease shall be in writing and shall be deemed duly given and received when delivered in person (with receipt therefor), on the next business day after deposit with a recognized overnight delivery service, or on the third (3rd) day after being sent by certified or registered mail, return receipt requested, postage prepaid, to the following addresses: (a) if to Landlord, at the Landlord Notice Address specified in Article I, with a copy to Arent Fox LLP, 1717 K Street, N.W., Washington, D.C. 20036-5344 Attention: Joseph M. Fries and Eleanor Zappone, Esq.; (b) if to Tenant, at the Tenant Notice Address specified in Article I, with a copy to Miles & Stockbridge P.C., 1500 K Street, N.W., Suite 800, Washington, D.C. 20005, Attention: Anitra D. Androh, Esq. and Thomas S. Petty, Esq. Either party may change its address for the giving of notices by written notice given in accordance with this Section. If Landlord or the holder of any Mortgage notifies Tenant in writing that a copy of any notice to Landlord shall be sent to such holder at a specified address, then Tenant shall send (in the manner specified in this Section and at the same time such notice is sent to Landlord) a copy of each such notice to such holder, and no such notice shall be considered duly sent unless such copy is so sent to such holder. Any such holder shall have thirty (30) days after receipt of such notice to cure any Landlord default before Tenant may exercise any action to terminate this Lease (provided that, in the case of a Landlord default arising from an act or omission which cannot be reasonably remedied within said thirty (30) day period, then the holder of any Mortgage shall have not more than one hundred twenty (120) days to remedy such act or

omission provided that (i) such holder commences such remedy and notifies Tenant within said thirty (30) day period of holder's desire to remedy, and (ii) holder pursues completion of such remedy with due diligence following such giving of notice). Any cure of Landlord's default by such holder shall be treated as performance by Landlord.

- 27.7 Each provision of this Lease shall be valid and enforceable to the fullest extent permitted by law. If any provision of this Lease or the application thereof to any person or circumstance shall to any extent be invalid or unenforceable, then such provision shall be deemed to be replaced by the valid and enforceable provision most substantively similar to such invalid or unenforceable provision, and the remainder of this Lease and the application of such provision to persons or circumstances other than those as to which it is invalid or unenforceable shall not be affected thereby. Nothing contained in this Lease shall be construed as permitting Landlord to charge or receive interest in excess of the maximum rate allowed by law.
- 27.8 Feminine, masculine or neuter pronouns shall be substituted for those of another form, and the plural or singular shall be substituted for the other number, in any place in which the context may require such substitution.
- 27.9 The provisions of this Lease shall be binding upon and inure to the benefit of the parties and each of their respective representatives, successors and assigns, subject to the provisions herein restricting assignment or subletting by Tenant.
- 27.10 This Lease contains and embodies the entire agreement of the parties hereto and supersedes all prior agreements, negotiations, letters of intent, proposals, representations, warranties, understandings, suggestions and discussions, whether written or oral, between the parties hereto. Any representation, inducement, warranty, understanding or agreement that is not expressly set forth in this Lease shall be of no force or effect. This Lease may be modified or changed in any manner only by an instrument signed by both parties. This Lease includes and incorporates all Exhibits attached hereto. Tenant shall, at Landlord's request, promptly execute any requisite document, certificate or instrument that is reasonably necessary or desirable to clarify or carry out the force and effect of any terms or conditions of, or obligation of Tenant under, this Lease.
- 27.11 This Lease shall be governed by the Laws of the jurisdiction in which the Building is located, without regard to the application of choice of law principles. There shall be no presumption that this Lease be construed more strictly against the party who itself or through its agent prepared it (it being agreed that all parties hereto have participated in the preparation of this Lease and that each party had the opportunity to consult legal counsel before the execution of this Lease). No custom or practice which may evolve between the parties in the administration of the terms of this Lease shall be construed to waive Landlord's right to insist on Tenant's strict performance of the terms of this Lease.
- 27.12 Headings are used for convenience and shall not be considered when construing this Lease.

- 27.13 The submission of an unsigned copy of this document to Tenant shall not constitute an offer or option to lease the Premises. This Lease shall become effective and binding only upon execution and delivery by both Landlord and Tenant.
- 27.14 Time is of the essence with respect to each of Tenant's and Landlord's obligations hereunder.
- 27.15 This Lease may be executed in multiple counterparts, each of which shall be deemed an original and all of which together constitute one and the same document. Faxed signatures shall have the same binding effect as original signatures.
 - 27.16 Neither this Lease nor a memorandum thereof shall be recorded.
- 27.17 Landlord and Tenant each acknowledges that the terms of this Lease are to remain confidential, and may not be disclosed by such acknowledging party to anyone, by any manner or means, directly or indirectly, without the non-disclosing party's consent, provided that each party hereto may disclose the terms and conditions of this Lease (x) to its agents, employees, partners, investors, consultants, counsel and accountants, and (i) with respect to Landlord only, any actual or prospective purchasers of any direct or indirect interest in the Premises or any actual or prospective lenders providing financing to Landlord or any affiliate thereof or any actual or prospective underlying lessors of all or any portion of Landlord's interest in the Premises, and (ii) with respect to Tenant only, any actual or prospective assignees, successors or subtenants (each, an "Authorized Party"), provided that such Authorized Party first agrees to keep such terms and conditions confidential (except that in the case of an actual or prospective lender or underlying lessor, it will be sufficient if Landlord or Tenant advises such Authorized Party that the information so disclosed is subject to a confidentiality obligation in favor of Tenant), and (y) as required by any Laws or judicial process or in connection with any filings with governmental agencies if and to the extent required thereby. The consent by either party to any disclosures by the other party shall not be deemed to be a waiver on the part of the consenting party of any prohibition against any future disclosure.
- 27.18 The rentable area in the Building (including the Office Area) and in the Premises The rentable area in the Building and in the Premises set forth in this Lease has been determined by the Building's architect (and approved by Tenant) in accordance with Building Owners and Managers Association International (BOMA) (ANSI/BOMA Z65.1-2010) calculation methodology (the "BOMA Standards") and shall not be subject to re-measurement.
- 27.19 Except as otherwise provided in this Lease, any additional rent or other sum owed by Tenant to Landlord, and any cost, expense, damage or liability incurred by Landlord for which Tenant is liable, shall be considered additional rent payable pursuant to this Lease to be paid by Tenant no later than thirty (30) days after the date Landlord notifies Tenant of the amount thereof.
- 27.20 Landlord's and Tenant's respective liabilities and obligations with respect to the period prior to the expiration or earlier termination of the Lease Term shall survive such expiration or earlier termination.

- 27.21 If Landlord or Tenant is in any way delayed or prevented from performing any obligation (except, with respect to Tenant, its obligations to pay rent and other sums due under this Lease, any obligation with respect to insurance pursuant to Article XIII, any obligation to give notice with respect to extensions, expansions, terminations or otherwise, any holdover, and except, with respect to Landlord, its obligations to pay any sums due under this Lease and any obligation with respect to insurance pursuant to Article XIII) due to fire, act of God, governmental act or failure to act, strike, labor dispute, inability to procure materials, or any cause beyond Landlord's or Tenant's (as applicable) reasonable control (whether similar or dissimilar to the foregoing events), then the time for performance of such obligation shall be excused for the period of such delay or prevention and extended for a period equal to the period of such delay or prevention. No force majeure event shall delay or excuse the timely payment of all items of rent by Tenant or any sums due from Landlord to Tenant. Financial disability or hardship shall never constitute a force majeure event.
- 27.22 Landlord's review, approval and consent powers (including the right to review plans and specifications) are for its benefit only. Such review, approval or consent (or conditions imposed in connection therewith) shall be deemed not to constitute a representation concerning legality, safety or any other matter and in no way confers adequacy of design to satisfy Tenant's performance, technical or legal objectives as stipulated by code or other regulatory obligation.
- 27.23 At the expiration or earlier termination of the Lease Term, Tenant shall deliver to Landlord all keys and security cards to the Building and the Premises, whether such keys were furnished by Landlord or otherwise procured by Tenant, and shall inform Landlord of the combination of each lock, safe and vault, if any, in the Premises.
- 27.24 Tenant represents and warrants that the person executing this Lease on its behalf is duly authorized to so act; that Tenant is duly organized, is qualified to do business in the jurisdiction in which the Building is located, is in good standing under the Laws of the state of its organization and the Laws of the jurisdiction in which the Building is located, and has the power and authority to enter into this Lease; that Tenant is not, and, to Tenant's knowledge, the entities or individuals constituting Tenant or which may own or control Tenant or which may be owned or controlled by Tenant are not, among the individuals or entities identified on any list compiled by the U.S. Government for the purpose of identifying suspected terrorists, and Tenant is not knowingly engaging in the transaction on behalf of any such individual or entity; that Tenant is not in violation of any anti-money laundering Law; and that all action required to authorize Tenant to enter into this Lease has been duly taken.
- 27.25 Any elimination or shutting off of light, air, or view by any structure which may be erected adjacent to the Building, shall in no way affect this Lease or impose any liability on Landlord.
- 27.26 In the event Landlord or Tenant is required or elects to take legal action against the other party to enforce the provisions of this Lease, then the prevailing party in such action shall be entitled to collect from the other party its costs and expenses incurred in connection with the legal action (including, without limitation, reasonable attorneys' fees and court costs).

27.27 Landlord represents and warrants that the person executing and delivering this Lease on Landlord's behalf is duly authorized to so act; that Landlord is qualified to do business in the jurisdiction in which the Building is located, is in good standing under the Laws of the state of its organization and the Laws of the jurisdiction in which the Building is located, and has the power and authority to enter into this Lease; that Landlord is not, and the entities or individuals which may own or control Landlord or which may be owned or controlled by Landlord are not, among the individuals or entities identified on any list compiled by the U.S. Government for the purpose of identifying suspected terrorists, and Landlord is not engaging in the transaction on behalf of any such individual or entity; that Landlord is not in violation of any anti-money laundering Law; and that all action required to authorize Landlord to enter into this Lease has been duly taken.

27.28 Neither Landlord nor Tenant shall be liable for any exemplary, punitive, consequential, punitive or exemplary damages in connection with or relating to this Lease.

[SIGNATURES ON NEXT PAGE]

IN WITNESS WHEREOF, Landlord and Tenant have executed this Lease under seal as of the day and year first above written.

WITNESS/ATTEST:

LANDLORD:

660 NORTH CAPITOL STREET PROPERTY LLC,

By: _____ [SEAL]
Name: Steven A. Grigg

Title: President

TENANT:

WITNESS/ATTEST:

Whore St

NATIONAL ASSOCIATION OF COUNTIES

By: Matte Mae [SEAL]

Name: <u>Matthew D. Chase</u>
Title: <u>Executive Director</u>

Exhibit A-1
National Association of Counties - Level 3
660 North Capitol Street, NW

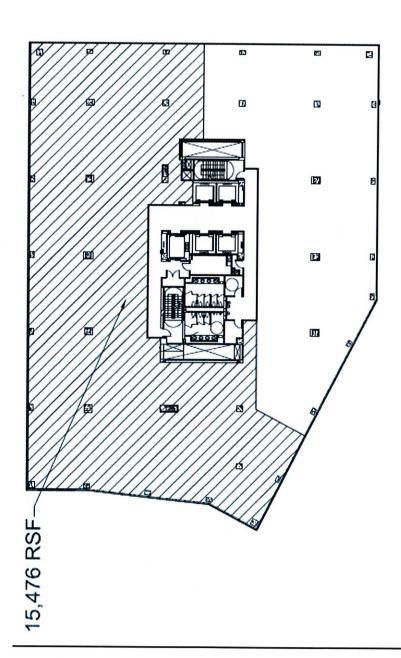


Exhibit A-2 National Association of Counties - Level 4 660 North Capitol Street, NW

EXHIBIT B

WORK AGREEMENT

This Exhibit B is attached to and made a part of that certain Lease (the "Lease") between 660 NORTH CAPITOL STREET PROPERTY LLC ("Landlord"), and NATIONAL ASSOCIATION OF COUNTIES ("Tenant"). Unless the context otherwise requires, the terms used in this Exhibit B that are defined in the Lease shall have the same meanings as provided in the Lease

- 1. Authorized Representatives. Tenant designates Matthew Chase and Deborah Stoutamire ("Tenant's Authorized Representative") as the persons authorized to approve in writing all plans, drawings, specifications, change orders, charges and approvals pursuant to this Exhibit (and the act of the aforenamed person shall be sufficient to bind Tenant). Landlord designates Steven A. Grigg and George Cantrell ("Landlord's Authorized Representative"), as the person(s) initially authorized to approve in writing all plans, drawings, specifications, change orders, charges and approvals pursuant to this Exhibit on behalf of Landlord. Either party may designate a substitute or an additional Authorized Representative (any of whom may act alone) by written notice to the other party. Neither party shall be obligated to respond to any instructions, approvals, changes, or other communications from anyone claiming to act on the other party's behalf other than the other party's Authorized Representative. All references in this Exhibit to actions taken, approvals granted, or submissions made by a party shall mean that such actions, approvals or submissions have been taken, granted or made, in writing, by such party's Authorized Representative acting for such party.
- 2. **Base Building Work**. Landlord shall construct in a good and workmanlike manner, using new materials, the base-building core and shell work as described in Schedule I attached to this <u>Exhibit B</u> (the "**Building Shell Definition**") and in substantial conformity in all material respects with the Base Building Plans (as hereinafter defined) as the same may be modified in accordance with the other provisions of this <u>Exhibit B</u> (collectively the "**Base Building Work**").

3. Architect and Engineers.

(a) Landlord has employed Leo A Daly (the "Base Building Architect") to prepare plans for the Base Building Work (the "Base Building Plans"). The Base Building Architect has employed EDG2 and Cagley & Associates (the "Base Building Engineers"), among others, to prepare engineering drawings relating to the Base Building Work. The Base Building Work shall substantially conform in all material respects to the Construction Set prepared by the Base Building Architect and the engineers employed by the Architect which are listed in Schedule II attached hereto (collectively, the "Base Building Plans") (as the same may be modified in accordance with the other provisions of this Exhibit B. The "Base Building Plans" shall also include such requests for information, architectural supplemental instructions and construction change directives that are issued in the course of construction of the Building provided that the same are in compliance with the provisions of Section 4 of this Exhibit B. In the event that the Base Building Plans are modified in a manner that may affect the production of the Leasehold Plans (as hereinafter defined), Landlord shall provide such modified Base

Building Plans to Tenant as soon as is reasonably practicable. Landlord shall provide CAD files of all Base Building Plans and modifications thereof to Tenant without charge to Tenant therefor.

(b) Tenant has selected Studio Architecture DC, PC, a Professional Corporation (the "Leasehold Architect") to prepare all plans for the initial leasehold improvements in the Premises (the "Leasehold Work"). Tenant shall have the right to decide to employ or not to employ the Base Building Engineers (who in this context shall be referred to as the "Leasehold Engineers") to prepare the mechanical, electrical, plumbing and life safety ("MEP") engineering drawings relating to the Leasehold Work; provided, however, that if Tenant retains another qualified engineer to prepare the MEP engineering drawings, such selection by Tenant shall require approval by Landlord, which approval shall not be unreasonably withheld, conditioned or delayed.

4. Plans for Base Building Work.

The design and construction of the Base Building Work shall be in accordance in all material respects with the final construction drawings for the Base Building Work as the same may be amended from time to time in accordance with the provisions of this Section 4 (and subject to the modifications required by the requirements of any applicable building code, insurance requirement or government rule or regulation or otherwise). If Tenant desires that Landlord undertake a Base Building Modification (as hereinafter defined), then Tenant shall request the same in writing, which request shall be accompanied by all reasonably necessary documents describing such desired modifications. If Landlord agrees to modify any portion of the Base Building Work at Tenant's request (a "Base Building Modification") (which Landlord shall have no obligation to agree to), then all additional and actual reasonable costs and expenses incurred by Landlord therefor ("Base Building Modification Costs") shall be deducted from the available amount of the Allowance. If Landlord approves a Base Building Modification, then Landlord shall timely provide a good faith estimate of the Base Building Modification Costs expected to be incurred by implementing such Base Building Modification; provided, however, that such estimate shall not constitute a limit or cap on any such Base Building Modification Cost, or estop Landlord from asserting a higher Base Building Modification Cost in connection with such Base Building Modification provided that such revision is made in good faith; and provided further that Tenant shall have ten (10) business days following receipt of such good faith estimate to elect to approve or rescind its request for such Base Building Modification. Landlord shall endeavor to advise Tenant of the actual Base Building Modification Costs associated with any such Base Building Modification as soon as reasonably practicable; provided that, Tenant shall not have the right to rescind its approval if such actual costs, whenever determined, exceed Landlord's estimate, and, provided Landlord's estimate shall have been made in good faith, Tenant shall remain responsible for the actual Base Building Modification Costs, as provided in this Section 4(a). Any actual delay in substantial completion of the Base Building Work caused directly by the implementation of any such Tenant-requested Base Building Modifications shall constitute a Tenant Delay (as hereinafter defined). In the event that Tenant desires to have any slab openings for purpose of installing a stairway between the floors leased (or partially leased) by Tenant, such slab openings shall be treated as a Base Building Modification to which all the provisions of this Section 4 of Exhibit B shall apply, and the exact location, configuration and structure of Tenant's internal staircase shall be subject to all applicable code and governmental requirements and Landlord's approval, which

shall not be unreasonably withheld, conditioned or delayed, it being agreed that the location of Tenant's internal staircase shall not be within the "beam strips" and shall be within the general center of structural bays.

- (b) Landlord shall be entitled to make changes and modifications from time to time in the Base Building Plans that do not have a material impact on the size or layout of the Premises, provided that, if such changes or modifications are inconsistent with the Building Shell Definition (whether with respect to capacity of the Base Building systems or otherwise), such inconsistent modification shall be functionally and of a quality level substantially the same or better than the specification set forth in the Building Shell Definition (as reasonably determined by Landlord); provided, however, notwithstanding the foregoing, Landlord shall not be prohibited from making (and Landlord shall be entitled to make) any changes to the Base Building Plans if and to the extent reasonably necessary to comply with applicable laws and regulations.
- Building Plans that affect the Leasehold Work (and Leasehold Plans therefor) promptly after the same are available. Tenant shall have the right to field verify actual Base Building dimensions upon completion of the Base Building Work. If Landlord modifies any portion of the Base Building Plans after the date of execution of this Lease, and such modification materially affects the then-completed design or the implementation of the Leasehold Work, then provided Tenant notifies Landlord of such effect within seven (7) business days after the earlier to occur of (i) Tenant's receipt of the modified Base Building Plans (or portion thereof affecting the Premises), and (ii) Tenant's becoming aware of such effect, Landlord shall bear all reasonable, out-of-pocket, third-party costs incurred by Tenant directly as a result of such modification as may be necessary (I) to correct Tenant's plans or drawings to reflect the modification, or (II) to modify any construction already completed as of the time Tenant is given notice of the modification to the Base Building Plans to conform the same to such modification.

5. Plans for Leasehold Work.

- (a) Tenant shall cause the Leasehold Architect to prepare programming and space plans (the "Space Plans") for the Leasehold Work for submission to Landlord's Authorized Representatives, at the address set forth for Landlord in the Lease, for Landlord's approval. If Landlord has any comments with respect to the Space Plans, Landlord shall make such comments known to Tenant in writing within ten (10) days following submission of the Space Plans to Landlord.
- (b) Tenant shall cause the Leasehold Architect to prepare design development drawings ("**Design Drawings**") for the Leasehold Work for submission to Landlord's Authorized Representatives, at the address set forth for Landlord in the Lease, for Landlord's approval. If Landlord has any comments with respect to the Design Drawings, Landlord shall make such comments known to Tenant in writing within ten (10) days following submission of the Design Drawings to Landlord.
- (c) Tenant shall cause the Leasehold Architect and the Leasehold Engineers to prepare and assemble permit drawings in form and content sufficiently complete for submission

to the applicable governmental authorities for issuance of building permits ("Permit Drawings") for the Leasehold Work, in form approved by Tenant, for submission to Landlord's Authorized Representative, at the address set forth above, for Landlord's approval. If Landlord has any comments with respect to the Permit Drawings, Landlord shall make such comments known to Tenant in writing within ten (10) business days following submission of the Permit Drawings to Landlord. Final construction documents may be substituted by Tenant in lieu of separate preparation and issuance of Permit Drawings, thus satisfying the requirements of this Paragraph 5(c), if such final construction documents are complete and in a form appropriate for submission to the applicable governmental authorities for issuance of building permits.

- (d) Tenant shall cause the Leasehold Architect and the Leasehold Engineers to prepare final construction documents for the Leasehold Work in the entire Premises, in form approved by Tenant, for submission to Landlord's Authorized Representative at the address set forth above, for Landlord's approval. If Landlord has any comments with respect to the construction documents, Landlord shall make such comments known to Tenant in writing within ten (10) business days following submission of the construction documents to Landlord. The construction documents for the Leasehold Work that are submitted by Tenant and approved by Landlord shall be referred to herein as the "Leasehold Plans."
- All plans, drawings and documents related to the Leasehold Work (and any change orders related thereto) shall be submitted to Landlord for its approval in accordance with this Exhibit, which approval shall be granted or withheld in accordance with Paragraph 5(f) below. Tenant shall reimburse Landlord for all actual reasonable, third-party, out-of-pocket costs incurred by Landlord in reviewing the Leasehold Plans, or any component thereof (if the Leasehold Engineer is not the Base Building Engineer), or shall direct Landlord to apply the Allowance against such costs within twenty (20) days after Tenant's receipt of an invoice therefor. Notwithstanding the foregoing, prior to engaging any third-parties, the Leasehold Engineer or the Base Building Engineer, Landlord shall provide Tenant a good faith estimate of the fees and costs Landlord anticipates incurring in connection with such review. Landlord If Landlord requires that any submission from Tenant be modified in order to obtain Landlord's approval, then Tenant shall, within ten (10) business days after receipt of Landlord's comments, resubmit revised documents, plans, specifications or other materials, as the case may be, incorporating Landlord's requested changes and responding to any other issues or questions raised by Landlord in its prior submission. Tenant shall not be required to make changes or revisions to the documents for any Landlord comments which are merely stylistic in nature or which depart from industry norms and standards, unless Landlord can demonstrate a material benefit, and no material harm or increased cost to Tenant, to be derived from such changes. Such submission and approval process shall continue pursuant to Paragraphs 5(a), 5(b), 5(c), and/or 5(d) of this Exhibit B, as applicable, until approval is granted as submitted and Tenant has addressed all other comments raised by Landlord. Revisions required to be made to any plans, documents or drawings pursuant to Paragraph 5(a), 5(b) or 5(c) need not be made to such submissions if they are incorporated in the plans, documents and drawings required to be thereafter submitted pursuant to the next subparagraph of Paragraph 5. If Landlord fails to respond to any submission by Tenant pursuant to Paragraph 5(a), 5(b), 5(c) or 5(d) within the applicable ten (10) business day period, then Landlord shall be deemed to have approved the submission. Tenant shall be solely responsible for the compliance of the Leasehold Plans with all Legal Requirements. Landlord's approval thereof shall not constitute Landlord's representation

or approval that the Leasehold Plans (or any component thereof) comply with Legal Requirements.

- (f) Notwithstanding the foregoing, Landlord shall not unreasonably withhold, condition, or delay its consent to any such plans, drawings or specifications (or clarifications thereof); provided, however, that if any portion of such submission has (i) an adverse impact on the construction, exterior appearance, or appearance from the main lobby of the Building or other tenant premises and for those portions of the Premises visible from the exterior of the Premises, or (ii) an adverse effect on the base building systems, or structural components or integrity of the Building, then Landlord may grant or withhold its consent in Landlord's sole and absolute discretion. Landlord's approval of any of such plans, drawings and specifications shall not constitute Landlord's approval of any delays caused by Tenant and shall not be deemed a waiver of any rights or remedies that may arise as a result of such delays.
- 6. **Cost of Base Building Work**. Landlord shall bear all costs of designing and constructing the Base Building Work, subject to Tenant's obligation hereunder to pay for Base Building Modification Costs.
- 7. **Cost of Leasehold Work**. The cost of the design, permitting and construction of the Leasehold Work, including all "soft" costs and Landlord's Review Costs (as defined below) (collectively the "**Leasehold Cost**") shall be borne by Tenant; provided, however, that Landlord shall disburse the Allowance (as defined in Paragraph 8 below) in accordance with this Exhibit. Any portion of the Leasehold Cost that is in excess of the Allowance shall be paid by Tenant and shall be considered additional rent. The term "**Landlord's Review Costs**" shall mean the actual reasonable third-party out-of-pocket costs incurred by Landlord in reviewing Tenant's plans and drawings. Any portion of the Leasehold Cost that is in excess of the Allowance shall be paid by Tenant and shall be considered additional rent.
- (a) Subject to the provisions and terms and conditions hereafter set forth in this Paragraph 7, the Allowance may be disbursed, as requested by Tenant, for the cost of construction of the Leasehold Work, Base Building Modification Costs, relocation costs and costs relating to the Lease and Tenant's initial occupancy, including without limitation, movers, consultants, furniture, fixtures and equipment takedown and set up, data and telephone, cabling and signage, legal fees and expenses relating to the Lease or the project, architectural, engineering, design, audio visual and miscellaneous expenditures relating to the Leasehold Work, Tenant's relocation from its existing leased space and the move-in to the Building.
- (b) The Allowance shall be disbursed to Tenant, or, if designated in writing by Tenant, the Leasehold Contractor (as hereinafter defined) and/or other consultants, contractors or vendors whose invoices are eligible for the Allowance in pro rata payments, based on the costs incurred and payable by Tenant, it being understood and agreed that in the case of disbursements for work done by the Leasehold Contractor, such disbursement shall be based on the percentage of the Leasehold Work that has been completed (but not in excess of the sums actually being disbursed to the Leasehold Contractor), subject to a ten percent (10%) retainage until substantial completion of the Leasehold Work, at which time the entire balance of such retainage shall be disbursed to the Leasehold Contractor. Notwithstanding any of the foregoing to the contrary, a condition precedent to Landlord's obligation to disburse any portion of the Allowance shall be

the receipt by Landlord of (i) invoices for portions of the Leasehold Work or other eligible costs for which payment has been requisitioned, (ii) partial lien waivers for such work from all persons or entities that could file mechanics' or materialmen's liens against the Building or the Land with respect to all work performed or services or materials provided through the date of each such invoice (subject only to receipt of the requisitioned amount), (iii) reasonable evidence that all labor or materials included within the Leasehold Work for which a requisition is being submitted has been incorporated into the Premises in accordance with this Exhibit B, and (iv) such other documentation as may be reasonably requested by Landlord to substantiate the costs that Tenant is requisitioning for payment. Requisitions by Tenant for payment of any portion of the Allowance shall be submitted no more frequently than monthly. Provided such requisition and supporting documentation are received by Landlord no later than the twenty-fifth (25th) day of a calendar month, Landlord shall pay the amount of such requisition (up to the amount of the Allowance) by the fifteenth (15th) day of the immediately-succeeding calendar month

- (c) Any portion of the Allowance that remains unreserved and unapplied after any application as set forth in the preceding subparagraphs of this Paragraph 7 shall, upon payment of all Leasehold Costs (by application of the Allowance or otherwise) and delivery of final, unconditional releases of liens from all persons or entities that could file mechanics' or materialmen's liens against the Building or the Land with respect to all Leasehold Work shall be paid to Tenant; provided, however, that Tenant may elect, at its option, to have such unutilized portion of the Allowance utilized for the payment of costs of any Alterations made by Tenant during the initial term of the Lease as directed by Tenant until such utilized amount is exhausted.
- (d) In the event that Landlord fails to pay to Tenant any amount of the Allowance payable to Tenant when the same becomes due and payable, and if any such failure continues uncured for a period of thirty (30) days after written notice thereof by Tenant to Landlord and to the holder of any Mortgage of the Building of which Tenant has received written notice, then and in such event, Tenant may offset such due and payable but unpaid amount or obligation against the next installment or installments of Base Rent and additional rent becoming due under this Lease together with interest thereon, commencing on the date that such amount was due and payable to Tenant under this Lease to the date of such offset at the Prime Rate.
- 8. Allowance. Landlord hereby agrees to grant Tenant an allowance (the "Allowance") in the amount of Four Million Nine Hundred Ninety Eight Thousand Three Hundred Seventy Five Dollars (\$4,998,375) (being an amount equal to the product of One Hundred Twenty Five Dollars (\$125) multiplied by the number of square feet of Rentable Area in the Premises). Notwithstanding anything herein to the contrary, if a default by Tenant arises under the Lease before the Improvement Allowance is fully disbursed, Landlord shall have no obligation to disburse any further portion of the Allowance until such default is cured. In addition to the Allowance, Landlord shall provide to Tenant (either by payment directly to the Leasehold Architect or payment to a contractor, subcontractor or other party to whom any Leasehold Cost has been incurred as directed by Tenant or reimbursement to Tenant for its payment to the Leasehold Architect or such other party) an allowance of twelve cents (\$.12) per rentable square foot of the Premises for the preparation of Tenant's initial test fit space plan.
- 9. **Change Orders**. If, after Landlord has approved the Leasehold Plans, Tenant requests any change or addition to the work and materials to be provided pursuant thereto (other

than a change which, if made pursuant to Article IX, would constitute Cosmetic Changes), then such change order shall require Landlord's approval, which approval shall be granted or withheld in accordance with the approval standard set forth in Paragraph 5(f) above. Any actual delay in substantial completion of the Base Building Work caused directly by the implementation of any such Tenant-requested change order shall constitute a Tenant Delay (as hereinafter defined) Landlord shall use reasonable efforts to respond promptly to Tenant's requests for changes. Tenant shall be responsible for any actual delay in completion of the Leasehold Work resulting solely from any change order requested by Tenant. Any actual delay in completion of the Base Building Work as a result of implementing such change order shall be Tenant Delay.

10. Substantial Completion of the Base Building Work.

- Except as provided in Paragraph 10(b) below, the Base Building (a) Substantial Completion Date shall be the date on which the following has occurred: (1) the Building lobby is substantially completed with no ongoing construction, painting or decorating work (other than punchlist items) that would substantially interfere with Tenant's invitees' and employees' ingress and egress through the lobby, (2) at least one (1) elevator is in operation with an elevator cab substantially completed, subject to completion of punchlist items, (3) the Building roof is constructed, (4) all walls exposed to elevator lobbies on all floors to be occupied by Tenant and other public or common areas on such floors shall have been substantially completed, (5) the bathrooms to be constructed by Landlord on each floor of the Premises are substantially completed and operational, subject to completion of punchlist items, (6) the mechanical systems serving each floor of the Premises, and the base systems providing controlled access, HVAC, electricity, plumbing and water to the Premises are in good working order, and Landlord is providing the services and utilities required by Section 14.1 of the Lease, (7) Tenant has elevator access to each floor of the Premises, (8) Landlord has received all permits and governmental authorizations relating to the Base Building Work to the extent necessary to not preclude Tenant from obtaining a certificate of occupancy or other permit required for Tenant's use of the Premises upon completion of the Leasehold Work, (9) the parking garage and loading dock are useable and accessible, and (10) the exterior skin of the Building, including the window glass of the Building shall be substantially complete (Tenant acknowledging that certain portions in areas not abutting Tenant's Premises may be open for Tenant and construction deliveries, among other things).
- (b) As used in this Paragraph 10, "substantial completion" means completion of the foregoing items except for such minor aspects thereof that do not materially interfere with Tenant's use and enjoyment of the Premises of the Building. Landlord covenants and agrees that the Base Building Substantial Completion Date shall occur on or before November 1, 2016 subject to extension for any delays attributable to an event of Force Majeure. Once the Base Building Substantial Completion Date has occurred, Landlord shall not take any action that results in the requirements for achieving the Base Building Substantial Completion Date not remaining fulfilled at all times thereafter. Landlord agrees that all punch list and incomplete items of Base Building Work that exist on the Base Building Substantial Completion Date shall be completed by Landlord within a reasonable time after the Base Building Substantial Completion Date without adverse affect on Tenant's Leasehold Improvements and operations within the Premises. The Base Building, and all applicable Building Systems and Common Areas, shall comply in all respects with all laws and regulations applicable to the construction,

operation and use thereof, including without limitation, the Americans With Disabilities Act (and its implementing regulations) and all building code and zoning requirements.

Notwithstanding the foregoing, to the extent Landlord is actually delayed (as the term "actually delayed" is defined in Section 3.2 of this Lease) in achieving the Base Building Substantial Completion Date, or in delivering the Premises in Ready for Buildout Condition, beyond the dates set forth in Section 3.3 of the Lease as a direct result of a Tenant Delay then for purposes of determining the Rent Commencement Date and Tenant's entitlement to further abatement of Base Rent, the Base Building Substantial Completion Date (or, as applicable, the date that the Premises were delivered in Ready for Buildout Condition) shall be deemed to be the date that the Base Building Substantial Completion Date (or, as applicable, delivery of the Premises in Ready for Buildout Condition) would have been achieved if Tenant Delay had not occurred. Landlord shall notify Tenant's Authorized Representative of the existence and cause of a Tenant Delay promptly if Landlord becomes aware of the existence of any such delay and notwithstanding the preceding sentence, if Landlord fails to so notify Tenant's Authorized Representative as soon as reasonably practicable after becoming aware thereof, then any period of delay prior to such notice shall not constitute Tenant Delay. Landlord agrees to use good faith reasonable efforts to counter the effect of any Tenant Delay; however, Landlord shall not be obligated to expend any additional amounts in such efforts (e.g., by employing overtime labor) unless Tenant agrees in advance to bear any incremental cost associated with such efforts (whether or not such efforts are ultimately successful). For purposes of determining whether there has been a Tenant Delay, the terms "actually delayed" and "actual delay(s)" shall mean delay in the completion of the work that would not have occurred but for the applicable event. A "Tenant Delay" shall be the performance (or failure thereof) of any work by any person or firm employed or retained by Tenant (including, without limitation, the Leasehold Architect and the Leasehold Engineers), the failure of Tenant to provide Landlord with reasonable access to the Premises to the extent such access is necessary to fulfill Landlord's obligations, any material interference by Tenant or Tenant's contractors with Landlord's construction activities, any material failure of Tenant to cooperate with Landlord in the coordination of Landlord's construction activities, or any other event expressly set forth in this Lease as a "Tenant Delay". Notwithstanding anything contained herein to the contrary, any Tenant Delay that does not result in a delay in Landlord achieving Ready for Buildout Condition or the Base Building Substantial Completion Date shall not be deemed a Tenant Delay.

11. Additional Requirements Relating to the Leasehold Work.

- (a) Selection of Leasehold Contractor. The contractor who will be employed by Tenant to perform the Leasehold Work (the "Leasehold Contractor") shall be a qualified, licensed contractor selected by Tenant and reasonably approved by Landlord.
- (b) **Ready for Buildout**. The Premises shall be deemed to be in "Ready for Buildout Condition" when all of the following shall have occurred:
- (i) the Premises are free from debris and construction materials, and the Leasehold Contractor is able to tie into the Base Building Systems when there is a need to do so in accordance with the provisions of Section 11(b)(iii) of this Exhibit B;

- (ii) to the extent set forth on the Base Building Plans and Specifications and in accordance with Schedule I of this Exhibit B, all perimeter and core walls within the Premises shall have had insulation and drywall installed and shall have been blocked taped, finished and sanded to allow for Tenant's finish paint coat or other wall surface treatment. In addition, all window sills within the Premises shall have been substantially completed. Prior to commencement of any Leasehold Work, Tenant shall install protective coverings as necessary to prevent damage to the windows and window sills;
- the Base Building HVAC, utility and plumbing systems for the (iii) Building are complete to a point that allows the Leasehold Work to proceed throughout the construction process without impediment, including delivery of such service through such systems or through other means needed by the Leasehold Contractor for the Leasehold Work construction process, and the VAV boxes and controls provided for in the Building Shell Definition shall be installed in the Premises in accordance with the Base Building Plans and Schedule I of this Exhibit B. Tenant shall be able to use from time to time such HVAC system during construction of the Leasehold Work with Landlord's prior approval (which may be oral and which shall not be unreasonably withheld). Upon Landlord's delivering possession of the Premises to Tenant for Tenant to begin construction of the Leasehold Work, Landlord and Tenant shall discuss appropriate days and hours for the operation of the HVAC system and methods to best protect the HVAC system from damage during Tenant's construction activities. Tenant shall install all necessary temporary filters (which filters shall satisfy any LEED requirements) and the like and shall not run the HVAC system without prior notification to Landlord. Unless and to the extent reasonably agreed to by Landlord, Tenant shall not run the HVAC system during drywall sanding/finishing or spray painting at any time. Subject to the aforesaid limitations with respect to sanding/finishing and painting, if Tenant requires Landlord's assistance to operate the HVAC system, Landlord shall run the HVAC system during the normal hours of operation of the Building HVAC as set forth in Section 14 of the Lease and, at Tenant's request and Tenant's expense before or after such normal hours of operation. Once Tenant has commenced delivering or installing its finishes (e.g., wood doors, millwork, ceiling tiles, carpet and/or other items that can be damaged by excessive humidity), Landlord shall operate the HVAC system during normal hours of operation of the Building HVAC so as to avoid any damage to such finishes and/or other items; however any afterhours operation of the HVAC system requested by Tenant shall be at Tenant's expense;
- (iv) the electrical system and the plumbing systems shall be installed in the Premises pursuant to the Base Building Plans and Specifications and Schedule I of this Exhibit B and shall be operational;
- (v) subject to coordination with other tenants in the Building and Landlord's contractors, there is clear access for deliveries and moving construction materials to the Premises through the loading dock or other reasonable Building access points designated by Landlord and at least one elevator or material lift is available to the Leasehold Contractor for moving construction materials (at no cost to Tenant during normal working hours of 6:30 a.m. through 5:00 p.m. Monday through Friday, unless Tenant's use thereof reasonably requires an elevator operator, in which event Tenant shall bear the costs of such elevator operator), the use of which shall be coordinated with Landlord, or, if, with Landlord's prior approval, which shall not be unreasonably withheld, conditioned or delayed, Tenant commences the Leasehold Work prior

to the Premises being in Ready for Buildout Condition and if such elevator or lift is not available, Tenant (at Tenant's request) is afforded the opportunity to install its own material lift at Tenant's cost;

- (vi) the permanent roof system in the Building shall be substantially complete, and all windows for the Premises shall be substantially complete and substantially waterproof for the purpose of constructing the Leasehold Work;
- (vii) all rooms located in the building core on the relevant floor, including mechanical rooms, toilet rooms, electrical closets, janitor closets, freight elevator anterooms, and stairways, are complete to a point that allows the Leasehold Work to proceed without material interference;
- (viii) Base Building toilet rooms (at least one men's and one women's), as designated by Landlord from time to time, are available within the Building on each floor leased by Tenant for use by the Leasehold Contractor, who shall be responsible for any damage thereto and for cleaning and stocking during construction. All other base building restrooms not designated for use by the Leasehold Contractor shall be locked and may not be used by construction personnel;
- (ix) the sprinkler system for the Premises described on the Base Building Plans and Specifications and Schedule I of this Exhibit B shall be installed with heads turned up in shell space and turned down in core rooms with finished ceilings, the primary pressure ductwork loop from the mechanical room around the core shall be installed and the condenser water taps at each floor for Tenant supplemental use shall be installed;
- (x) the Base Building fire system, fire alarm command center and fire stairs for the Building shall be completed and the Base Building fire alarm system shall be installed in the Premises and sized to accept Tenant's devices in order to permit Tenant to add on and tie into such system as required to complete the Leasehold Work;
- (xi) All floors in the Premises shall be leveled to a flatness rating of F-25; and
- (xii) Each floor slab will contain adequate sleeves to permit standard communications lines to rise to the Premises from Demark in the main telephone room on the P-1 level (which lines shall be installed by Tenant).
- Building Work in accordance with the requirements set forth above and shall deliver the Premises to the Leasehold Contractor in Ready for Buildout Condition (subject to the right of the contractor performing the Base Building Work to enter such portions of the Building for the purpose of completing punchlist items and/or other work that will not materially interfere with the work of the Leasehold Contractor). Landlord shall schedule a mutually agreeable time with Tenant (which time shall be approximately seven (7) days prior to Landlord's anticipated delivery of the Premises to the Leasehold Contractor in Ready for Buildout Condition) to direct the Base Building Contractor to walk through the portion of the Premises then being delivered and prepare a punchlist setting forth any defects or incomplete work. Landlord will use

commercially reasonable, good faith efforts promptly to correct and complete any such defects and incomplete items described in such punchlist. Landlord and Tenant shall cause their respective architects jointly to determine whether the defects and incomplete items described in such punchlist are correct and complete. Landlord covenants and agrees that it shall deliver the Premises to the Leasehold Contractor in Ready for Buildout Condition on or before February 1, 2016 subject to reasonable extension for any delays attributable to an event of Force Majeure. Once Build-Out Ready Condition has been achieved, Landlord shall not take any action that results in the requirements for achieving the Build-Out Ready Condition not remaining fulfilled at all times thereafter.

- (d) **Tenant's Project Management**. Landlord shall not charge Tenant any fee or other charges for the supervision and/or overhead associated with the construction of the Leasehold Work.
- (e) **Performance of Leasehold Work**. All work performed by the Leasehold Contractor and its subcontractors shall be performed in a good, workmanlike and safe manner, in accordance with all Legal Requirements and in substantial conformity with the approved Leasehold Plans (subject to reasonable changes, substitutions and refinements requested and approved pursuant to this <u>Exhibit B</u>). Landlord shall have the right to cause Tenant to correct, replace or remove any improvements installed in the Premises by the Leasehold Contractor or its subcontractors that do not comply with the preceding sentence.
- (f) **Field Measurements**. Landlord shall have no obligation or responsibility to Tenant in respect of minor deviations in the actual dimensions of the Premises. Tenant shall have the affirmative obligation to conduct an on-site verification of all measurements and dimensions prior to letting any contracts for the performance of The Leasehold Work and prior to ordering the fabrication of any trade fixtures.
- (g) **Tenant Submissions.** Upon Approval of Final Construction Drawings. Upon Landlord's approval of the Final Construction Drawings, Tenant shall submit the following:
- (i) The identity of the pre-approved general contractor engaged by Tenant. The list of pre-approved general contractors is attached hereto as Exhibit K;
- (ii) Contractor's bond and, if applicable, subcontractors' bonds only to the extent Tenant elects to bond Leasehold Contractor and subcontractors;
- (iii) Evidence of general contractor's insurance, including Builder's Risk insurance;
 - (iv) Copy of building permit(s);
 - (v) Completion schedule from the Leasehold Contractor; and
- (vi) Written acknowledgment by Tenant's Leasehold Contractor that the Rules and Procedures for Contractors attached as Schedule III to this $\underline{\text{Exhibit B}}$ shall be adhered to during the performance of the Leasehold Work.

- (h) **Performance of Leasehold Work**. Tenant shall cause its Leasehold Contractor to perform the Leasehold Work at a time and in a manner which will not materially interfere with completion of any remaining portion of the Base Building Work, and to perform and complete such work with reasonable diligence.
- (i) Non-Interference. Any construction or other work that produces excessive noise or otherwise unreasonably interferes with other tenants of the Building shall be performed at times other than Building Hours. Landlord may stop any construction or other work that unreasonably interferes with the activities of other tenants of the Building during Building Hours. Landlord shall use commercially reasonable efforts to enforce this paragraph in a nondiscriminatory fashion against the Building tenants including Tenant.
- (j) Completion of the Leasehold Work. At such time as the Leasehold Work shall be completed, Tenant, at its sole cost and expense and without cost to Landlord shall:
- (i) Certify to Landlord that all of the Leasehold Work has been completed and paid for in full, that any and all liens therefor that have been or might be filed have been discharged of record (by payment, bond, order of a court of competent jurisdiction or otherwise) or waived, and that no security interests relating thereto are outstanding;
- (ii) Subject to the application of the Allowance, reimburse Landlord for the cost of any Leasehold Work requested to be performed by Landlord done for Tenant by Landlord;
- (iii) Furnish to Landlord all certifications and approvals with respect to the Leasehold Work that may be required from any governmental authority and any board of fire underwriters or similar body for the use and occupancy of the Premises;
- (iv) Furnish Landlord with one (1) set of reproducible "as built" drawings and auto-CADD drawings of all the Leasehold Work;
- (v) Furnish to Landlord evidence of the insurance required by Article XIII of the Lease;
- (vi) Furnish an affidavit from Tenant's architect certifying that (i) all work performed in the Premises is in substantial accordance with the working drawings and specifications approved by Landlord and (ii) the "record-set" of as-built drawings for Leasehold Work are substantially true and correct, and (iii) a copy of all warranties, guaranties, and operating and maintenance manuals and information relating to the improvements, equipment and systems comprising Leasehold Work that have been provided to Tenant;
- (vii) Furnish a copy of all guaranties and/or warranties in accordance with this Exhibit; and
- (viii) Furnish an HVAC air balancing report (reasonably satisfactory to Landlord.

- Work Rules and Coordination. The Leasehold Contractor and all (k) subcontractors employed by the Leasehold Contractor shall comply with the work rules and regulations attached hereto as Schedule III, and to any additional or modified work rules that may be reasonably adopted by Landlord for the Building, and shall coordinate on an ongoing basis with Landlord's project manager and construction manager concerning construction-related matters. Landlord shall direct the contractor performing the Base Building Work (the "Base Building Contractor") to cooperate with the Leasehold Contractor in scheduling access to and work in the Premises; provided, however, that the Base Building Contractor shall not be required to perform, or refrain from performing, any act that would delay the performance of the Base Building Work. The Leasehold Contractor shall conduct its activities in the Building in a manner that will not delay or interfere with any work being performed in the Building by any other contractor (including the Base Building Contractor). If Landlord reasonably determines that the work being performed by (or the manner in which the same is being performed by) Leasehold Contractor or any of its subcontractors, agents or employees is delaying substantial completion of the Base Building, then Landlord shall notify Tenant in writing or orally thereof (and if orally, confirmed in writing within one (1) business day thereafter). If Tenant fails to stop such activity within one (1) business day after requested to do so, then Landlord shall have the right to order the Leasehold Contractor or any of such other parties to immediately stop work until such time as Landlord determines that such activity will not affect substantial completion of the Base Building. The Base Building Contractor shall have access to the Premises in connection with any Base Building punchlist work and shall conduct such Base Building punchlist work in a manner that will not delay or interfere with any work being performed in the Premises by the Leasehold Contractor and the Leasehold Contractor shall have priority to complete the Leasehold Improvements.
- Landlord's Approval of Subcontractors. The Leasehold Contractor shall employ for the performance of structural, mechanical, fire and life-safety, electrical and plumbing work in the Premises, only those subcontractors approved by Landlord, which approval shall not be unreasonably withheld, conditioned or delayed. During the Leasehold Contractor bidding process, Tenant shall require bidders to submit a list of such subcontractors that they intend to bid for the project. The Landlord shall respond promptly and timely during the bidding process with its approval or objection to any such subcontractors invited to bid by the competing general contractors. Failure of the Landlord to respond promptly and timely shall be deemed an approval by Landlord of any and all subcontractors submitted. However, such approval shall not imply or effectually impose sole- source procurement with any particular subcontractor or subcontractors. Notwithstanding the foregoing, Landlord shall require Tenant to employ Landlord's Base Building subcontractors to make final connections to the Base Building systems for all fire-life safety work (i.e., the fire alarm system and the flow and tamper elements of the sprinkler system) and energy management system control work to be performed as a part of the Leasehold Work (provided that Tenant shall not pay fees or costs in excess of market rates for such work and equipment, and if such fees and costs are in excess of market prices, then Landlord shall fully cooperate with and assist Tenant in negotiating cost reductions with the Base Building subcontractors to reflect market or better rates, or Tenant, at its option, can select other subcontractors than the Base Building subcontractors for such services and equipment).
- (m) Leasehold Contractor's Insurance. The Leasehold Contractor and its subcontractors shall maintain insurance coverages as set forth on Schedule IV attached hereto.

- (n) No Reimbursement by Tenant of Utility Costs, Etc. Tenant shall not be required to reimburse Landlord for the cost of any utilities (or to pay a fee for the use of any loading dock or elevators), furnished to or consumed by the Leasehold Contractor or its subcontractors in the course of performing work in the Premises.
- (o) **Final Lien Waivers**. Upon completion of the Leasehold Work, simultaneously with disbursement of the final installment of the Allowance that is to be paid to the Leasehold Contractor, Tenant shall obtain and deliver to Landlord final unconditional lien waivers with respect to all work performed in the Premises and the Building from the Leasehold Contractor as well as any other contractors employed directly by Tenant. Should any mechanic's or materialman's lien be filed against the Premises or the Building with respect to the Leasehold Work, Tenant shall cause the Leasehold Contractor to bond or pay off (in accordance with the District of Columbia lien satisfaction legal process) such lien within ten (10) days after the filing thereof.
- (p) Responsibility for Work. Tenant shall be solely responsible for the progress of construction of the Leasehold Work and for the quality or fitness thereof. Tenant shall be liable for any damage to the Building or the base Building systems caused by Tenant, the Leasehold Contractor, or any of its subcontractors.
- 12. **Permits**. As expeditiously as reasonably possible, Tenant shall file all applications, plans and specifications, pay all fees and obtain all permits, certificates and other approvals required by the jurisdiction in which the Building is located and any other authorities having jurisdiction in connection with the commencement and completion of the Leasehold Work, and diligently and in good faith pursue same so that all permits and approvals are issued as soon as practicable. If minor modifications are at any time required by government authorities to any such plans or specifications, then Tenant shall make such modifications. Tenant shall permit Landlord to assist Tenant in obtaining all such permits and other items. Tenant shall obtain a Certificate of Occupancy and all other approvals required for Tenant to use and occupy the Premises and to open for business to the public. Copies of all building permits/occupancy permits shall be forwarded to Landlord.
- 13. **Contractor Insurance**. Tenant's contractors and subcontractors shall be required to provide, in addition to the insurance required of Tenant pursuant to Schedule IV of this Exhibit B and Article XIII of the Lease, the following types of insurance:
- (a) Builder's Risk Insurance. At all times during the period between the commencement of construction of the Leasehold Work and the date on which Tenant opens the Premises for business with the public with a valid certificate of occupancy (or use and occupancy permit, as applicable) in place, Tenant shall maintain, or cause to be maintained, casualty insurance in Builder's Risk Form covering Landlord, Landlord's architects, Landlord's contractor or subcontractors, Tenant and Tenant's contractors, as their interest may appear, against loss or damage by fire, vandalism, and malicious mischief and other such risks as are customarily covered by the so-called "broad form extended coverage endorsement" upon all the Leasehold Work in place and all materials stored at the site of the Leasehold Work, and all materials, equipment, supplies and temporary structures of all kinds incident to the Leasehold Work and builder's machinery, tools and equipment, all while forming a part of, or on the

Premises, or when adjacent thereto, while on drives, sidewalks, streets or alleys, all on a completed value basis for the full insurable value at all times. Said Builder's Risk Insurance shall contain an express waiver of any right of subrogation by the insurer against Landlord, its agents, employees and contractors.

- (b) Worker's Compensation. At all times during the period of construction of the Leasehold Work, Tenant's contractors and subcontractors shall maintain in effect statutory worker's compensation as required by the jurisdiction in which the Building is located.
- all injuries or death of any or all persons and for any and all damages to property caused by, or resulting from or arising out of any act or omission on the part of Tenant, Tenant's contractors or subcontractors or their respective employees, in the prosecution of the Leasehold Work, and with respect to such work, agree to indemnify and save free and harmless Landlord from and against all losses and/or expenses, including reasonable legal fees and expenses which they may suffer or pay as the result of claims or lawsuits due to, because of, or arising out of any and all such injuries or death and/or damage, whether real or alleged, except to the extent resulting from the negligent act or omission of Landlord, its management agent or their respective employees, agents or contractors; and Tenant and Tenant's contractors and/or subcontractors or their respective insurance companies shall assume and defend at their own expense all such claims or lawsuits. Tenant agrees to insure this assumed liability in its policy of Broad Form Commercial General Liability insurance and the certificate of insurance or copy of the policy that Tenant will present to Landlord shall so indicate such contractual coverage.
- 15. **Coordination.** Landlord and Tenant agree to cooperate with each other in the scheduling and performance of their respective work, and shall coordinate their respective work so that such work shall not unreasonably interfere with, or delay the completion of, the work being performed by the other, or by other lessees in the Building. Tenant shall schedule and coordinate with Landlord the construction of the Leasehold Work (and the means and times of access to and from the Premises by Tenant and Tenant's contractors, subcontractors, deliverymen and agents) so as not to unreasonably interfere with the normal operations of the Building or the operations of or construction for other tenants in the Building. All use of elevators is subject to scheduling by Landlord and governmental restrictions.
- 16. **Roof**. Except as expressly provided in this Lease, Landlord retains the sole right to disallow any and all roof penetrations by Tenant and roof installation of equipment and/or structures by Tenant.
- 17. **Loads**. No item shall be mounted on or hung from the interior or exterior of the Building by Tenant without Landlord's prior written approval. Notwithstanding the elements inherent in the construction of the Leasehold Improvements as delineated in the Leasehold Plans and approved by the Landlord, if Tenant desires to mount or hang anything in addition, Tenant shall notify Landlord of the loads involved and shall pay all costs involved.
- 18. **Contractor Responsibilities**. It shall be Tenant's responsibility to cause each of Tenant's contractors and subcontractors to:

- (a) Maintain continuous protection of any premises adjacent to the Premises in such a manner (including the use of lights, guardrails, barricades and dust-proof partitions where required) as to prevent any damage to the Base Building Work or said adjacent premises by reason of the performance of the Leasehold Work.
- (b) Secure all parts of the Leasehold Work against accident, storm, and any other hazard. However, no barricades or other protective device shall extend more than two (2) feet beyond the Premises. In addition to the foregoing, Tenant's barricade or other protective device shall be attractive in appearance, shall extend across the frontage and full height of the Premises and shall be of materials approved by Landlord, which approval shall not be unreasonably withheld, conditioned or delayed.
- (c) Comply with the Rules and Regulations and Procedures set forth in Schedule II of this Exhibit B.
- (d) Remove and dispose of, at Tenant's sole cost and expense, at least daily and more frequently as Landlord may reasonably direct, all debris and rubbish caused by or resulting from the Leasehold Work, and upon completion, to remove all temporary structures, surplus materials, debris and rubbish of whatever kind remaining on any part of the Building or in proximity thereto which was brought in or created in the performance of the Leasehold Work (including stocking refuse). If at any time Tenant's contractors and subcontractors shall neglect, refuse or fail to remove any debris, rubbish, surplus materials, or temporary structures, Landlord at its sole option may remove the same at Tenant's expense without prior notice.
- (e) Use only the Premises and related areas for the performance of the Leasehold Work. Entry into areas unrelated to the performance of the Leasehold Work is prohibited.
- (f) Guarantee that the work done by it will be free from any defects in workmanship and materials for a period of not less than one (1) year from the date of substantial completion thereof. Tenant shall also require that any such contractors and subcontractors shall be responsible for the replacement or repair without charge for any and all work done or furnished by or through such contractors or subcontractors which becomes defective within one (1) year after completion. Replacement or repair of such work shall include, without charge, all expenses and damages in connection with such removal, replacement, or repair of all or any part of such work, or any part of the Building which may have been damaged or disturbed thereby. All warranties or guarantees as to materials or workmanship or with respect to the Leasehold Work shall be contained in the contract or subcontract, which shall provide that said guarantees or warranties shall inure to the benefit of both Landlord and Tenant and be directly enforceable by either of them. Tenant covenants to give to Landlord any assignment or other assurance necessary to effect such right of direct enforcement.

EXHIBIT B

SCHEDULE I

BUILDING SHELL DEFINITION

- 1. The following defines the Base Building Work as it pertains to Tenant's Premises, which shall be provided by the Landlord at its sole cost and expense including but not limited to architectural and engineering design, permits, labor, material, freight, taxes, insurance, bonds, inspections and other costs to design and construct the Base Building.
- 2. Delineates the minimum building performance criteria and design and construction standards required for the Base Building Work for the Building, including the Tenant's Premises.
- 3. All construction shall be new and shall at a minimum be performed and constructed in accordance with the building codes, regulations and applicable Laws in effect at the time of the issuance of the building permit for the Base Building Work (the "Base Building Permit"), including but not limited to the Americans With Disabilities Act, and in accordance with the following specifications. In the event that a specification exceeds the minimum requirement by code, regulation or law, the specification noted herein shall be provided. Note that all references to "code" or "Laws" in the Base Building Work shall mean the building codes and related regulations in accordance with the Base Building Permit.
- 4. All materials, finishes and construction shall be equivalent in quality and application consistent with Comparable Buildings. All Base Building Work shall include rough and final cleaning for the related work delineated herein.
- 5. All items listed herein whether or not using the terms "provide", "furnish" or "install", or any similar meaning terms used in lieu of or in addition to such descriptive words, unless expressly and specifically noted to the contrary, shall mean the complete furnishing and installation of an item or items to constitute a complete in-place final and fully functional element or assembly.

Project Information: Republic Square at 660 North Capitol Street, NW features +/- 200,000

rentable square feet ("RSF") on eight (8) floors above grade and a concourse

level.

Operating Hours: The standard hours of operation shall be 8:00 AM - 7:00 PM Monday

through Friday and 9:00 A.M. – 1:00 P.M. on Saturday with standard holidays excepted (all holidays to be detailed in the Lease). Tenant shall

have access to its Premises 24 hours per day.

Property Landlord, through an affiliate, shall manage the Building and maintain

Management: personnel in an office on site.

Heating, Ventilation, And Air Conditioning:

The Building HVAC shall be a Central Air Handling system that features a central plant with variable frequency drive (VFD) air handling units and VFD pumps located in the Penthouse. Supply air with medium-pressure distribution ductwork, is distributed vertically in the core mechanical shaft areas to the tenant floors. Series fan powered VAV boxes are connected to a medium-pressure duct distribution loop on each floor. Distribution downstream of the VAV boxes is by Tenant. All ductwork shall be in accordance with SMACNA standards. All equipment provided shall be connected to the Building Energy Management Direct Digital Control System.

The base building HVAC systems shall consist of two main air handlers that supply low temperature air to cooling only and fan powered VAV boxes with electric reheat. The air handlers are served by two 300 ton York centrifugal chillers. Only one chiller runs at a time with the second chiller serving as a back-up. A 24/7 x 365 tenant condenser loop with separate cooling tower is available, at additional cost to Tenant, for tenant supplemental HVAC requirements, subject to proportional availability, should any such Tenant requirements exist. Condenser water riser taps and isolation valves on each floor for Tenant's supplemental air conditioning system requirements. The supplemental cooling tower condenser water loop provides approximately 175 Tons cooling capacity.

Tenant shall have the right to install its own stand-alone or supplemental HVAC system for its special requirements in addition to or in lieu of the Landlord provided 24/7 loop. Landlord shall provide Tenant with proportional roof space and provide Tenant with riser pathways for such systems.

Incidental after-hours HVAC operation will be provided upon Tenant request as an additional expense. The initial rate for such use is currently \$80.00/hour, based on a four (4) hour minimum and reasonable notice. Such rate shall be subject to equitable adjustment for increases in utility and other Landlord costs over the term of the Tenant's lease.

Landlord shall provide a complete base building HVAC system designed to the following standards:

Outdoor Conditions: per ASHRAE guidelines (1% outdoor criteria). Indoor Conditions:

Winter:

72 degrees DB (+/- 2 degrees)

Summer:

74 degrees DB (+/- 2 degrees), 50% relative humidity

(+/-5 percent)

Internal heat gain based:

1 person per 100 SF Lighting load at 1 watt/SF Equipment load of 3 watts/SF

Fresh air/ventilation per ASHRAE standards. Separate, ducted exhaust systems for toilet rooms, and heat removal systems for telephone and electrical rooms.

If Tenant provided timely information, VAV installations by Landlord shall be coordinated with Tenant's space layout to avoid relocating those VAVs during the Tenant's leasehold improvements.

VAV box fans shall have ECM motors. One (1) fan powered VAV per 500 rentable SF for perimeter zones in office areas (considered to be within 15 feet of exterior perimeter wall). One (1) cooling only VAV per 1,000 rentable SF (approximate) for interior zones for offices and general office use. Total quantity of VAV terminals shall be no less than one (1) per 750 rentable SF for Demised Premises in its entirety.

The Base Building VAVs may be up-sized and increased in quantity for Tenant's conference center/facilities where occupancy density is greater to the extent such quantity of VAVs exceeds the total VAVs to be provided by Landlord per the ratios delineated herein. Tenant shall provide such high-density occupancy areas (conference area/rooms) location information to Landlord so that Landlord can integrate requirements into the Base Building construction.

Temperature sensors with control wiring for each Base Building VAV terminal installed at each VAV terminal for the Tenant to extend and coordinate the final thermostat location.

All building core areas on each floor, including but not limited to restrooms, janitor closets, telephone and electrical closets shall have fully functioning and complete HVAC systems including backdraft dampers, plenum boxes, return air transfer ducts, O.A. grilles, fire dampers and smoke and heat duct detectors as required for base building, core (restrooms, etc.), lobby and core corridor construction.

Insulation:

1-1/2" minimum blanket insulation for all medium pressure supply ductwork up to VAV terminals.

No insulation on return or exhaust ductwork, except as required to meet the Noise Criteria of forty (40). Certified air/water balance for base building/core HVAC system upon substantial completion of Base Building.

Parking:

The Tenant shall have the right to contract for one (1) parking contract per 1,000 rentable square feet of leased premises at the then prevailing market rate as specified from time to time by the parking garage operator. After hours parking arrangements will be negotiated with the garage operator. Subject to availability, Tenant's Contractor and subcontractors shall be allowed to park in the Building parking garage at market rates during the initial construction of the Tenant's Premises.

Parking to include a controlled access system.

All painting, striping, markings and signage (handicap, entrance, exit, location, directional, instructional) to be included.

All garage lighting, luminance values for the lighting in the driveways, parking and walkway areas shall be consistent with industry standards (e.g., IESNA) for recommended luminance ranges.

Garage ventilation, lighting and sprinkler/standpipe system as required by code.

Building Access:

The Landlord, at Landlord's expense, shall provide a monitored card or key access system to the Building, the garage and elevators. Landlord, at Landlord's expense, shall supply initial cards and/or keys for the above in a reasonable quantity as required by Tenant.

Tenant, subject to Landlord's approval, may install its own security access control system to its Premises. On tempered glass suite entry doors, Tenant may utilize magnetic locks subject to Landlord approval and applicable building code requirements. In general, on electronically controlled locksets, Tenant shall use only electric mortise locks which shall be keyed to the Building Master key system. No electric strike locks shall be used.

Floor Specification:

Finished ceiling heights are designed to be an average of 8'-10" on floors two (2) through eight (8). Column placements are generally on a 30' x 30' foot grid. Slightly higher ceiling heights are achievable on the concourse level and 1st floor.

Floor levelness and flatness shall meet ACI specifications (FF25 and FL17) for the floor slabs.

Structure:

Reinforced cast-in-place concrete frame.

100 lbs. total floor slab load capacity; 80 lbs. live load & 20 lbs. dead load. The Building utilizes a conventionally reinforced concrete frame with drop-heads at the columns.

In connection with constructing the Base Building Work, Tenant will provide detailed information to the Landlord's project team on a timely basis for location approval and coordination in the area(s) of Base Building structural disturbance. Tenant's responsibility to pay for such Tenant Requested Base Building Modification shall include (without limitation) the incremental costs incurred by Landlord (i) in the event that the Tenant's stair openings require additional structural reinforcing, (ii) the costs to re-route or re-work base building mechanical (MEP) elements necessary for placement of structural supports and the interconnecting stair(s), if any. As long as the information is provided in a timely manner, Landlord has agreed to provide for such modifications at its cost.

Cleaning Specification: Suite Entry Signage / Building Directory:

Comparable to other first class office buildings in the DC market.

The Building shall have an electronic directory displayed in the entrance lobby. Tenant shall have the right to its proportionate share of listings on the lobby directory at Landlord's expense. Landlord shall provide Tenant with Building Standard Suite Entry signage at Landlord's expense.

Amenities:

Features of the Building include:

- Prominent Capitol Hill address;
- Courtyard for exclusive use of tenants (Tenant may reserve the courtyard for private parties);
- Rooftop deck for exclusive use of tenants
- Conference Board Room and Serving Galley for exclusive use of tenants;
- Concierge Service; and
- Fitness Facility.

Telecommunications:

Telephone closets shall be located in the core areas of all floors with four (4) 4-inch conduit sleeves to closets above and below each floor. The closets on the concourse level have four (4) 4-inch conduits to the main telephone room located on the "G" Street side of the concourse level. There are four (4) 4-inch service conduits from the main telephone room to the street.

Tenant is responsible for all connections and installation from Demarc room to the communications rooms within its Premises. Telephone and data equipment must be located within Premises.

Tenant may to utilize its proportionate share of building risers in locations subject to prior Landlord approval.

Backboards as required in the Demarc and base building telephone closets.

Fiber and Cable

The Building shall have available broadband high speed Internet service WiFi service will be provided in the Fitness Center and Conference Center.

The Tenant is responsible for its own television and cable service and must coordinate installation with Landlord. The installation plan as it affects the building core & shell space is subject to Landlord approval.

Subject to entering into a standard license arrangement, including payment of additional monies, some additional roof top space is available for communications equipment (at Landlord's discretion) should the Tenant require such services.

Electricity:

Tenant shall be provided up to 5 watts per square foot of 120-volt power and 2 watts per square foot of 277/480-volt power for lighting exclusive of HVAC power for the Base Building System. Electrical closets are located in the core area of each floor of the Building. Each electrical closet contains a 3-section 120/208-volt lighting and appliance panel for tenant usage, plus a 277/480-volt panel with provisions for lighting circuit breakers, and a 277/480-volt panel for mechanical equipment (VAV boxes).

The building shall have two 4000A switchboards. These provide 277/480V, 3-Phase, 4-wire + ground, 100% neutral, 100KA Bracing & Interrupting. Switchboard A will supply 277/480V, 3 Phase, 4-wire power to a 4000A bus riser to all floors of the Building.

Switchboard B will supply 277/480V, 3 Phase, 4-wire power to building mechanical loads.

Emergency power, circuits, risers and connections for lights, security, and fire alarm system.

All light fixtures (functional, decorative) shall be included for all entry and general access elevator lobbies, core and core corridor areas on multi-Tenant floors, and exterior of building

Fire & Life Safety Building Systems & ADA:

Landlord shall be responsible for the Base Building structure and systems (including sprinkler distribution to "loft" coverage within the Premises) and the common areas of the Building to comply with all applicable laws, including, without limitation, the fire/life safety requirements to meet the jurisdictional laws for ensuring that the initial construction of the Premises complies with such requirements and Landlord shall be responsible thereafter to ensure compliance in all common areas of the Building. The cost and function of the fire/life safety equipment (above the Base Building) in the Premises shall be borne by Tenant.

Notwithstanding anything contained herein to the contrary, sprinkler mains and branch lines shall be installed so as not to interfere with or restrict Tenant's finished ceiling height (average of 8' 10" above finished floor). If practicably achievable under the Base Building construction schedule requirements, sprinkler heads shall not be installed in a loft condition, but shall be coordinated and installed to accommodate the final condition of the Tenant's space providing that the Landlord has received ceiling layout information on a timely basis.

The sprinkler system for the base building and the Tenant's Premises shall be sized to accommodate light hazard coverage per prevailing code for office occupancy.

The Building shall be in conformance with current building codes including ADA. Tenant shall design and construct its Premises in compliance with current building codes including ADA. Landlord shall provide CAD files of As-Built base building construction as referenced above.

The Building will have a fire suppression system, which includes fully sprinklered coverage with an electrically driven fire pump rated at 750 GPM; and, the Building has a fully addressable fire alarm system.

Complete addressable detection and alarm system shall include, but not be limited to, fire alarm control panel, fire annunciator panel, fire alarm terminal cabinets & risers, voltage transformers and interconnections to all key devices or equipment, including but not limited to, such items as elevator recall, sprinkler flow and tamper switches, emergency generator, fire pump, HVAC equipment, smoke evacuation system (if applicable), and monitoring devices and service. Nonetheless, fire alarm system shall

- strobes, speakers, and smoke/fire dampers, including all interconnections to the building fire alarm and control system.
- Separate HVAC zone for the main building lobby with all ductwork (including air transfer ducts), dampers, returns, diffusers and controls as required. All other elevator lobbies, irrespective of full or partial Tenant floors, shall be served from the main building HVAC system with dedicated VAVs and related ductwork.
- Fully sprinklered with recessed heads (concealed/flush mounted with coverplates) located in center of tile or aligned in GWB ceiling systems. Tenant shall not be required to provide and install an ordinary hazard sprinkler system.
- Exposed sprinkler system and heads for stairwells as required by code.
- Fire extinguishers and cabinets.
- Fire hose bib & valve cabinets.
- Signage and placards for all Base Building "core" rooms including but not limited to, restrooms, utility rooms, suite numbering, stairwells, and all directional and instructional signs.

Mechanical / Telephone / Electrical Rooms:

- Concrete floor sealed.
- No finished ceiling.
- Strip fluorescent light fixtures.
- Painted walls on CMU or fire rated drywall assembly.
- Fire resistant plywood backboards in Telephone Rooms.
- Exhaust for electric and telephone closets.

Janitor Closets:

- Concrete floor (sealed) or vinyl composition tile flooring.
- Utility sink/basin which accommodates mops & buckets.
- Acrovyn wall panels or semi-gloss paint on all "wet" walls.
- No finished ceiling
- Strip fluorescent light fixtures.
- HVAC exhaust.

Stairwells:

- CMU or fire rated drywall assembly (shaft wall).
- Sealed concrete.

— Stairwell railings with painted finish.

Painted walls & ceilings

Fluorescent lighting on emergency circuits.

Landlord shall allow Tenant, at Tenant's option, to upgrade finishes and treatments in fire egress stairwells beyond the provisions above, subject to Landlord's reasonable approval and the terms and conditions of the Lease.

Waterproofing and insulation as required by code achieve requisite R values and to inhibit water leaks.

Mechanically adhered or ballasted EPDM or IRMA roofing system.

Minimum 15 year manufacturer's warranty.

Waterproofing & Insulation:

Window washing anchors/devices on roof, as required.

Roof:

Insulated low-E glass with thermally broken aluminum mullions, and curtain wall selective wall surfaces. Thermal insulation with R value as required by current codes and standards; including waterproofing and caulking.

Exterior Walls:

Interior side of exterior wall assembly shall include window sills and column enclosures. Perimeter wall shall be drywalled to 6" above typical finished ceiling height and finished to a level IV finish (per USG standards).

Open slab edge conditions between any exterior wall assembly and each floor slab shall be fire-stopped and sealed (top) to prevent surreptitious access.

EXHIBIT B

SCHEDULE II

LIST OF BASE BUILDING PLANS

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E2-06N ELECTRICAL SECOND FLOOR PLAN - NORTH CAPITOL STREET X		X	X >
N CAPITOL ST. BLDG) ELECTRICAL EIGHTH FLOOR PLAN - NORTH CAPITOL STREET X		X	
Zem IST FUR CORE PLAN & BLDG LOBBY PLAN & FLOORS 2-8 (N. CAPITOL ST. BLDG.) X X X X X X Z 2-59N ELECTRICAL ROOF/PENTHOUSE PLAN - NORTH CAPITOL STREET X		Х	
E4-01N STREET X		X	X
31N TOILET, ELEVATOR LOBBY & MILLWORK ELEVATIONS & SECTIONS (N.CAP. ST. BLOG.) X X X X X ELEVATOR LOBBY & MILLWORK ELEVATIONS & SECTIONS (N.CAP. ST. BLOG.) X X X X X X X X X X X X X X X X X X X		X	х >
33 TOILET DETAILS X X X E4-04N ELECTRICAL CONCOURSE LEVEL CORE PLAN - NORTH CAPITOL STREET X		X	X >
34N FITNESS CENTER RESTROOM SECTION DETAILS X X X E-4-05N LIGHTING PROTECTION PLAN - MORTH CAPITOL STREET X		Х	
400 BUILDING LAYOUT & LOCATION PLAN X ES-02N ELECTRICAL GOOR LOCKING AND TELEPHONE RISER DIAGRAM - NORTH CAPITOL X		X	×
41N SLAB PLANS (N. CAPITOL BLDG) X X X X X E5-03N ELECTRICAL FIRE ALARM RISER DIAGRAM - NORTH CAPITOL STREET X		X	二二

42N	SLAB PLANS (N. CAPITOL BLDG)	lx	Ix		_	_	E6-01N	ELECTRICAL SWITCHBOARD ELEVATIONS AND SCHEDULES - NORTH CAPITOL STREET	TV	TV		_
43N	SLAB DETAILS (N. CAPITOL BLDG)						E6-02N	ELECTRICAL MCC AND DISTRIBUTION PANELS AND SCHEDULES - NORTH	^	X		+
01N	ROOM FINISH SCHEDULE (N. CAPITOL ST. BLDG.)	х	×	Х	x	х	E6-03N	CAPITOL STREET ELECTRICAL 277/480 VOLT PANEL SCHEDULES - NORTH CAPITOL STREET	X	X	X	
03N	FINISH KEY (N. CAPITOL ST. BLDG)		х		хx	Х	E6-04N E6-05N	ELECTRICAL 277/480 VOLT PANEL SCHEDULES - NORTH CAPITOL STREET ELECTRICAL 120/208 VOLT PANEL SCHEDULES - NORTH CAPITOL STREET	X	X	X	F
11	PARTITION TYPES AND DETAILS	X	X	Х		х	E6-06N E7-01N	ELECTRICAL 120/208 VOLT PANEL SCHEDULES - NORTH CAPITOL STREET ELECTRICAL DETAILS - NORTH CAPITOL STREET	X	X	X	
21N	DOOR SCHEDULE	x	x	xx	хx	хx	E-FA	ELECTRICAL FA - ANNCIATOR MAP - NORTH CAPITOL STREET	X	X		=
22	DOOR AND FRAME DETAILS			AA		, , , , , , , , , , , , , , , , , , ,						士
31	THIS SHEET DELETED 12/2012	x							_	+		+
32N	PENTHOUSE STOREFRONT DETAILS	X	х			X		PLUMBING	-	-	-	=
33N	LOUVER SCHEDULE, LOUVER DETAILS AND EIFS DETAILS	ХX	X							-		=
01	THIS SHEET DELETED 05/04	x					P0-00N P0-01N	PLUMBING INDEX SHEET - NORTH CAPITOL STREET PLUMBING COVER SHEET - NORTH CAPITOL STREET	X	X		丰
03N	BUILDING ELEVATION - EAST AND WEST (NORTH CAPITOL ST. BLDG.)	ХX	Y	ХX	v	V	P1-01N P1-02N	PLUMBING DETAILS - NORTH CAPITOL STREET PLUMBING DETAILS - NORTH CAPITOL STREET	Х	Х		\pm
04N .05N	BUILDING ELEVATION - NORTH (NORTH CAPITOL ST. BLDG.) BUILDING ELEVATION - SOUTH AND SOUTH WEST (NORTH CAPITOL ST. BLDG.)	ХX	X	XX		хх	P2-01N	PLUMBING SCHEDULES - NORTH CAPITOL STREET	X	X		>
.0314	BOILDING ELEVATION - SOUTH AND SOUTH WEST (NORTH CAPITOL ST. BLDG.)	хх	×		X	ХX	P3-01N P3-02N	PLUMBING P3 LEVEL - NORTH CAPITOL STREET PLUMBING P2 LEVEL - NORTH CAPITOL STREET	X	X		->
						8	P3-03N P3-04N	PLUMBING P1 LEVEL - NORTH CAPITOL STREET PLUMBING CONCOURSE LEVEL WITH PARKING - NORTH CAPITOL STREET	X	X	×	1
-							P3-05N P3-06N	PLUMBING FIRST FLOOR PLAN - NORTH CAPITOL STREET PLUMBING SECOND FLOOR PLAN - NORTH CAPITOL STREET	X	X	X	
02N	BUILDING SECTION	ХX	Y		v		P3-07N P3-08N	PLUMBING TYPICAL FLOOR PLAN (3RD-7TH) - NORTH CAPITOL STREET PLUMBING EIGHTH FLOOR PLAN - NORTH CAPITOL STREET	Х	Х	X	
03N	BUILDING SECTION	хх	x		x		P3-09N	PLUMBING ROOF/PENTHOUSE PLAN - NORTH CAPITOL STREET	X	X	X	
11N	PARTIAL BUILDING SECTIONS (NORTH CAPITOL ST. BLDG.)	х	х		хх		P3-10N P4-01N	PLUMBING PENTHOUSE/MEZZANINE PLAN - NORTH CAPITOL STREET PLUMBING CORE PLANS - NORTH CAPITOL STREET	X	X		+
13N	PARTIAL BUILDING SECTIONS (NORTH CAPITOL ST. BLDG.)		х	X	X		P4-02N P4-03N	PLUMBING CORE PLANS - NORTH CAPITOL STREET PLUMBING PARTIAL FLOOR PLAN - NORTH CAPITOL STREET	X	X		->
15N	PARTIAL BUILDING SECTIONS (NORTH CAPITOL ST. BLDG.)		x			Х	P5-01N P5-02N	PLUMBING GARAGE SEWER RISER DIAGRAM - NORTH CAPITOL STREET PLUMBING SANITARY SEWER COLLECTION RISER DIAGRAM - NORTH CAPITOL STREET	X	X	X	
21N	EXTERIOR WALL SECTIONS	хх	x				P5-03N P5-04N	PLUMBING SANITARY SEWER RISER DIAGRAMS - NORTH CAPITOL STREET PLUMBING DOMESTIC WATER RISER DIAGRAM - NORTH CAPITOL STREET	Х	Х		
								PLUMBING FIRE PROT. & CHILLED DRINKING WATER RISER DIAGRAM - NORTH	X	×	X	+
22N	EXTERIOR WALL SECTIONS	Х	х				P5-05N	CAPITOL STREET	X	X		+
							P5-06N	PLUMBING STORM RISER DIAGRAM - NORTH CAPITOL STREET	X	X		=
51N	WALL SECTIONS DETAILS	×	x		_		VT1.01N	VERTICAL TRANSPORTATION GENERAL ELEVATOR INFORMATION (NORTH CAPITOL ST. BLDG.)	Х	Х	Х	->
52N	WALL SECTIONS DETAILS	X			ν		VT1.02N	PIT, HOIST WAY, MACHINE ROOM PLANS FOR ELEVATOR 1-5 (NORTH CAPITOL ST. BLDG.)	,,	1		广
53N	WALL SECTIONS DETAILS	X			^		VT1.03N	HOISTWAY SECTION ELEVATOR 1.5 (NORTH CAPITOL ST. BLDG.)	X	X	X	
54N	WALL SECTIONS DETAILS	^	x	Х	Х		VT1.04N	PIT, HOISTWAY, MACHINE ROOM PLANS AND HOISTWAY SECTION ELEVATORS 6-	×	Х	Х	<u> </u>
56N	WALL SECTIONS DETAILS WALL SECTIONS DETAILS	X	X	Х				7 (NORTH CAPITOL ST. BLDG.)				-
21	ROOF DETAILS	ХX	x			Х						=
23	SUBGRADE WATERPROOFING DETAILS	x	x	х								
24	WATERPROOFING DETAILS	X	X	X								
31N	ENTRANCE CANOPY											\pm
		Х		Х								
40N	ENTRANCE CANOPY DETAILS ENLARGED PLAN	X	X	×	X							=
41 42N		x X x X	X	_	x							
43N	ORNAMENTAL STEEL FENCE & GATE DETAILS	X	x		X							_
61N 62N	PLAN DETAILS (N. CAPITOL BLDG.) PLAN DETAILS (N. CAPITOL BLDG.)	X	Х	X	X	х						\vdash
63N 64N	PLAN DETAILS (N. CAPITOL BLDG.) PLAN DETAILS (N. CAPITOL BLDG.)	X	X									\vdash
-												
70N	ENLARGED PLAN DETAILS (N. CAPITOL BLDG.)	X	Y									
71N	ENLARGED PLAN DETAILS (N. CAPITOL BLDG.) MISCELLANEOUS DETAILS	x		Х								
	REFLECTED CEILING PLAN (N. CAPITOL ST. BLDG.)				^							
0011	EXTERIOR SOFFIT REFLECTED CEILING PLAN	X	X	Х	ХX	X X						F
	STAIR SECTIONS (NORTH CAPITOL ST. BLDG.)	x	x									
02N 03	STAIR SECTIONS (NORTH CAPITOL ST. BLDG.) TYPICAL STAIR DETAIL	X	X X									
01N	LOBBY PLAN AND ELEVATIONS (N.CAPITOL ST. BLDG.)	×	×	Х	v	х						
02N	LOBBY RCP (NORTH CAPITOL ST. BLDG.) LOBBY DETAILS (NORTH CAPITOL ST. BLDG.)	X	X	X	X X	XX .						
	MILLWORK DETAILS	X	х	X X	X	X						F
	ELEVATOR CAB ELEVATIONS & DETAILS	X	X	Х	X					\Box		
06 06N	LOBBY DETAILS (DELETED FROM BULLETIN NO.1) LOBBY DETAILS (NORTH CAPTIOL ST. BLDG)	X	Х	Х	Х				=			
07	PASSENGER FRIEGHT ELEVATOR (DELETED FROM BULLETIN NO.1) FREIGHT ELEVATOR DETAILS	X	X	X								
08N	CONFERENCE ROOM ENLARGED PLANS AND ELEVATIONS			X	ХX	Х						
09N	LOBBY DESK DETAILS			Х		Х						

EXHIBIT B

SCHEDULE III

RULES AND PROCEDURES FOR CONTRACTORS FOR TENANT BUILDOUT AND/OR RENOVATION

PART I - Proper Conduct of Construction Employees and Sub-Contractors

All Construction workers should conduct themselves in a manner appropriate to business surroundings to including the following:

- Refrain from using vulgar language or shouting so as not to disturb working tenants.
- Use of alcohol or drugs on the job site is not allowed. Any violators shall be immediately dismissed from the building and are subject to notification of law enforcement and prosecution as allowed under law.
- No radios/music will be played that can be heard in the common areas of the building.
- No smoking is permitted in the building.
- All food trash will be disposed of daily.
- Breaks for eating will be within the work area, not in any common areas of the building.
- Entry to the building for construction personnel and deliveries shall be through the rear loading area of the building.
- Construction personnel will not be allowed to use the building phones.

PART II - General Building Regulations

Construction supervisors shall ensure that the following regulations are followed:

- Construction materials may *not* be left in any portion of a common area that is utilized by tenants of the building, including hallways and lobby areas.
- Construction materials may *not* be placed in such a manner that egress to a fire doors or to stairwells are obstructed.
- Contractors will remove their trash and debris daily. The contractor must provide construction dumpster(s). Building trash containers are not to be used for construction debris.

Failure to properly clean up debris will result in a cleaning charge to the contractor. (Minimum charge is \$50.00).

- Dumpsters shall be placed in the Landlord designated area.
- During construction, contractor shall raise blinds and protect them with plastic so as not to damage them.
- Masonite boards will be placed on all carpeted areas of the building and the freight elevator, when used during trash removal and delivery of supplies.
- Common areas of the building affected by construction will be vacuumed at the end of the workday.
- Prior to demolition, if carpet is to remain in the suite, it should be protected by heavy plastic cover or removed, stored and re-laid. Failure to protect carpet or lobby floors will result in a cleaning charge.
- All doors from the common lobbies and corridors to the construction suite are to be kept closed at all times.
- The building is secured after normal business hours. Arrangements for after-hours entry must be made in advance of need.
- All work must be performed in compliance with OSHA safety standards.
- Before any drilling, core boring or other structural work is performed, the contractors will verify the locations of the building's utility lines or other obstructions so as not to damage them. Contractors are urged to take all possible precautions to protect utility lines. X-ray prior to any core drilling may be required.
- No utilities or services to tenants are to be cut off or interrupted without first having requested in writing, and secured, in writing, the permission of the Landlord's representative.
- Landlord shall be notified of all exterior work 24 hours prior to commencement.
- Wherever it is deemed necessary to temporarily issue a key to the contractor, the contractor shall be responsible for controlling possession and use of the same until returned to the issuing party.

PART III - Elevator Use and Cleaning

• All construction personnel shall travel through the building via freight elevators and loading dock entrances.

- All construction materials and tools are to be hauled on the designated freight elevator *only*; any violations of this regulation may result in immediate removal of the contractor from the project.
- Elevator handrails may not be used as chairs or supply holders.
- Use of freight elevator is restricted during the following hours: 8:30 am 9:30 am, 11:30 am -1:00 pm, and 4:30 pm 6:00 pm. The designated freight elevator is the only elevator to be used for moving materials and shall be properly protected with temporary Masonite floor and wall protection. The contractor shall be responsible for the installation and removal of elevator protection on a daily basis. Contractor is responsible for any damage to the elevator cab to the extent caused by the contractor.
- Contractor must implement a *dust and debris policy* to prevent dust from being tracked or conveyed to any portion of the building.
- Arrangement must be made with the Building Engineer to place the elevator on independent service for the hauling of materials. Elevator doors should never be propped open by any method other than use of the elevator lock-off key.
- The contractor will remove all protective materials at the end of the contractor's workday.
- Damage must be reported to the management office immediately
- Any damage to the elevator, mechanical or aesthetic, will be billed to the tenant.

PART IV – Deliveries

- The loading dock located at the rear of the property is for deliveries only.
- Deliveries must be coordinated with the Building Engineer or the Management Office during regular business, 7:00 a.m. - 3:00 p.m. Monday - Friday and 9:00 a.m. - 1:00 p.m. on Saturday.
- Deliveries scheduled at times other than regular business hours must be arranged at least ten (10) hours in advance of such delivery and will require the presence of the Building Engineer. Tenant shall be responsible for cost of such services at the rate of \$50.00 an hour with a minimum charge for four (4) hours.

PART V – Parking

• Landlord's representative shall designate a general construction parking area. Violators will be towed.

PART VI – Restrooms

- The Building Engineer will designate a restroom for contractor use.
- Restrooms on occupied floors, other than the designated restroom, are *not* to be used.
- Restrooms may not be used to clean tools, paintbrushes, etc. A slop sink is located in the janitor's closet on each floor. Contractors will clean up after themselves daily if slop sinks are used.

PART VII - Work Involving Excessive Noise

• All work involving excessive noise such as drilling, noisy demolition or any work which may disturb other tenants in the building will be permitted during non-business hours only, before 8:00 am or after 6:00 pm, Monday through Friday, or before 8:00 am or after 1:00 pm Saturdays. Manager should be notified of all work involving excessive noise at least 24 hours in advance.

PART VIII - Mechanical, Electrical and Plumbing Safety

- All work to be performed on mechanical, electrical or plumbing systems must be scheduled with the Building Engineer or the Management Office.
- Lock-out/Tag-out must be used for all electrical work.
- If any mechanical, electrical, or plumbing system is already off prior to the commencement of work, Tenant shall coordinate with the Building Engineer and determine why the system is off prior to commencing work.
- The Building Engineer must be present if a condenser water system needs to be drained.
- All work involving condenser or domestic water risers, the shutdown of electrical panels or any other disruptive activity must be scheduled after regular business hours, and will require the presence of the Building Engineer.
- During construction, any exposed HVAC unit should be kept free of all construction materials, food and drinks. Nothing should be placed on top of or in front of any units. Contractor will not operate any HVAC equipment without approval of the Building Engineer. Contractor will be responsible for cost of filter replacements at job completion. A thorough cleaning of all units will be performed after construction work is completed.

PART IX – <u>Fire Annunciation System</u>

- All fire alarm and sprinkler work must be coordinated with the engineer's office at least 24 hours in advance.
- Contractor shall take all necessary precautions to prevent accidental alarm of the fire system devices. Before any such device is temporarily incapacitated, Landlord's representative shall be advised and contractor will be responsible for any necessary notification of the Fire Department. ANY CONTRACTOR WHO ACCIDENTALLY SETS OFF A BUILDING FIRE ALARM WILL BE ASSESSED \$500.00 PER INCIDENT, COMMENCING WITH THE THIRD (3RD) SUCH INCIDENT.
- Any modifications to the building fire alarm system must be coordinated with the Building Engineer, the Management Office, and the Building Fire Alarm Contractor.

PART X – <u>Use of Materials that Emit Volatile Organic Compounds (VOCS)</u>

- Any work involving the use of materials, which emit VOCS, must be scheduled in advance with the Building Engineer and the Management office.
- Electrostatic painting, Polymix painting, staining, varnishing, or the use of oil base paints must be scheduled for evening hours after 8:00 p.m. and completed prior to 1:00 a.m. or on weekends beginning at 2:00 p.m. on Saturday and ending prior to 1:00 a.m. Monday morning in occupied buildings.

Materials likely to emit VOCS are:

Adhesives

Paints, varnishes, lacquers

Wood preservatives, stains or other wood finishing products

Waterproofing products

Caulking

Glazing compounds

Joint fillers

Duct sealants

Carpet seam sealants

- These materials shall be applied according to the manufacturers specifications.
- When using products that may emit VOCS the General Contractor is responsible for the following:

Performing the work during non-business hours
Properly scheduling the work
Properly ventilating the affected area during and after application
Proper disposal of the materials and materials associated with clean-up

• A copy of the construction schedule is to be provided to the management office prior to the commencement of work.

- A copy of the approved Building Permit and inspection approvals will be provided to the Landlord prior to the commencement of work, and as construction progresses.
- Contractor will provide a written list of phone and emergency contact numbers.
- Prior to the commencement of work, contractor will provide Material Safety Data Sheets (MSDS) for all materials to be used during the course of construction.
- An approved Certificate of Insurance will be provided to the Landlord prior to the commencement of work.
- Contractor will be responsible for any damage to the common areas caused by construction.
- Contractor is responsible for labeling all electrical panels affected by the work.

Building Hours: (Mon.-Fri.) 8:00 am -

7:00 pm (Sat.) 9:00 am -

1:00 pm (Sun.) Closed

Signage – Contractor or subcontractor signage may *not* be displayed in the building common areas or any of the window glass.

Posting of rules and regulations – A copy of these rules and regulations, acknowledged and accepted by the General Contractor, must be posted on the job site in a manner allowing easy access by all workers. It is the General Contractor's responsibility to instruct all workers, including subcontractors, to familiarize themselves with these rules.

Engineering overtime – Should the Contractor perform any work which, in the sole estimation of Building Manager, requires the building engineer to be on duty during non-standard working hours, Tenant shall be responsible for cost of such services at the rate of \$50.00 an hour with a minimum charge for four (4) hours.

Safety – Contractors shall be extremely cognizant of all life safety issues and shall provide a list of emergency contacts in the event that a representative of the contractor's organization must be contacted after hours. In addition to this contact list, contractors shall provide fire extinguishers at a ratio of one (1) for each 1,000 square feet of construction area and such fire extinguishers shall be mounted in a visible area marked properly. Contractors shall comply with all OSHA regulations as well as all federal, state and district codes relating to workers safety. The contractor shall review the job site and the job organization for total compliance to these rules and regulations on a weekly basis.

EXHIBIT B

SCHEDULE IV

CONTRACTOR INSURANCE REQUIREMENTS

Minimum Requirements

Commercial General Liability Per Project endorsement

\$1,000,000 Per Occurrence

\$2,000,000 Aggregate

Products & Completed operation \$2,000,000 Per occurrence

Personal Injury Liability \$1,000,000 Per occurrence

Fire Legal Liability \$100,000 Per occurrence

Medical Payments \$5,000 Per person

Business automobile \$1,000,000 Per occurrence

CSL \$1,000,000 Uninsured motorist

Non/owned Hired auto \$1,000,000 Per occurrence

Workers Compensation \$500,000 Each Accident

Statutory Benefits \$500,000 Disease Policy Limit

Employers Liability \$500,000 Per employee

EXHIBIT C

RULES AND REGULATIONS

This Exhibit is attached to and made a part of that certain Lease Agreement (the "Lease"), by and between 660 NORTH CAPITOL STREET PROERTY LLC, a Delaware limited liability company ("Landlord"), and NATIONAL ASSOCIATION OF COUNTIES, a Delaware corporation ("Tenant").

The following rules and regulations have been formulated for the safety and well-being of all tenants of the Building. Strict adherence to these rules and regulations is necessary to guarantee that every tenant will enjoy a safe and undisturbed occupancy of its premises, provided that in the event of any conflict or inconsistency the provisions of this Lease will govern. Any violation of these rules and regulations by Tenant (beyond any applicable notice and cure periods set forth in the Lease) shall constitute a default by Tenant under the Lease.

A. ALL TENANTS.

The following rules shall be applicable to all tenants of the Building:

- 1. Tenant shall not obstruct or encumber or use for any purpose other than ingress and egress to and from the Premises any sidewalk, entrance, passage, court, elevator, vestibule, stairway, corridor, hall or other part of the Building not exclusively occupied by Tenant. No bottles, parcels or other articles shall be placed, kept or displayed on window ledges, in windows or in corridors, stairways or other public parts of the Building. Tenant shall not place any showcase, mat or other article outside the Premises. Tenant shall keep all portions of the Premises which are visible from public parts of the Building in a tasteful, neat and orderly condition characteristic of first-class professional offices, so as not to be offensive to other tenants of the Building. No desks, bookcases, file cabinets and other furniture shall be placed immediately against exterior windows.
- 2. Landlord shall have the right to control and operate the public portions of the Building and the facilities furnished for common use of the tenants, in such manner as Landlord reasonably deems best for the benefit of the tenants generally. Tenant shall not permit the visit to the Premises of persons in such numbers or under such conditions as to interfere with the use and enjoyment of the entrances, corridors, elevators and other public portions or facilities of the Building by other tenants. Tenant shall coordinate in advance with Landlord's property management department all deliveries to the Building (other than customary mail and small packages) so that arrangements can be made to minimize such interference. Tenant shall not permit its employees and invitees to congregate in the elevator lobbies or corridors of the Building. Canvassing, soliciting and peddling in the Building are prohibited, and Tenant shall cooperate to prevent the same. Public corridor doors, when not in use, shall be kept closed. Nothing, including mats and trash, shall be placed, swept or thrown into the corridors, halls, elevator shafts, stairways or other public or common areas.
- 3. Tenant shall not attach, hang or use in connection with any window or door of the Premises any drape, blind, shade or screen, without Landlord's prior written consent,

which shall not be unreasonably withheld, conditioned or delayed. All awnings, drapes projections, curtains, blinds, shades, screens and other fixtures shall be of a quality, type, design and color, and shall be attached in a manner, reasonably approved in writing by Landlord. Any Tenant-supplied window treatments shall be installed behind Landlord's standard window treatments so that Landlord's standard window treatments will be what is visible to persons outside the Building. Drapes (whether installed by Landlord or Tenant) which are visible from the exterior of the Building shall be cleaned by Tenant at least once a year, without notice from Landlord, at Tenant's own expense.

- 4. Tenant shall not use the water fountains, water and wash closets, and plumbing and other fixtures for any purpose other than those for which they were constructed, and Tenant shall not place any debris, rubbish, rag or other substance therein (including, without limitation, coffee grounds). All damages from misuse of fixtures shall be borne by the tenant causing same.
- 5. Tenant shall not construct, maintain, use or operate within the Premises any electrical device, wiring or apparatus in connection with a loudspeaker system (other than an ordinary telephone and paging system) or other sound system, in connection with any excessively bright, changing, flashing, flickering or moving light or lighting device, or in connection with any similar device or system, without Landlord's prior written consent. Tenant shall not construct, maintain, use or operate any such device or system outside of its Premises or within such Premises so that the same can be heard or seen from outside the Premises. No flashing, neon or search lights shall be used which can be seen outside the Premises. Only warm white lamps may be used in any fixture that may be visible from outside the Building or Premises. Tenant shall not maintain, use or operate within the Premises any space heater.
- 6. Tenant shall not bring any bicycle, vehicle, animal, bird or pet of any kind into the Building, except service dogs for handicapped persons visiting the Premises and except as may be otherwise expressly provided for in the Lease. Except while loading and unloading vehicles, there shall be no parking of vehicles or other obstructions placed in the loading dock area.
- 7. Except as specifically provided to the contrary in the Lease, Tenant shall not cook or permit any cooking on the Premises, except for microwave cooking, warmers (i.e., chafing dishes and similar items heated using sterno or similar methods typical of those used by caterers for purposes of keeping food warm during serving), and use of coffee machines by Tenant's employees for their own consumption. Tenant shall not cause or permit any unusual or objectionable odor to be produced upon or emanate from the Premises.
- 8. Tenant shall not make any unseemly or disturbing noise or disturb or interfere with occupants of the Building, whether by the use of any musical instrument, radio, talking machine or in any other way.
- 9. Tenant shall not place on any floor a load exceeding the floor load per square foot which such floor was designed to carry. Landlord shall have the right to prescribe the weight, position and manner of installation of safes and other heavy equipment and fixtures.

Landlord shall have the right to repair at Tenant's expense any damage to the Premises or the Building caused by Tenant's moving property into or out of the Premises or due to the same being in or upon the Premises or to require Tenant to do the same. Tenant shall not receive into the Building or carry in the elevators any safes, freight, furniture, equipment or bulky item except as approved by Landlord, and any such furniture, equipment and bulky item shall be delivered only through the designated delivery entrance of the Building and the designated freight elevator at designated times. Tenant shall remove promptly from any sidewalk adjacent to the Building any furniture, furnishing, equipment or other material there delivered or deposited for Tenant. Landlord reserves the right to inspect all freight to be brought into the Building, except for government classified and confidential client materials, and to exclude from the Building all freight which violates any of these rules or the Lease.

- 10. Subject to the provisions of Section 9.5 of the Lease, Tenant shall not place additional locks or bolts of any kind on any of the doors or windows, and shall not make any change in any existing lock or locking mechanism therein, without Landlord's prior written approval, which approval shall not be unreasonably withheld, conditioned or delayed. At all times Tenant shall provide Landlord with a "master" key for all locks on all doors and windows. Tenant shall keep doors leading to a corridor or main hall closed at all times except as such doors may be used for ingress or egress and shall lock such doors during all times the Premises are unattended. Tenant shall, upon the termination of its tenancy (a) restore to Landlord all keys and security cards to stores, offices, storage rooms, toilet rooms, the Building and the Premises which were either furnished to, or otherwise procured by, Tenant, and in the event of the loss of any keys so furnished, Tenant shall pay the replacement cost thereof, and (b) inform Landlord of the combination of any lock, safe or vault left in the Premises. At Landlord's request, Landlord's then customary charge per key shall be paid for all keys in excess of two (2) of each type. Tenant shall use the Yale key system (used throughout the rest of the Building) for any of its additional door locks.
- Except as shown in the Final Construction Drawings, Tenant shall not 11. install or operate in the Premises any electrically operated equipment or machinery (other than standard servers, desk-top office equipment, including, without limitation, desk-top computers and copiers, typewriters, exercise equipment (such as treadmills), facsimile machines, printers, telecommunications equipment and devices, audio-visual equipment, or other similar equipment used in connection with standard office operations) without obtaining the prior written consent of Landlord, which shall not be unreasonably withheld, conditioned or delayed. Landlord may condition such consent upon Tenant's payment of additional rent in compensation for the excess consumption of electricity or other utilities as set forth in the Lease and for the cost of any additional wiring or apparatus that may be occasioned by the operation of such equipment or machinery. Landlord shall have the right at any time and from time to time to designate the electric service providers for the Building. Tenant shall cooperate with Landlord and such service providers and shall allow, as reasonably necessary, access to the Building's electric lines, feeders, risers, wiring and any other Building machinery. Except in connection with the Tenant Work and any subsequent Landlord approved Alterations, Tenant shall not install any equipment of any type or nature that will or may necessitate any changes, replacements or additions to, or changes in the use of, the water system, heating system, plumbing system, air-conditioning system or electrical system of the Premises or the Building, without obtaining Landlord's prior

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written consent, which consent may be granted or withheld in Landlord's sole and absolute discretion. If any machine or equipment of Tenant causes noise or vibration that may be transmitted to such a degree as to be objectionable to Landlord or any tenant in the Building, then Landlord shall have the right to install at Tenant's expense vibration eliminators or other devices sufficient to reduce such noise and vibration to a level satisfactory to Landlord or to require Tenant to do the same.

- 12. All telephone and telecommunications services desired by Tenant shall be ordered by and utilized at the sole expense of Tenant. Unless Landlord otherwise requests or consents in writing, all of Tenant's telecommunications equipment shall be and remain solely in the Premises and the telephone closet(s) designated by Landlord. Landlord shall have no responsibility for the maintenance of Tenant's telecommunications equipment (including wiring) nor for any wiring or other infrastructure to which Tenant's telecommunications equipment may be connected. Subject to the provisions of the Lease, Landlord shall have the right, upon reasonable prior notice to Tenant (except in the event of an emergency), to interrupt telecommunications facilities as necessary in connection with any repairs or with installation of other telecommunications equipment. Subject to the provisions of the Lease, Tenant shall not utilize any wireless communications equipment (other than usual and customary cellular telephones, wireless routers, modems and network cards), including antennae and satellite receiver dishes, at the Premises or the Building, without Landlord's prior written consent, which may be granted or withheld in Landlord's reasonable discretion.
- No telephone, telecommunications or other similar provider whose equipment is not then servicing the Building shall be permitted to install its lines or other equipment within or about the Building without first securing the prior written approval of Landlord, which approval shall not be unreasonably withheld, conditioned or delayed. Landlord's approval shall not be deemed any kind of warranty or representation by Landlord, including, without limitation, any warranty or representation as to the suitability, competence, or financial strength of the provider. Without limitation of the foregoing standards, as specific conditions of any consent: (i) Landlord shall incur no expense whatsoever with respect to any aspect of the provider's provision of its services (including, without limitation, the costs of installation, materials and services); (ii) prior to commencement of any work in or about the Building by the provider, the provider shall supply Landlord with such written indemnities, insurance, financial statements, and such other items as Landlord reasonably determines and Landlord shall have reasonably determined that there is sufficient space in the Building for the placement of the necessary equipment and materials; (iii) the provider agrees to abide by such rules and regulations, building and other codes, job site rules and such other requirements as are reasonably determined by Landlord to be necessary; (iv) the provider shall agree to use existing building conduits and pipes or use building contractors (or other contractors approved by Landlord); (v) the provider shall pay Landlord such compensation as is reasonably determined by Landlord to compensate it for space used in the building for the storage and maintenance of the provider's equipment, the fair market value of a provider's access to the Building, and the costs which may reasonably be expected to be incurred by Landlord; (vi) the provider shall agree to deliver to Landlord detailed "as built" plans immediately after the installation of the provider's equipment is complete; and (vii) all of the foregoing matters shall be documented in a written

agreement between Landlord and the provider on Landlord's standard form and otherwise reasonably satisfactory to Landlord.

- 14. Landlord reserves the right to exclude from the Building at all times any person who does not properly identify himself to the Building management or attendant on duty. Landlord shall have the right to exclude any undesirable or disorderly persons from the Building at any time. Landlord may require all persons admitted to or leaving the Building to show satisfactory identification and to sign a register. Tenant shall be responsible for all persons for whom it authorizes entry into the Building and shall be liable to Landlord for all acts of such persons. Landlord has the right to evacuate the Building in the event of emergency or catastrophe or for the purpose of holding a reasonable number of fire drills.
- 15. Tenant shall not permit or encourage any loitering in or about the Premises and shall not use or permit the use of the Premises for lodging, dwelling or sleeping.
- 16. Tenant, before closing and leaving the Premises at the end of each business day, shall endeavor to see that all lights and equipment are turned off, including, without limitation, coffee machines.
- 17. Tenant shall not hire any of Landlord's employees to perform any work for Tenant without Landlord's prior approval, and if such approval is granted in Landlord's discretion, such work shall be performed outside of such employees' regular working hours. Any special requirements of Tenant's to be attended to by Landlord shall be billed to Tenant in accordance with the schedule of charges maintained by Landlord from time to time or as is agreed upon in writing in advance by Landlord and Tenant. Tenant shall not employ any of Landlord's employees for any purpose whatsoever without Landlord's prior written consent. Tenant shall notify Landlord or the Building manager of any person employed by it to do janitorial work within the Premises, except for full-time employees of Tenant, prior to such person's commencing work, and such person shall, while in the Building and outside of the Premises, comply with all reasonable instructions issued by Landlord or its representatives.
- 18. There shall not be used in any space, or in the public halls of the Building, either by any tenant or by jobbers or others in the delivery or receipt of merchandise, any hand trucks, except those equipped with rubber tires and side guards. Tenant shall be responsible for any loss or damage resulting from any deliveries made by or for Tenant.
- 19. Tenant shall not install or permit the installation of any wiring for any purpose on the exterior of the Premises. Landlord will direct electricians as to where and how telephone and telegraph wires are to be introduced. No boring or cutting for wires or stringing of wires will be allowed without written consent of Landlord, which consent shall not be unreasonably withheld, conditioned or delayed. The location of telephones, call boxes and other office equipment affixed to the Premises shall be subject to the approval of Landlord, which consent shall not be unreasonably withheld, conditioned or delayed. All such work shall be effected pursuant to permits issued by all applicable governmental authorities having jurisdiction. Tenant shall not do anything in or about the Building, or bring or keep anything therein, that will in any way increase the possibility of fire or other casualty or obstruct or

interfere with the rights of, or otherwise injure or annoy, other tenants, or do anything in conflict with the valid pertinent laws, rules, or regulations of any governmental authority.

- 20. Tenant acknowledges that it is Landlord's intention that the Building be operated in a manner which is consistent with other Class A office buildings' standards of cleanliness, decency and morals in the community which it serves. Toward that end, Tenant shall not sell, distribute, display or offer for sale any item which, in Landlord's judgment, is inconsistent with the quality of operation of the Building or may tend to impose or detract from the moral character or image of the Building. Tenant shall not use the Premises for any immoral or illegal purpose. Tenant shall cooperate with Building employees in keeping the Premises neat and clean.
- 21. Unless otherwise expressly provided in the Lease, Tenant shall not use, occupy or permit any portion of the Premises to be used or occupied for the storage, manufacture, or sale of liquor. Tenant may store reasonable quantities of liquor and other alcoholic beverages on the Premises solely for use by Tenant and its invitees in accordance with all applicable laws.
- 22. Tenant shall purchase or contract for waxing, rug shampooing, venetian blind washing, interior glass washing, furniture polishing, janitorial work, removal of any garbage from any dining or eating facility or for towel service in the Premises, to the extent that Tenant elects to contract for such services in the Premises in addition to the janitorial and cleaning services provided by Landlord, only from contractors, companies or persons approved by Landlord, which consent shall not be unreasonably withheld, conditioned or delayed.
- 23. Tenant shall not remove, alter or replace the ceiling light diffusers, ceiling tiles or air diffusers in any portion of the Premises without the prior written consent of Landlord, which consent shall not be unreasonably withheld, conditioned or delayed.
 - 24. [intentionally omitted]
- 25. Tenant shall not pay any employee on the Premises except those actually employed therein; nor shall Tenant use the Premises as headquarters for large scale employment of workers for other locations.
 - 26. [intentionally omitted]
- 27. Tenant shall not in any manner deface any part of the Premises or the Building. Other than ordinary office decorations, no stringing of wires, boring or cutting shall be permitted except with Landlord's prior written consent, which consent shall not be unreasonably withheld, conditioned or delayed. Any floor covering installed by Tenant shall have an under layer of felt rubber, or similar sound deadening substance, which shall not be affixed to the floor by cement or any other non-soluble adhesive materials.

28. [intentionally omitted]

- 29. Tenant shall handle its newspapers, "office paper," garbage, trash and other waste products in the manner required by applicable law (as the same may be amended from time to time) whether required of Landlord or otherwise and shall conform with any recycling plan instituted by Landlord. Landlord shall have no obligation to accept any waste that is not prepared for collection in accordance with any such reasonable requirements or any requirements imposed by applicable Laws. Landlord reserves the right to require Tenant to arrange for waste collection, at Tenant's sole cost and expense, utilizing a contractor reasonably satisfactory to Landlord, and to require Tenant to pay all costs, expenses, fines, penalties, or damages that may be imposed on Landlord or Tenant by reason of Tenant's failure to comply with any such requirements. If Tenant is unable to comply with Landlord's standard procedures regarding the internal collection, sorting, separation and recycling of waste, then, upon reasonable advance notice to Landlord, Landlord shall use commercially reasonable efforts to arrange for alternative procedures for Tenant, provided Tenant shall pay Landlord all additional costs incurred by Landlord with respect thereto.
- 30. Tenant shall not bring or keep, or permit to be brought or kept, in the Building any weapon or flammable, combustible or explosive fluid, chemical or substance, except as otherwise expressly permitted in the Lease.
- 31. There shall be no smoking in the Building or within twenty five (25) feet of any entries, outdoor air intakes or operable windows of the Building.
- 32. All wiring and cabling installed by Tenant shall be marked and coded, in a manner reasonably acceptable to Landlord, to identify such facilities as belonging to Tenant and the point of commencement and termination of such facilities.
- 33. Landlord may, upon request of Tenant, waive Tenant's compliance with any of the rules, provided that (a) no waiver shall be effective unless signed by Landlord, (b) no waiver shall relieve Tenant from the obligation to comply with such rule in the future unless otherwise agreed in writing by Landlord, (c) no waiver granted to any tenant shall relieve any other tenant from the obligation of complying with these rules and regulations, and (d) no waiver shall relieve Tenant from any liability for any loss or damage resulting from Tenant's failure to comply with any rule. Landlord reserves the right to rescind any of these rules and make such other and further rules as in the reasonable judgment of Landlord shall from time to time be needed for the safety, protection, care, and cleanliness of the Building, the operation thereof, the preservation of good order therein, and the protection and comfort of its tenants, their agents, employees, and invitees, which rules when made and notice thereof given to a tenant shall be binding upon it in like manner as if originally herein prescribed. In the event of any conflict or inconsistency between the terms and provisions of these rules, as now or hereafter in effect, and the terms and provision of the Lease shall prevail.

B. RETAIL TENANTS ONLY.

The following rules shall be applicable to retail tenants only:

- 1. Tenant shall replace promptly any cracked or broken glass in the Premises (including without limitation all windows, display cases, countertops and doors) with glass of like color, kind and quality.
- 2. Tenant shall not operate its business in a manner which is commonly known as a "discount house", "wholesale house", "cut-rate store", or "outlet store". The Premises shall not be used for conducting any barter, trade, or exchange of goods, or sale through promotional give-away gimmicks, or any business involving the sale of second-hand goods, insurance salvage stock or fire sale stock, and shall not be used for any auction or pawnshop business, any fire sale, bankruptcy sale, going-out-of-business sale, moving sale, bulk sale or any other business which, because of merchandising methods or otherwise, would tend to lower the first-class character of the Building.
- 3. Tenant shall not receive or ship articles of any kind outside the designated loading area for the Premises or other than during the designated loading times.
- 4. Tenant shall keep any garbage, trash, rubbish or other refuse in rat-proof containers within the interior of the Premises; deposit daily such garbage, trash, rubbish and refuse in receptacles designated by Landlord; and enclose and/or shield such receptacles in a manner approved by Landlord.
- 5. Tenant shall not sell, display or offer for sale any roach clip, water pipe, bong, coke spoon, cigarette papers, hypodermic syringe or other paraphernalia which in Landlord's opinion are commonly used in connection with illegal drugs, or any pornographic, lewd, suggestive or "adult" newspaper, book, magazine, film, picture or merchandise of any kind.
- 6. Tenant shall not install burglar bars in or to the Premises without Landlord's prior approval and if requested to do so by Landlord, install a locking system compatible with the locking system being used by Landlord at the Building.

EXHIBIT D

EXERCISE FACILITY CONSENT AND WAIVER OF LIABILITY

Republic Square II 660 North Capitol Street, N.W. Washington, D.C. 20001-1431

In order to use the fitness facilities and equipment located at 660 North Capitol Street, N.W., Washington, DC 20001-1431 (the "Building") (including, without limitation, the outside basketball court and outside tennis court constructed on the Land and/or the land adjacent to the Building pursuant to agreements between Landlord and the owners of the land adjacent to the Building), I hereby certify, covenant, and agree as follows:

- 1. I am in good physical condition and able to use the facilities and equipment and to participate in any and all exercise and fitness activities available or to be available. I have a reasonable basis for this opinion due to examination and/or consultation with my physician. I fully recognize that I am responsible for knowledge of my own state of health at all times.
- 2. I will do all exercise and participate in all activities at my own pace and at my own risk. I will use good judgment while exercising, will not overexert, and will follow any instructions concerning exercise procedures. If I have any questions regarding my workout, I will consult a trained professional.
- 3. I acknowledge that the fitness facility is unstaffed. I understand and acknowledge that neither the owner of the Building ("Owner"), nor the property management company ("Manager"), nor any of their agents, advisors or employees, represents that its employees, personnel or agents have expertise in diagnosing, examining or treating medical conditions of any kind of in determining the effect of any specific exercise on such medical condition.
- 4. I understand that in participating in one or more exercises or fitness activities at the facility, or in use of the equipment or the facility in any way, there is a possibility of accidental or other physical injury or loss of my personal property. I agree to assume that risk of any such accident or injury or loss of property. I hereby release and discharge Owner and Manager, their respective officers, agents, employees, personnel, partners, directors, shareholders, affiliates and other representatives, and their successors and assigns (collectively, the "Released Parties"), from any and all liability, harm and damage, and waive any and all claims whatsoever, for any injury, accident or loss in connection with my use of or entry into the facility. In addition, I hereby agree to defend, indemnify and hold harmless the Released Parties from any and all costs, claims, liability, harm, damage or expenses resulting from my use of or entry into the facility or the equipment.
- 5. I acknowledge that I have received and read a copy of the current Rules and Regulations governing the use of the fitness center (a copy of which is attached hereto). I

	USER:
Employer Name:	Employee Name (Please Print):
Suite Number	Signature
Telephone	Date
Access Key Number:	

time.

agree that I will fully comply with all rules and regulations as they are amended from time to

FITNESS FACILITY RULES AND REGULATIONS

The following Rules and Regulations are intended to make the Fitness Facility ("Facility") at 660 North Capitol Street, N.W., Washington, DC 20001-1431, as safe, enjoyable and pleasant as possible for all users of the Facility ("Users"). These Rules are applicable to all Users and may be changed from time to time by 660 North Capitol Street Property LLC, a Delaware limited liability company ("Landlord"), or its managing agent ("Building Manager"), in order to provide for the safe, orderly and enjoyable use of the Facility's facilities and equipment.

- 1. <u>Use</u>. Users shall use the Fitness Facility and related equipment solely for weight and cardiovascular training on the equipment provided. Users shall not misuse or use the facilities and related equipment in any manner which will damage the same. Users shall not install, nor tamper with or remove, any equipment in the Facility. No person may use the Facility unless he or she has signed a Waiver of Liability. This Facility is open to tenants only. Guests are not authorized to use the Facility and users shall not grant access to the Facility, nor permit the Facility to be used, by any unauthorized persons. Any User that provides an unauthorized person with access to the Facility will be prohibited from using the Facility. Each User acknowledges that he or she shall exercise caution when using the Facility, that the Facility is unstaffed, and that no security is provided by Landlord. Any suspicious activity should be reported to the Building Manager.
- 2. <u>Hours of Operation</u>. The Facility is open from 6:00 a.m. to 9 p.m. Mondays through Fridays, (excluding legal holidays), 8:00 a.m. to 5:00 p.m. on Saturdays (excluding legal holidays) and 9:00 a.m. to 3:00 p.m. on Sundays and legal holidays. However, in order to accommodate thorough cleaning of the Facility, access to certain areas of the Facility may be limited during cleaning hours, which are currently from 6 p.m. to 9 p.m., Monday through Friday. The Facility will not be open for use on legal public holidays. The Facility may be temporarily closed, and its hours of operation modified from time-to-time, at Landlord's commercially reasonable discretion, and will be open, at a minimum, during business hours. Tenants will be notified at least 24 hours in advance of any closing, unless such closing is due to emergency.
- 3. <u>Clothing</u>. The minimum attire at the facility shall be gym shorts, tee shirts, socks and tennis shoes. Any conventional exercise attire is permissible, including leotards and tights, warm-up suits, etc. Sneakers, tennis shoes, or similar footwear must be worn at all times. Users of the Facility must wear clean and appropriate attire when in transit to and from the Facility, which may include, but not be limited to, warm-up suits and sweatsuits.
- 4. <u>Conduct</u>. Any conduct which unreasonably interferes with the use or enjoyment of Facility or the equipment by others, or disrupts or interferes with the normal, safe, orderly and efficient operation of the Facility or the equipment, is strictly prohibited. Radios, tape recorders or other similar personal audio equipment may not be used without headphones. No Tenant shall make, or permit to be made, any disturbing noises or disturb or interfere with the occupants of the Building or neighboring buildings or premises or those having business with them, whether by the use of any musical instrument, radio, tape recorder, loud speaker or other

sound system. After a User completes its use of a piece of equipment within the Facility, such User shall wipe that piece of equipment with disinfectant solution provided by the Building Manager. Those in violation of these rules will be subject to immediate expulsion.

- 5. <u>Smoking</u>. Smoking of any kind or any other consumption of tobacco products is strictly prohibited in the Facility.
- 6. <u>Solicitations and Petitions</u>. Solicitation for the sale of any product or service, or for charitable contributions, and petitions of any kind, are strictly prohibited.
- 7. <u>Identification</u>. Upon request by Landlord's employee or personnel, users must present their key for identification purposes. Neither Landlord nor the Building Manager assumes responsibility for lost or stolen keys.
- 8. <u>Food and Beverages Prohibited</u>. No food or beverages (other than water or sports drinks in containers with lids) shall be brought to the Facility. All food and other beverages are strictly prohibited.
- 9. <u>Notices, Complaints or Suggestions</u>. Users must immediately notify Landlord or Building Manager in the event that they discover any unsafe or hazardous defect or condition relating to the Facility or the equipment, or any more than de minimis breakage, fire, or disorder at the Facility. Complaints or suggestions as to the operation, maintenance, services, or equipment at the Facility should be directed to Building Manager.
- 10. Other Facilities. Landlord or Building Manager may prohibit the use of or close the Facility if misused in any way. Landlord and Building Manager take no responsibility for personal possessions left in the Facility. Locks or lockers are permissible, but all articles and locks must be removed when the user leaves the Facility. Landlord and Building Manager reserve the right to remove and dispose of any locks and personal possessions remaining in the Facility when it closes each day. Landlord and Building Manager make no representation or warranty that the use of any locker will protect User's personal property from damage, loss or theft.
- 11. <u>Violation of Rules</u>. Repeated failure or refusal to comply with these Rules and Regulations may result in the loss of privileges.
- 12. <u>Maintenance</u>. No member shall leave any litter, trash, debris, or articles of clothing at the Facility. The entry door(s) to the Facility shall be kept closed and locked at all times.
- 13. <u>No Representations</u>. User hereby acknowledges that the installation of equipment, devices and/or facilities in or serving the Facility shall in no way be deemed a representation or warranty by Landlord regarding the efficacy or safety of the same, nor as an agreement or undertaking by, or obligation of, Landlord to protect, indemnify or hold User harmless from any harm of any type or to ensure User's safety. It is expressly understood and agreed that use of the Facility by User shall be at User's sole risk.

- Card Keys. User hereby agrees to keep any card key and/or locker key 14. provided to User in User's possession and control at all times until required or requested to surrender the same, and in no event shall User lend or otherwise transfer its card key or locker key to any other person. In the event User shall lose or misplace its card key or locker key, or in the event User's card key or locker key shall be stolen, User shall immediately notify Landlord and Landlord in writing. User further agrees that, in the event either (i) User's employment with Tenant is terminated for any reason, or (ii) Tenant shall be in default under its lease with Landlord, Landlord may immediately de-activate User's key card and User shall immediately surrender its card key and locker key to Landlord. User hereby acknowledges that the card key and locker key are and shall remain the property of Landlord, and User agrees to return the same to Landlord upon the expiration (or sooner termination) of Tenant's lease or any earlier date on which Landlord is entitled to de-activate said card key. Inoperative (but not de-activated) cards keys will be replaced at no charge, but lost and de-activated card keys will be replaced (or reactivated, as the case may be) at a cost established by the Landlord from time to time. Lost locker keys shall be replaced, and the appropriate locker re-keyed, at a reasonable cost established by the Landlord from time to time.
- 15. <u>Consent</u>. As a condition to the use of the Facility, all Users must sign a Consent and Waiver on Landlord's current form.

EXHIBIT E

FORM SUBORDINATION, NON-DISTURBANCE AND ATTORNMENT AGREEMENT

After Recording Please Return To:

Hunton & Williams LLP 1751 Pinnacle Drive, Suite 1700 McLean, Virginia 22182 Attention: C. Christopher Giragosian, Esq. TAX PARCEL ID: Square 0625, Lot 0062

SUBORDINATION, NONDISTURBANCE AND ATTORNMENT AGREEMENT

This SUBORDINATION, NONDISTURBANCE, AND ATTORNMENT AGREEMENT (this "Agreement") is entered into as of October 5, 2015 (the "Effective Date"), between SUNTRUST BANK, a Georgia banking corporation, whose address is 8330 Boone Boulevard, Suite 800, Vienna, Virginia 22182, with a copy to: SunTrust Bank Legal Department – CRE, 303 Peachtree Street NE, Suite 3600, Mail Code GA-Atl-0643, Atlanta, Georgia 30308 ("Administrative Agent"), and NATIONAL ASSOCIATION OF COUNTIES, whose address is 25 Massachusetts Avenue, N.W., Washington, D.C. 200001 ("Tenant"), with reference to the following facts:

- A. 600 North Capitol Street Property LLC, a Delaware limited liability company, whose address is c/o Republic Properties Corporation, 1290 Maryland Avenue, S.W., Washington, D.C. 20024 ("Landlord"), owns the real property located at 660 North Capitol Street, N.W., Washington, D.C. (such real property, including all buildings, improvements, structures and fixtures located or to be located thereon, "Landlord's Premises"), as more particularly described in Schedule A.
- B. Administrative Agent, Landlord and certain financial institutions party thereto from time to time, as lenders (together with Administrative Agent, collectively the "Lenders") are parties to that certain Construction Loan Agreement dated June 23, 2014 (as amended, increased, renewed, extended, spread, consolidated, severed, restated or otherwise changed from time to time, the "Loan Agreement") for a loan to Landlord in the original principal amount of up to \$65,000,000 (the "Loan"). The Loan is further evidenced by one or more promissory notes more particularly described therein (as they may have been or may be from time to time renewed, extended, amended, supplement or restated, hereinafter the "Notes").
- C. To secure the Loan, Landlord has encumbered Landlord's Premises by entering into that certain Deed of Trust/, Assignment, Security Agreement and Fixture Filing dated June 23, 2014 in favor of Rori H. Malech and Jason O. Ziegler, as Trustees for the benefit of Administrative Agent as beneficiary (as amended, increased, renewed, extended, spread,

consolidated, severed, restated, or otherwise changed from time to time, the "Security Instrument") recorded on June 23, 2014 as Document No. 2014055693 in the Land Records of the District of Columbia (the "Records").

- D. Pursuant to a Lease, dated as of October 5, 2015 (together with all rights, remedies and options of Tenant thereunder and all right, title and interest of Tenant in and to the Landlord's Premises, the "Lease"), Landlord demised to Tenant a portion of Landlord's Premises ("Tenant's Premises"). Tenant's Premises are commonly known as all of the third (3rd) floor and a portion of the fourth (4th) floor of 660 North Capitol Street, N.W., Washington, D.C as more fully described in the Lease.
- E. Tenant and Administrative Agent desire to agree upon the relative priorities of their interests in Landlord's Premises and their rights and obligations if certain events occur.

NOW, THEREFORE, for good and sufficient consideration, Tenant and Administrative Agent agree:

1. **Definitions**.

The following terms shall have the following meanings for purposes of this Agreement.

- 1.1 **Foreclosure Event**. A "Foreclosure Event" means: (a) foreclosure under the Security Instrument; (b) any other exercise by Administrative Agent of rights and remedies (whether under the Security Instrument or under applicable law, including bankruptcy law) as holder of the Loan and/or the Security Instrument, as a result of which Successor Landlord becomes owner of Landlord's Premises; or (c) delivery by Landlord to Administrative Agent (or its designee or nominee) of a deed or other conveyance of Landlord's interest in Landlord's Premises in lieu of any of the foregoing.
- 1.2 **Former Landlord**. A "<u>Former Landlord</u>" means Landlord and any other party that was landlord under the Lease at any time before the occurrence of any attornment under this Agreement.
- 1.3 Offset Right. An "Offset Right" means any right or alleged right of Tenant to any offset, defense (other than one arising from actual payment and performance, which payment and performance would bind a Successor Landlord pursuant to this Agreement), claim, counterclaim, reduction, deduction, or abatement against Tenant's payment of Rent or performance of Tenant's other obligations under the Lease, arising (whether under the Lease or other applicable law) from Landlord's breach or default under the Lease.
- 1.4 **Rent.** The "Rent" means any fixed rent, base rent or additional rent under the Lease.
- 1.5 **Successor Landlord**. A "Successor Landlord" means any party that becomes owner of Landlord's Premises as the result of a Foreclosure Event.

1.6 **Termination Right**. A "<u>Termination Right</u>" means any right of Tenant to cancel or terminate the Lease or to claim a partial or total eviction arising (whether under the Lease or under applicable law) from Landlord's breach or default under the Lease.

2. Subordination.

The Lease shall be, and shall at all times remain, subject and subordinate to the Security Instrument, the lien imposed by the Security Instrument, and all advances made under or secured by the Security Instrument.

3. Nondisturbance, Recognition and Attornment

- Against Tenant. So long as the Lease has not been terminated on account of Tenant's default that has continued beyond applicable cure periods (an "Event of Default"), Administrative Agent shall not name or join Tenant as a defendant in any exercise of Administrative Agent's rights and remedies arising upon a default under the Security Instrument unless applicable law requires Tenant to be made a party thereto as a condition to proceeding against Landlord or prosecuting such rights and remedies. In the latter case, Administrative Agent may join Tenant as a defendant in such action only for such purpose and not to terminate the Lease or otherwise adversely affect Tenant's rights under the Lease or this Agreement in such action.
- 3.2 **Nondisturbance and Attornment**. If the Lease has not been terminated on account of an Event of Default by Tenant, then, when Successor Landlord takes title to Landlord's Premises: (a) Successor Landlord shall not terminate or disturb Tenant's possession of Tenant's Premises under the Lease, except in accordance with the terms of the Lease and this Agreement; (b) Successor Landlord shall be bound to Tenant under all the terms and conditions of the Lease (except as provided in this Agreement); (c) Tenant shall recognize and attorn to Successor Landlord as Tenant's direct landlord under the Lease as affected by this Agreement; and (d) the Lease shall continue in full force and effect as a direct lease, in accordance with its terms (except as provided in this Agreement), between Successor Landlord and Tenant.
- 3.3 **Further Documentation**. The provisions of this Article shall be effective and self-operative without any need for Successor Landlord or Tenant to execute any further documents. Tenant and Successor Landlord shall, however, confirm the provisions of this Article in writing upon request by either of them.

4. Protection of Successor Landlord.

Notwithstanding anything to the contrary in the Lease or the Security Instrument, but subject to the last paragraph of this Section 4, Successor Landlord shall not be liable for or bound by any of the following matters:

4.1 Claims Against Former Landlord. Any Offset Right that Tenant may have against any Former Landlord relating to any event or occurrence before the date of attornment,

and any claim for damages of any kind whatsoever as the result of any breach by Former Landlord that occurred before the date of attornment, or any act, omission, default, misrepresentation, or breach of warranty, of Former Landlord or obligations accruing prior to the date of attornment. (The foregoing shall not limit either (a) Tenant's right to exercise against Successor Landlord any Offset Right otherwise available to Tenant because of events occurring after the date of attornment or (b) Successor Landlord's obligation to correct any conditions that existed as of the date of attornment and violate Successor Landlord's obligations as landlord under the Lease.)

- 4.2 **Prepayments**. Any payment of Rent that Tenant may have made to Former Landlord more than thirty (30) days before the date such Rent was first due and payable under the Lease with respect to any period after the date of attornment other than, and only to the extent that, the Lease expressly required such a prepayment.
- 4.3 **Payment; Security Deposit**. Any obligation: (a) to pay Tenant any sum(s) that any Former Landlord owed to Tenant or (b) with respect to any security deposited with Former Landlord, unless such security was actually delivered to Administrative Agent. This paragraph is not intended to apply to Landlord's obligation to make any payment that constitutes a "Construction-Related Obligation."
- 4.4 **Modification, Amendment, or Waiver**. Any modification or amendment of the Lease, or any waiver of any terms of the Lease, made without Administrative Agent's written consent.
- 4.5 **Surrender, Etc.** Any consensual or negotiated surrender, cancellation, or termination of the Lease, in whole or in part, agreed upon between Landlord and Tenant, unless effected unilaterally by Tenant pursuant to the express terms of the Lease.

However, and anything set forth in this Agreement to the contrary notwithstanding, (a) Tenant shall retain all rights and remedies under the Lease and all offsets or defenses which Tenant may have as to Landlord's obligation to pay the Allowance pursuant to Exhibit B of the Lease, provided that (i) in no event shall the amount of such offset for the Improvements Allowance exceed Four Million Nine Hundred Ninety Eight Thousand Three Hundred Seventy Five Dollars (\$4,998,375) less such amount of the Improvements Allowance as may have been paid by Landlord together with interest thereon as provided in Section 7(d) of Exhibit B of the Lease, and (ii) in no event shall such Successor Owner be personally liable in monetary damages as to the same, and (b) Tenant shall be entitled to any abatement of Base Rent or additional rent payable pursuant to Article V that is provided to Tenant pursuant to the provisions of this Lease. Nothing contained in this Agreement shall be construed to modify or affect in any manner the provisions of Section 25.3 of the Lease.

5. Exculpation of Successor Landlord.

Notwithstanding anything to the contrary in this Agreement or the Lease, upon any attornment pursuant to this Agreement the Lease shall be deemed to have been automatically

amended to provide that Successor Landlord's obligations and liability under the Lease shall never extend beyond Successor Landlord's (or its successors' or assigns') interest, if any, in Landlord's Premises from time to time, including rents, insurance and condemnation proceeds, Successor Landlord's interest in the Lease, and the proceeds from any sale or other disposition of Landlord's Premises by Successor Landlord (collectively, "Successor Landlord's Interest"). Tenant shall look exclusively to Successor Landlord's Interest (or that of its successors and assigns) for payment or discharge of any obligations of Successor Landlord under the Lease as affected by this Agreement. If Tenant obtains any money judgment against Successor Landlord with respect to the Lease or the relationship between Successor Landlord and Tenant, then Tenant shall look solely to Successor Landlord's Interest (or that of its successors and assigns) to collect such judgment. Tenant shall not collect or attempt to collect any such judgment out of any other assets of Successor Landlord. Further, neither Administrative Agent nor any Lender nor Successor Landlord shall have any liability or responsibility under or pursuant to the terms of the Lease and/or this Agreement after it ceases to own a fee interest in or to the Landlord's Premises.

6. Administrative Agent's Right to Cure.

- 6.1 **Notice to Administrative Agent**. Notwithstanding anything to the contrary in the Lease or this Agreement, before exercising any Termination Right or Offset Right, Tenant shall provide Administrative Agent with notice of the breach or default by Landlord giving rise to same (the "<u>Default Notice</u>") and, thereafter, the opportunity to cure such breach or default as provided for below.
- 6.2 Administrative Agent's Cure Period. After Administrative Agent receives a Default Notice, Administrative Agent shall have a period of thirty (30) days beyond the time available to Landlord under the Lease in which to cure the breach or default by Landlord. Administrative Agent shall have no obligation to cure (and shall have no liability or obligation for not curing) any breach or default by Landlord, except to the extent that Administrative Agent agrees or undertakes otherwise in writing.
- 6.3 Extended Cure Period. In addition, as to any breach or default by Landlord the cure of which requires possession and control of Landlord's Premises, provided only that Administrative Agent undertakes to Tenant by written notice to Tenant within thirty (30) days after receipt of the Default Notice to exercise reasonable efforts to cure or cause to be cured by a receiver such breach or default within the period permitted by this paragraph, Administrative Agent's cure period shall continue for such additional time (the "Extended Cure Period") as Administrative Agent may reasonably require to either (a) obtain possession and control of Landlord's Premises and thereafter cure the breach or default with reasonable diligence and continuity or (b) obtain the appointment of a receiver and give such receiver a reasonable period of time in which to cure the default.
- 6.4 **Tenant Rent Abatement and Offset Rights**. Nothing contained in this Section 6 or any other provision of this Agreement shall affect, or delay the exercise by Tenant of, any of Tenant's rights, pursuant to any express provisions of the Lease, to abate payments of Base Rent or additional rent payable pursuant to Article V of the Lease or to offset any amount for

which Tenant is entitled to offset against Base Rent or additional rent payable pursuant to Article V of the Lease.

7. Confirmation of Facts.

Tenant represents to Administrative Agent and to any Successor Landlord, in each case as of the Effective Date:

- 7.1 **Effectiveness of Lease**. The Lease is in full force and effect, has not been modified, and constitutes the entire agreement between Landlord and Tenant relating to Tenant's Premises. Tenant has no interest in Landlord's Premises except pursuant to the Lease. No unfulfilled conditions exist to Tenant's obligations under the Lease.
- 7.2 **Rent**. Tenant has not paid any Rent that is first due and payable under the Lease after the Effective Date.
- 7.3 **No Landlord Default**. To the best of Tenant's knowledge, no breach or default of or under the Lease by Landlord exists and no event has occurred that, with the giving of notice, the passage of time or both, would constitute such a breach or default.
- 7.4 **No Tenant Default**. Tenant is not in default under the Lease and has not received any uncured notice of any default by Tenant under the Lease.
- 7.5 **No Termination**. Tenant has not commenced any action nor sent or received any notice to terminate the Lease. Tenant has no presently exercisable Termination Right or Offset Right.
- 7.6 **No Transfer.** Tenant has not transferred, encumbered, mortgaged, assigned, conveyed or otherwise disposed of the Lease or any interest therein.

8. Miscellaneous.

- 8.1 **Notices**. All notices or other communications required or permitted under this Agreement shall be in writing and given by certified mail (return receipt requested) or by nationally recognized overnight courier service that regularly maintains records of items delivered. Each party's address is as set forth in the opening paragraph of this Agreement, subject to change by notice under this paragraph. Notices shall be effective the next business day after being sent by overnight courier service, and five (5) business days after being sent by certified mail (return receipt requested).
- 8.2 **Successors and Assigns**. This Agreement shall bind and benefit the parties, their successors and assigns, any Successor Landlord, and its successors and assigns. If Administrative Agent assigns the Security Instrument, then upon delivery to Tenant of written notice thereof accompanied by the assignee's written assumption of all obligations under this Agreement, all liability of the assignor shall terminate.

- 8.3 **Entire Agreement**. This Agreement constitutes the entire agreement between Administrative Agent and Tenant regarding the subordination of the Lease to the Security Instrument and the rights and obligations of Tenant and Administrative Agent as to the subject matter of this Agreement.
- 8.4 Interaction with Lease and with Security Instrument. If this Agreement conflicts with the Lease, then this Agreement shall govern as between the parties and any Successor Landlord, including upon any attornment pursuant to this Agreement. This Agreement supersedes, and constitutes full compliance with, any provisions in the Lease that provide for subordination of the Lease to, or for delivery of nondisturbance agreements by the holder of, the Security Instrument. Administrative Agent confirms that Administrative Agent has consented to Landlord's entering into the Lease.
- 8.5 Administrative Agent's Rights and Obligations. Except as expressly provided for in this Agreement, Administrative Agent shall have no obligations to Tenant with respect to the Lease. If an attornment occurs pursuant to this Agreement, then all rights and obligations of Administrative Agent under this Agreement shall terminate, without thereby affecting in any way the rights and obligations of Successor Landlord provided for in this Agreement.
- 8.6 Interpretation; Governing Law. The interpretation, validity and enforcement of this Agreement shall be governed by and construed under the internal laws of the District of Columbia, excluding its conflict of laws principles.
- 8.7 **Amendments**. This Agreement may be amended, discharged or terminated, or any of its provisions waived, only by a written instrument executed by the party to be charged.
- 8.8 **Execution**. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same instrument.
- 8.9 **Due Authorization**. Each of the parties hereto represents that it has full authority to enter into this Agreement and that its entry into this Agreement has been duly authorized by all necessary actions.
- 8.10 **Consequential Damages.** In no event shall either party hereto and/or its successors and assigns be liable for any incidental, consequential, punitive, or exemplary damages in connection with this Agreement, the Lease and the Security Instrument.
- 8.11 Payments to Administrative Agent after Default under Security Instrument. Landlord's interest under the Lease and the rent and all other sums due thereunder have been assigned to Administrative Agent as part of the security for the Loan, and In the event that Administrative Agent notifies Tenant of a default under the Security Instrument and demands that Tenant pay its rent and all other sums due under the Lease directly to Administrative Agent, Tenant shall honor such demand and pay the full amount of its rent and all other sums due under the Lease directly to Administrative Agent, without any obligation on the part of Tenant to

provide notice to or obtain the consent of Landlord or to determine whether a default actually exists under the Security Instrument and notwithstanding any contrary instructions of or demands from Landlord. Until Tenant receives any such request from Administrative Agent, Tenant will pay all of said rent to Landlord in accordance with the terms of the Lease.

[Signatures Commence on Following Page]

IN WITNESS WHEREOF, this Agreement has been duly executed and sealed by Administrative Agent and Tenant as of the Effective Date.

ADMINISTRATIVE AGENT

SUNTRUST BANK,

a Georgia banking corporation

	Ву:	(SEAL)
	Name: Title:	
	·	
WASHINGTON		
DISTRICT OF COLUMBIA		
On the day of appeared of satisfactory evidence to be the i and acknowledged to me the he e SunTrust Bank, as Administrative individual, or the person upon beha	, personally known to me individual whose name is subscript xecuted the same in his capacity Agent, and that by his/her signs	or proved to me on the basis bed to the within instrument as Authorized Signatory of ature on the instrument, the
	Notary Public	
My commission expires:		

TENANT

NATIONAL ASSOCIATION OF COUNTIES

a Delaware not-for-profit corporation

Ву:	(SEAL)
Title:	
CITY OF WASHINGTON	
DISTRICT OF COLUMBIA	
On the day of in the year 2015, before	me the undersigned personally
appeared nersonally known to	me or proved to me on the banks
of satisfactory evidence to be the individual whose name is suf-	scribed to the within instrument
and acknowledged to me the he/she executed the s	ame in his/her capacity as
of National Association of Coun	ties a Delaware not for profit
corporation, and that by his/her signature on the instrumer	at, the individual executed this
instrument.	
N	
Notary Public	
My commission expires:	

LANDLORD'S CONSENT

Landlord consents and agrees to the foregoing Agreement, which was entered into at Landlord's request. The foregoing Agreement shall not alter, waive or diminish any of Landlord's obligations under the Security Instrument or the Lease. The above Agreement discharges any obligations of Administrative Agent under the Security Instrument and related loan documents to enter into a nondisturbance agreement with Tenant. Landlord is not a party to the above Agreement. Landlord hereby authorizes and directs Tenant to abide by any written notice from Administrative Agent or Successor Landlord to pay the rents and all other sums due under the Lease directly to Administrative Agent or Successor Landlord. Landlord waives all claims against Tenant for any sums so paid at Administrative Agent or Successor Landlord's direction. Tenant may conclusively rely upon any written notice Tenant receives from Administrative Agent or Successor Landlord notwithstanding any claims by Landlord contesting the validity of any term or condition of such notice, including any default claimed by Administrative Agent or Successor Landlord, and Tenant shall have no duty to inquire into the validity or appropriateness of any such notice.

LANDLORD

660 NORTH CAPITOL STREET PROPERTY LLC, a Delaware limited liability company

	By:	(SEAL)
	,	Name:
		Title:
CITY OF WASHINGTON		
DISTRICT OF COLUMBIA		
on the basis of satisfactory evidence to be instrument and acknowledged to me , of 660 North Ca	the indi	the year 2015, before me, the undersigned,, personally known to me or proved to me ividual whose name is subscribed to the within executed the same in his capacity as reet Property LLC, a Delaware limited liability ent, the individual executed this instrument.
		Notary Public
My commission expires:		

SCHEDULE A

Description of Landlord's Premises

All that certain lot or parcel of land together with all improvements thereon located and being in the City of Washington in the District of Columbia and being more particularly described as follows:

Lot numbered Sixty-two (62) in Square numbered Six Hundred Twenty-five (625) in the subdivision made by RLA Revitalization Corporation, as per plat recoded in the Office of the Surveyor for the District of Columbia in <u>Liber 198 at folio 84</u>.

TOGETHER WITH easements contained in Cross-Easement Agreement by and between 25 Massachusetts Avenue Property LLC and 660 North Capitol Street Property LLC, dated August 11, 2004 and recorded August 13, 2004 as <u>Instrument No. 2004112703</u>, among the aforesaid Land Records.

TOGETHER WITH easements contained in Declaration of Covenants (Garage Exhaust Easements) by and between 25 Massachusetts Avenue Property LLC and 660 North Capitol Street Property, LLC, dated January 19, 2006 and recorded April 11, 2006 as <u>Instrument No. 2006047446</u>, among the aforesaid Land Records.

EXHIBIT F

FORM OF TENANT ESTOPPEL

TENANT ESTOPPEL CERTIFICATE

(the "Tenant") is the tenant under that certain lease dated, 2015, together with all amendments to such lease, each of which is listed below (such lease, together with all amendments listed below, the "Lease") with respect to Tenant's occupancy of approximately square feet (the "Leased Premises") of the property commonly known as Republic Square II, located at 660 North Capitol Street, , N.W., Washington, D.C. 20001-1431 (the "Property"). Tenant has been informed that SunTrust Bank, as Administrative Agent (the "Lender") is contemplating making, or has made, a loan (the "Loan") to the owner of the Property (the "Landlord"), which Loan will be secured by, among other things, a first deed of trust in respect of the Property and an assignment of leases and rents (collectively, the "First Mortgage").
Tenant hereby certifies and represents to Lender and to Landlord that, as of the date set forth by its signature below:
1. The Lease has not been amended, modified, or supplemented by any letter agreement or other written instrument, except as follows:
2. The Lease is in full force and effect. Tenant is the holder of the lessee's interest under the Lease. The Lease and constitutes the only agreements to which Tenant is a party, or for the benefit of Tenant, with respect to the Property. Tenant is in sole possession of the Leased Premises, and has not subleased any portion of the Leased Premises, except as follows:
3. The term of the Lease commenced on The current expiration date of the Lease is Pursuant to the Lease, Tenant has remaining options to extend the term of the Lease, each for years.
4. The current monthly minimum rent due under the Lease is \$ per month. Tenant is currently obligated to pay said minimum rent, and has paid such minimum rent through and including Additionally (and without limiting the rights of Tenant under the Lease to challenge said amounts or the rights of Landlord under the Lease to adjust said amounts), Tenant currently pays, on a monthly basis, estimated amounts on account of the following expenses:
Taxes: \$ Office Specific Charges: \$
Operating Expenses: \$
5. Except as set forth in the Lease with respect to Tenant's rights upon certain casualty or condemnation events, or upon certain breaches of the Lease by Landlord, Tenant has no right to terminate the Lease prior to the expiration date noted in Paragraph 3 above except as follows [cite to specific provision of Lease or insert "NONE"]:
6. Tenant has accepted and taken possession of the Leased Premises. To Tenant's actual knowledge, the Landlord has performed all of its obligations under the Lease regarding the construction and delivery of the Leased Premises, and the payment of any allowances or other monies in connection therewith, except as follows:
7. To Tenant's actual knowledge, neither Landlord nor Tenant is in breach of, or in default under, the Lease, and Tenant knows of no event or condition which, with the passage of time or the giving

of notice or both, would constitute such a breach or default by Tenant or Landlord under the Lease. To Tenant's actual knowledge, neither Tenant nor Landlord has exercised any option to terminate the Lease, or taken any other action, or received any notice, with respect to the termination of the Lease.

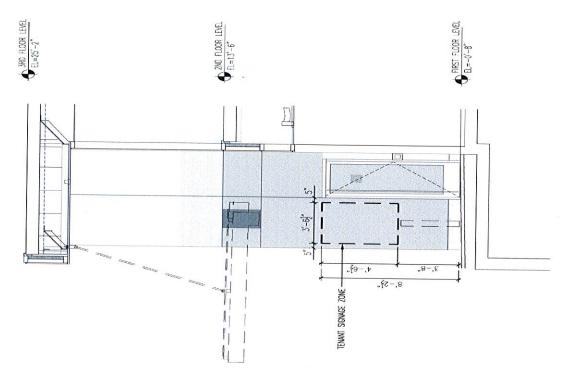
- 8. The amount of the security deposit retained by Landlord under the Lease is \$_____. To Tenant's knowledge, no portion of the security deposit has been applied by Landlord against rents under the Lease.
- 9. Tenant has no option, or right of first refusal, or other preferential right, to purchase all or any part of the Property except as set forth in the Lease. Tenant has no option, or right of first refusal, or other preferential right, to lease space (other than the Leased Premises) at the Property, except as set forth in the Lease.
- 10. There are no actions, whether voluntary or otherwise, pending against Tenant and/or any guarantor of Tenant's obligations under the Lease pursuant to the bankruptcy or insolvency laws of the United States or any state.
- 11. No commission or other payment is due any real estate broker by Tenant in connection with the leasing of the Leased Premises to Tenant.

IN WITNESS WHEREOF, Tenant has duly executed and delivered this Certificate as of the date set forth below.

Dated:, 20	[Insert TENANT's legal name, as shown in Lease]	
		By: Name: Title:

EXHIBIT G

ENTRANCE AREA SIGN SPECIFICATIONS



G-1

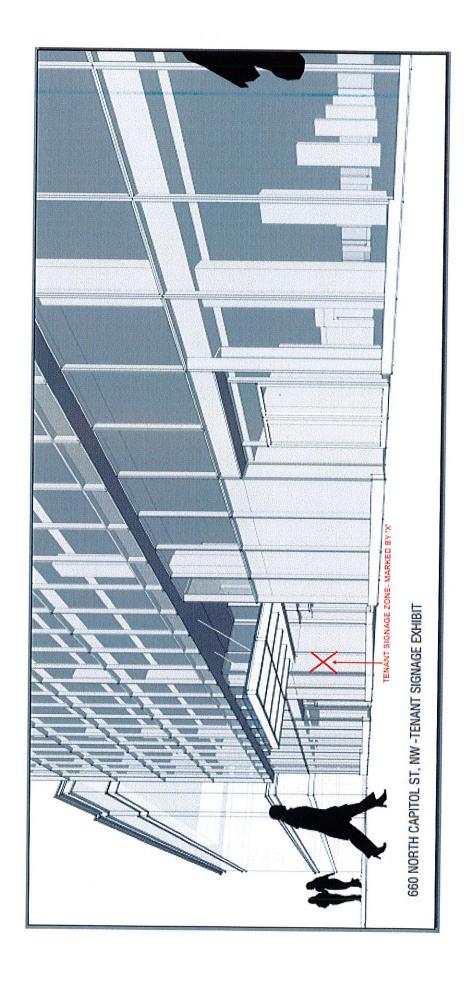


EXHIBIT H

LOCATION OF SATELLITE DISH EQUIPMENT AREA

The area of the main roof of the Building on which Tenant shall have the right to install its Satellite Dish Equipment shall be either the area marked Option 1 or the area marked Option 2 on the plan attached hereto and Tenant shall be entitled to determine whether such area shall be Option 1 or Option 2.

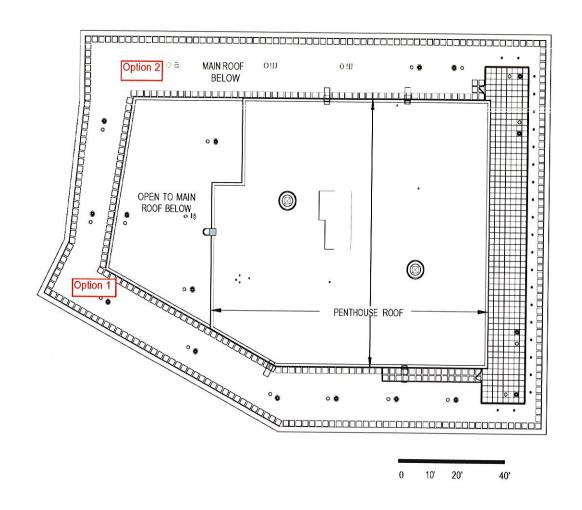


EXHIBIT I ROOFTOP DECK PLAN

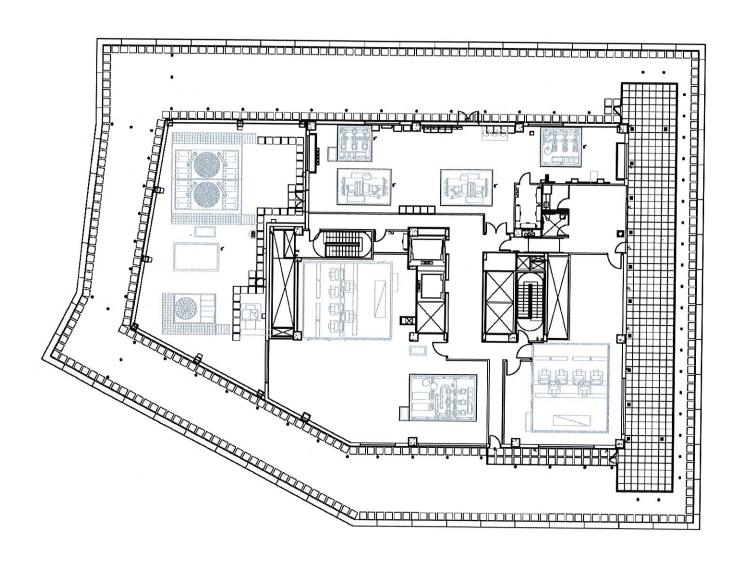




EXHIBIT J

CLEANING SPECIFICATIONS

Daily (unless otherwise specified)

Daily (Monday through Friday, inclusive, Saturdays, Sundays and Holidays excepted):

Entrance/Lobby Areas

Outside entrances and landings will be swept, weather permitting.

Glass entrance doors and side panels will be wiped clean inside and outside with window washing solution. Door hardware will be wiped clean of fingerprints and smudges.

Entrance door thresholds and kick plates will be polished.

Carpet will be thoroughly vacuumed. Carpets will be kept free of tar, gum, etc. Walk off mats will be free of dirt and/or hard surface floors will be damp mopped with clear water and a clean mop.

Interior glass will be kept free of dust and smudges. Lobby planters or urns will be dusted.

Any trash containers, sand urns emptied and cleaned. Trash removed to designated area, sand replaced as necessary.

Areas around entrance will be policed for debris.

Vertical surfaces will be dusted.

Kitchens/Snack Areas/Cafeteria

Floors will be swept and wet mopped.

Carpeted areas will be vacuumed.

Counter tops and ledges up to 6 ft. will be wiped clean.

Trash containers will be emptied and liners changed as needed.

Carpeted areas will be thoroughly vacuumed.

Dust all exercise equipment, hanging fixtures, and fire extinguishers.

Baseboards will be dusted.

Areas around door handles and doorframes will be wiped clean.

Windowsills will be dusted.

Trash containers will be emptied and liners replaced.

Locker room floors shall be thoroughly vacuumed and damp mopped with a germicidal solution.

Mirrors shall be wiped clean.

Furnishings shall be dusted.

Showers and exercise equipment shall be cleaned with disinfectant solution.

Stairways/Landings

Hard floor stairways will be swept twice weekly and mopped not less than twice per month.

Handrails will be wiped clean.

Landings will be vacuumed including baseboards

Hallways/Corridors

All common corridors will be vacuumed.

Air vents and baseboards will be dusted.

Hanging wall fixtures such as fire extinguishers will be dusted.

All surfaces below 6 ft will be wiped clean of dust and dirt.

Vertical surfaces including wood paneling in executive areas will be dusted with a treated cloth.

Drinking Fountains

Drinking fountains shall be maintained clean and free of stains and all metal parts shall be shined. Any leaks will be reported to the Building Engineer.

Elevators

Stainless steel elevator doors will be wiped clean with stainless steel cleaner.

Ceilings will be dusted.

Elevator phone cabinets and phones will be wiped clean.

Elevator tracks shall be kept free of debris.

Elevator cab hard surface floors will be swept and mopped nightly, if present.

Loading Areas

Loading areas shall be cleaned and free of trash, debris and foreign matter.

Vinyl flooring will be swept/mopped nightly.

Parking Lot/Garage

Parking lot and garage area will be policed for debris.

Glass doors and windows will be kept clean of smudges.

<u>Dumpsters</u>

Areas around dumpster shall be policed for debris.

Weekly

Restrooms tile, ceramic floors will be thoroughly cleaned with a mild cleaner with disinfectant to eliminate bacteria and rinsed.

Carpeted areas will be thoroughly vacuumed using accessory tools including baseboards and edge vacuum all carpeted areas.

Cleaners will be on the alert for cobwebs.

Walls, glass, partitions and doors will be wiped clean. Elevator tracks will be cleaned and polished.

Monthly

Air vents will be dusted and vacuumed when necessary.

Restroom floors will be machined-scrubbed with a neutral cleaner disinfectant. Excess dirt will be picked up with a wet vacuum. Floors will be rinsed with clean water to avoid streaks.

Elevator cab carpets will be shampooed/steam cleaned every two weeks, if present Quarterly

Wall surfaces in main lobby and upper lobbies will be kept clean according to manufacturer's cleaning specifications.

Loading areas shall be cleaned of all debris. Clean hanging light fixtures.

Semi-Annually

Blinds will be thoroughly wiped clean in place.

Strip and wax tile floors and re-coat using a high-gloss slip resistant floor finish to restore shine.

Exterior window cleaning

EXHIBIT K

PRE-APPROVED GENERAL CONTRACTORS

The following general contractors¹ have been pre-approved by Landlord to perform Tenant's Leasehold Improvements:

- 1. Hitt Contracting;
- 2. Bognet Construction;
- 3. Rand Construction;
- 4. Davis Construction;
- 5. Balfour Beatty Construction; and
- 6. DFS Construction.

¹Tenant reserves the right to add additional general contractors to the above list, subject to the Landlord's approval, which shall not be unreasonably withheld, conditioned, or delayed.

After Recording Please Return To:

Hunton & Williams LLP 1751 Pinnacle Drive, Suite 1700 McLean, Virginia 22182 Attention: C. Christopher Giragosian, Esq. TAX PARCEL ID: Square 0625, Lot 0062

SUBORDINATION, NONDISTURBANCE AND ATTORNMENT AGREEMENT

This SUBORDINATION, NONDISTURBANCE, AND ATTORNMENT AGREEMENT (this "Agreement") is entered into as of October 5, 2015 (the "Effective Date"), between SUNTRUST BANK, a Georgia banking corporation, whose address is 8330 Boone Boulevard, Suite 800, Vienna, Virginia 22182, with a copy to: SunTrust Bank Legal Department – CRE, 303 Peachtree Street NE, Suite 3600, Mail Code GA-Atl-0643, Atlanta, Georgia 30308 ("Administrative Agent"), and NATIONAL ASSOCIATION OF COUNTIES, whose address is 25 Massachusetts Avenue, N.W., Washington, D.C. 200001 ("Tenant"), with reference to the following facts:

- A. 600 North Capitol Street Property LLC, a Delaware limited liability company, whose address is c/o Republic Properties Corporation, 1290 Maryland Avenue, S.W., Washington, D.C. 20024 ("Landlord"), owns the real property located at 660 North Capitol Street, N.W., Washington, D.C. (such real property, including all buildings, improvements, structures and fixtures located or to be located thereon, "Landlord's Premises"), as more particularly described in Schedule A.
- B. Administrative Agent, Landlord and certain financial institutions party thereto from time to time, as lenders (together with Administrative Agent, collectively the "Lenders") are parties to that certain Construction Loan Agreement dated June 23, 2014 (as amended, increased, renewed, extended, spread, consolidated, severed, restated or otherwise changed from time to time, the "Loan Agreement") for a loan to Landlord in the original principal amount of up to \$ 65,000,000 (the "Loan"). The Loan is further evidenced by one or more promissory notes more particularly described therein (as they may have been or may be from time to time renewed, extended, amended, supplement or restated, hereinafter the "Notes").
- C. To secure the Loan, Landlord has encumbered Landlord's Premises by entering into that certain Deed of Trust/, Assignment, Security Agreement and Fixture Filing dated June 23, 2014 in favor of Rori H. Malech and Jason O. Ziegler, as Trustees for the benefit of Administrative Agent as beneficiary (as amended, increased, renewed, extended, spread, consolidated, severed, restated, or otherwise changed from time to time, the "Security Instrument") recorded on June 23, 2014 as Document No. 2014055693 in the Land Records of the District of Columbia (the "Records").

- D. Pursuant to a Lease, dated as of October 5, 2015 (together with all rights, remedies and options of Tenant thereunder and all right, title and interest of Tenant in and to the Landlord's Premises, the "Lease"), Landlord demised to Tenant a portion of Landlord's Premises ("Tenant's Premises"). Tenant's Premises are commonly known as all of the third (3rd) floor and a portion of the fourth (4th) floor of 660 North Capitol Street, N.W., Washington, D.C as more fully described in the Lease.
- E. Tenant and Administrative Agent desire to agree upon the relative priorities of their interests in Landlord's Premises and their rights and obligations if certain events occur.

NOW, THEREFORE, for good and sufficient consideration, Tenant and Administrative Agent agree:

1. Definitions.

The following terms shall have the following meanings for purposes of this Agreement.

- 1.1 Foreclosure Event. A "Foreclosure Event" means: (a) foreclosure under the Security Instrument; (b) any other exercise by Administrative Agent of rights and remedies (whether under the Security Instrument or under applicable law, including bankruptcy law) as holder of the Loan and/or the Security Instrument, as a result of which Successor Landlord becomes owner of Landlord's Premises; or (c) delivery by Landlord to Administrative Agent (or its designee or nominee) of a deed or other conveyance of Landlord's interest in Landlord's Premises in lieu of any of the foregoing.
- 1.2 **Former Landlord**. A "<u>Former Landlord</u>" means Landlord and any other party that was landlord under the Lease at any time before the occurrence of any attornment under this Agreement.
- 1.3 Offset Right. An "Offset Right" means any right or alleged right of Tenant to any offset, defense (other than one arising from actual payment and performance, which payment and performance would bind a Successor Landlord pursuant to this Agreement), claim, counterclaim, reduction, deduction, or abatement against Tenant's payment of Rent or performance of Tenant's other obligations under the Lease, arising (whether under the Lease or other applicable law) from Landlord's breach or default under the Lease.
- 1.4 **Rent.** The "Rent" means any fixed rent, base rent or additional rent under the Lease.
- 1.5 Successor Landlord. A "Successor Landlord" means any party that becomes owner of Landlord's Premises as the result of a Foreclosure Event.
- 1.6 **Termination Right**. A "<u>Termination Right</u>" means any right of Tenant to cancel or terminate the Lease or to claim a partial or total eviction arising (whether under the Lease or under applicable law) from Landlord's breach or default under the Lease.

2. Subordination. The Lease shall be, and shall at all times remain, subject and subordinate to the Security Instrument, the lien imposed by the Security Instrument, and all advances made under or secured by the Security Instrument.

3. Nondisturbance, Recognition and Attornment.

- 3.1 No Exercise of Security Instrument Remedies Against Tenant. So long as the Lease has not been terminated on account of Tenant's default that has continued beyond applicable cure periods (an "Event of Default"), Administrative Agent shall not name or join Tenant as a defendant in any exercise of Administrative Agent's rights and remedies arising upon a default under the Security Instrument unless applicable law requires Tenant to be made a party thereto as a condition to proceeding against Landlord or prosecuting such rights and remedies. In the latter case, Administrative Agent may join Tenant as a defendant in such action only for such purpose and not to terminate the Lease or otherwise adversely affect Tenant's rights under the Lease or this Agreement in such action.
- 3.2 Nondisturbance and Attornment. If the Lease has not been terminated on account of an Event of Default by Tenant, then, when Successor Landlord takes title to Landlord's Premises: (a) Successor Landlord shall not terminate or disturb Tenant's possession of Tenant's Premises under the Lease, except in accordance with the terms of the Lease and this Agreement; (b) Successor Landlord shall be bound to Tenant under all the terms and conditions of the Lease (except as provided in this Agreement); (c) Tenant shall recognize and attorn to Successor Landlord as Tenant's direct landlord under the Lease as affected by this Agreement; and (d) the Lease shall continue in full force and effect as a direct lease, in accordance with its terms (except as provided in this Agreement), between Successor Landlord and Tenant.
- 3.3 Further Documentation. The provisions of this Article shall be effective and self-operative without any need for Successor Landlord or Tenant to execute any further documents. Tenant and Successor Landlord shall, however, confirm the provisions of this Article in writing upon request by either of them.
- 4. **Protection of Successor Landlord**. Notwithstanding anything to the contrary in the Lease or the Security Instrument, but subject to the last paragraph of this Section 4, Successor Landlord shall not be liable for or bound by any of the following matters:
- 4.1 Claims Against Former Landlord. Any Offset Right that Tenant may have against any Former Landlord relating to any event or occurrence before the date of attornment, and any claim for damages of any kind whatsoever as the result of any breach by Former Landlord that occurred before the date of attornment, or any act, omission, default, misrepresentation, or breach of warranty, of Former Landlord or obligations accruing prior to the date of attornment. (The foregoing shall not limit either (a) Tenant's right to exercise against Successor Landlord any Offset Right otherwise available to Tenant because of events occurring after the date of attornment or (b) Successor Landlord's obligation to correct any conditions that existed as of the date of attornment and violate Successor Landlord's obligations as landlord under the Lease).

- 4.2 **Prepayments**. Any payment of Rent that Tenant may have made to Former Landlord more than thirty (30) days before the date such Rent was first due and payable under the Lease with respect to any period after the date of attornment other than, and only to the extent that, the Lease expressly required such a prepayment.
- 4.3 **Payment; Security Deposit**. Any obligation: (a) to pay Tenant any sum(s) that any Former Landlord owed to Tenant or (b) with respect to any security deposited with Former Landlord, unless such security was actually delivered to Administrative Agent. This paragraph is not intended to apply to Landlord's obligation to make any payment that constitutes a "Construction-Related Obligation."
- 4.4 Modification, Amendment, or Waiver. Any modification or amendment of the Lease, or any waiver of any terms of the Lease, made without Administrative Agent's written consent.
- 4.5 **Surrender**, Etc. Any consensual or negotiated surrender, cancellation, or termination of the Lease, in whole or in part, agreed upon between Landlord and Tenant, unless effected unilaterally by Tenant pursuant to the express terms of the Lease.

However, and anything set forth in this Agreement to the contrary notwithstanding, (a) Tenant shall retain all rights and remedies under the Lease and all offsets or defenses which Tenant may have as to Landlord's obligation to pay the Allowance pursuant to Exhibit B of the Lease, provided that (i) in no event shall the amount of such offset for the Improvements Allowance exceed Four Million Nine Hundred Ninety Eight Thousand Three Hundred Seventy Five Dollars (\$4,998,375) less such amount of the Improvements Allowance as may have been paid by Landlord together with interest thereon as provided in Section 7(d) of Exhibit B of the Lease, and (ii) in no event shall such Successor Owner be personally liable in monetary damages as to the same, and (b) Tenant shall be entitled to any abatement of Base Rent or additional rent payable pursuant to Article V that is provided to Tenant pursuant to the provisions of this Lease. Nothing contained in this Agreement shall be construed to modify or affect in any manner the provisions of Section 25.3 of the Lease.

5. Exculpation of Successor Landlord. Notwithstanding anything to the contrary in this Agreement or the Lease, upon any attornment pursuant to this Agreement the Lease shall be deemed to have been automatically amended to provide that Successor Landlord's obligations and liability under the Lease shall never extend beyond Successor Landlord's (or its successors' or assigns') interest, if any, in Landlord's Premises from time to time, including rents, insurance and condemnation proceeds, Successor Landlord's interest in the Lease, and the proceeds from any sale or other disposition of Landlord's Premises by Successor Landlord (collectively, "Successor Landlord's Interest"). Tenant shall look exclusively to Successor Landlord's Interest (or that of its successors and assigns) for payment or discharge of any obligations of Successor Landlord under the Lease as affected by this Agreement. If Tenant obtains any money judgment against Successor Landlord with respect to the Lease or the relationship between Successor Landlord and Tenant, then Tenant shall look solely to Successor Landlord's Interest (or that of its successors and assigns) to collect such judgment. Tenant shall not collect or attempt to collect any such judgment out of any other assets of Successor Landlord. Further,

neither Administrative Agent nor any Lender nor Successor Landlord shall have any liability or responsibility under or pursuant to the terms of the Lease and/or this Agreement after it ceases to own a fee interest in or to the Landlord's Premises.

6. Administrative Agent's Right to Cure.

- 6.1 **Notice to Administrative Agent**. Notwithstanding anything to the contrary in the Lease or this Agreement, before exercising any Termination Right or Offset Right, Tenant shall provide Administrative Agent with notice of the breach or default by Landlord giving rise to same (the "<u>Default Notice</u>") and, thereafter, the opportunity to cure such breach or default as provided for below.
- 6.2 Administrative Agent's Cure Period. After Administrative Agent receives a Default Notice, Administrative Agent shall have a period of thirty (30) days beyond the time available to Landlord under the Lease in which to cure the breach or default by Landlord. Administrative Agent shall have no obligation to cure (and shall have no liability or obligation for not curing) any breach or default by Landlord, except to the extent that Administrative Agent agrees or undertakes otherwise in writing.
- 6.3 Extended Cure Period. In addition, as to any breach or default by Landlord the cure of which requires possession and control of Landlord's Premises, provided only that Administrative Agent undertakes to Tenant by written notice to Tenant within thirty (30) days after receipt of the Default Notice to exercise reasonable efforts to cure or cause to be cured by a receiver such breach or default within the period permitted by this paragraph, Administrative Agent's cure period shall continue for such additional time (the "Extended Cure Period") as Administrative Agent may reasonably require to either (a) obtain possession and control of Landlord's Premises and thereafter cure the breach or default with reasonable diligence and continuity or (b) obtain the appointment of a receiver and give such receiver a reasonable period of time in which to cure the default.
- 6.4 Tenant Rent Abatement and Offset Rights. Nothing contained in this Section 6 or any other provision of this Agreement shall affect, or delay the exercise by Tenant of, any of Tenant's rights, pursuant to any express provisions of the Lease, to abate payments of Base Rent or additional rent payable pursuant to Article V of the Lease or to offset any amount for which Tenant is entitled to offset against Base Rent or additional rent payable pursuant to Article V of the Lease.
- 7. Confirmation of Facts. Tenant represents to Administrative Agent and to any Successor Landlord, in each case as of the Effective Date:
- 7.1 **Effectiveness of Lease**. The Lease is in full force and effect, has not been modified, and constitutes the entire agreement between Landlord and Tenant relating to Tenant's Premises. Tenant has no interest in Landlord's Premises except pursuant to the Lease. No unfulfilled conditions exist to Tenant's obligations under the Lease.

- 7.2 Rent. Tenant has not paid any Rent that is first due and payable under the Lease after the Effective Date.
- 7.3 **No Landlord Default**. To the best of Tenant's knowledge, no breach or default of or under the Lease by Landlord exists and no event has occurred that, with the giving of notice, the passage of time or both, would constitute such a breach or default.
- 7.4 **No Tenant Default**. Tenant is not in default under the Lease and has not received any uncured notice of any default by Tenant under the Lease.
- 7.5 **No Termination**. Tenant has not commenced any action nor sent or received any notice to terminate the Lease. Tenant has no presently exercisable Termination Right or Offset Right.
- 7.6 **No Transfer.** Tenant has not transferred, encumbered, mortgaged, assigned, conveyed or otherwise disposed of the Lease or any interest therein.

8. Miscellaneous.

- 8.1 Notices. All notices or other communications required or permitted under this Agreement shall be in writing and given by certified mail (return receipt requested) or by nationally recognized overnight courier service that regularly maintains records of items delivered. Each party's address is as set forth in the opening paragraph of this Agreement, subject to change by notice under this paragraph. Notices shall be effective the next business day after being sent by overnight courier service, and five (5) business days after being sent by certified mail (return receipt requested).
- 8.2 Successors and Assigns. This Agreement shall bind and benefit the parties, their successors and assigns, any Successor Landlord, and its successors and assigns. If Administrative Agent assigns the Security Instrument, then upon delivery to Tenant of written notice thereof accompanied by the assignee's written assumption of all obligations under this Agreement, all liability of the assignor shall terminate.
- 8.3 Entire Agreement. This Agreement constitutes the entire agreement between Administrative Agent and Tenant regarding the subordination of the Lease to the Security Instrument and the rights and obligations of Tenant and Administrative Agent as to the subject matter of this Agreement.
- 8.4 Interaction with Lease and with Security Instrument. If this Agreement conflicts with the Lease, then this Agreement shall govern as between the parties and any Successor Landlord, including upon any attornment pursuant to this Agreement. This Agreement supersedes, and constitutes full compliance with, any provisions in the Lease that provide for subordination of the Lease to, or for delivery of nondisturbance agreements by the holder of, the Security Instrument. Administrative Agent confirms that Administrative Agent has consented to Landlord's entering into the Lease.

- 8.5 Administrative Agent's Rights and Obligations. Except as expressly provided for in this Agreement, Administrative Agent shall have no obligations to Tenant with respect to the Lease. If an attornment occurs pursuant to this Agreement, then all rights and obligations of Administrative Agent under this Agreement shall terminate, without thereby affecting in any way the rights and obligations of Successor Landlord provided for in this Agreement.
- 8.6 Interpretation; Governing Law. The interpretation, validity and enforcement of this Agreement shall be governed by and construed under the internal laws of the District of Columbia, excluding its conflict of laws principles.
- 8.7 Amendments. This Agreement may be amended, discharged or terminated, or any of its provisions waived, only by a written instrument executed by the party to be charged.
- 8.8 **Execution**. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same instrument.
- 8.9 **Due Authorization**. Each of the parties hereto represents that it has full authority to enter into this Agreement and that its entry into this Agreement has been duly authorized by all necessary actions.
- 8.10 Consequential Damages. In no event shall either party hereto and/or its successors and assigns be liable for any incidental, consequential, punitive, or exemplary damages in connection with this Agreement, the Lease and the Security Instrument.
- 8.11 Payments to Administrative Agent after Default under Security Instrument. Landlord's interest under the Lease and the rent and all other sums due thereunder have been assigned to Administrative Agent as part of the security for the Loan, and In the event that Administrative Agent notifies Tenant of a default under the Security Instrument and demands that Tenant pay its rent and all other sums due under the Lease directly to Administrative Agent, Tenant shall honor such demand and pay the full amount of its rent and all other sums due under the Lease directly to Administrative Agent, without any obligation on the part of Tenant to provide notice to or obtain the consent of Landlord or to determine whether a default actually exists under the Security Instrument and notwithstanding any contrary instructions of or demands from Landlord. Until Tenant receives any such request from Administrative Agent, Tenant will pay all of said rent to Landlord in accordance with the terms of the Lease.

[Signatures Commence on Following Page]

IN WITNESS WHEREOF, this Agreement has been duly executed and sealed by Administrative Agent and Tenant as of the Effective Date.

ADMINISTRATIVE AGENT:

SUNTRUST BANK,

a Georgia banking corporation

:	Ву:		AL)		
		Name:			
		Title:			
WASHINGTON					
DISTRICT OF COLUMBIA					
On the day of in the year 2015, before me, the undersigned, personally appeared, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me the he executed the same in his capacity as Authorized Signatory of SunTrust Bank, as Administrative Agent, and that by his/her signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.					
·	1	Notary Public			
My commission expires:					

TENANT:

NATIONAL ASSOCIATION OF COUNTIES, a Delaware not-for-profit corporation

By:

(SEAL)

Name:

Title:

CITY OF WASHINGTON DISTRICT OF COLUMBIA

On the U day of October in the year 2015, before me, the undersigned, personally appeared Orancle fuller, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me the he/she executed the same in his/her capacity as Inchitation of National Association of Counties, a Delaware not-for profit corporation, and that by his/her signature on the instrument, the individual executed this instrument.

Notary Public

My commission expires: August 14, 2020

COM! SIO EXP. RES

District of Columbia: SS Subscribed and Sworn to before me

this IU day of October

E. DC

Chanele Fuller, Notary Public, D.C. My commission expires August 14, 2020

LANDLORD'S CONSENT

Landlord consents and agrees to the foregoing Agreement, which was entered into at Landlord's request. The foregoing Agreement shall not alter, waive or diminish any of Landlord's obligations under the Security Instrument or the Lease. The above Agreement discharges any obligations of Administrative Agent under the Security Instrument and related loan documents to enter into a nondisturbance agreement with Tenant. Landlord is not a party to the above Agreement. Landlord hereby authorizes and directs Tenant to abide by any written notice from Administrative Agent or Successor Landlord to pay the rents and all other sums due under the Lease directly to Administrative Agent or Successor Landlord. Landlord waives all claims against Tenant for any sums so paid at Administrative Agent or Successor Landlord's direction. Tenant may conclusively rely upon any written notice Tenant receives from Administrative Agent or Successor Landlord notwithstanding any claims by Landlord contesting the validity of any term or condition of such notice, including any default claimed by Administrative Agent or Successor Landlord, and Tenant shall have no duty to inquire into the validity or appropriateness of any such notice.



LANDLORD:

660 NORTH CAPITOL STREET PROPERTY

LLC, a Delaware limited liability company

By:

(SEAL)

Name: Speken British

CITY OF WASHINGTON DISTRICT OF COLUMBIA

On the day of Color in the year 2015, before me, the undersigned personally appeared Color Smitter additionally personally known to me or proved to he on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me the she executed the same in his capacity last of 660 North Capitol Street Property LLC, a Delaware limited liability company, and that by his signature on the instrument, the individual executed this instrument.

Notary Public

My commission expires: Sptmber 30, 2020

SCHEDULE A

Description of Landlord's Premises

All that certain lot or parcel of land together with all improvements thereon located and being in the City of Washington in the District of Columbia and being more particularly described as follows:

Lot numbered Sixty-two (62) in Square numbered Six Hundred Twenty-five (625) in the subdivision made by RLA Revitalization Corporation, as per plat recoded in the Office of the Surveyor for the District of Columbia in <u>Liber 198 at folio 84</u>.

TOGETHER WITH easements contained in Cross-Easement Agreement by and between 25 Massachusetts Avenue Property LLC and 660 North Capitol Street Property LLC, dated August 11, 2004 and recorded August 13, 2004 as <u>Instrument No. 2004112703</u>, among the aforesaid Land Records.

TOGETHER WITH easements contained in Declaration of Covenants (Garage Exhaust Easements) by and between 25 Massachusetts Avenue Property LLC and 660 North Capitol Street Property, LLC, dated January 19, 2006 and recorded April 11, 2006 as <u>Instrument No. 2006047446</u>, among the aforesaid Land Records.