

**DISTRICT OF COLUMBIA  
DEPARTMENT OF REAL ESTATE  
SERVICES**

**IN-LEASE  
STANDARD CLAUSES AND  
PROVISIONS**

**1. PREMISES**

1.1 District leases the Premises from Landlord for the term and upon the conditions and covenants set forth in this Lease. Landlord and District hereby stipulate to the rentable square footage of the Premises and the Building as set forth in Section I on DC DRES Form L-102TIA.

1.2 Landlord hereby grants to District and its agents, employees, and invitees the nonexclusive right with others designated by Landlord to the use of the Common Areas in the Building for ingress to and egress from the Premises, in accordance with the terms of this Lease. Landlord may make such changes to the Common Areas as do not unreasonably interfere with or unreasonably diminish the District's access to the Premises or the District's use thereof.

1.3 Landlord hereby represents and warrants that as of the date of this Lease, the Building is in compliance with Laws, subject to any "grandfathering" provisions. Landlord shall be responsible for compliance with all applicable Laws (subject to any "grandfathering" provisions) as they pertain to the Common Areas, Base Building Conditions, or Building Structures and Systems provided any non-compliance is not directly attributable to the use or occupancy of the Building or the Premises (including alterations to the Premises) by District throughout the Lease Term. District shall be responsible for changes or additions

to the Premises required to comply with applicable Laws necessitated directly by reason of District's use or occupancy of or alterations to the Premises during the Lease Term. All such future changes, additions, and work to the Common Areas, Base Building Conditions, or Building Structures and Systems, to the extent commercially reasonable, shall be performed after Building Hours and on weekends, unless their installation does not interfere with the District's use and enjoyment of the Premises.

1.4 Subject to the terms and conditions of the Lease, Landlord shall deliver the Premises to the District and the District shall accept the Premises in its "as-is" condition. Provided, however, that if the Parties have agreed upon Tenant Improvements, Landlord shall provide the Premises to the District in accordance with the terms and conditions specified in a work agreement substantially in the form of DC DRES Form A-103 and which agreement will attach a statement of lessor's unit costs in the form of DC DRES Form A-104.

**2. PARKING**

Landlord shall provide parking to the District as set forth in Section II(13) on DC DRES Form L-102TIA.

**3. USE OF PREMISES**

3.1 District shall use and occupy the Premises in accordance with the use specified in Section I(3) on DC DRES Form L-102TIA. By executing the Lease, Landlord acknowledges and pre-approves occupancy for such purposes by any District agency, whether currently occupying the Premises or as District may elect during the Lease Term. Substitution of an agency shall not constitute an assignment or sublet or be subject to Landlord's approval under Section

21 so long as the substituted agency uses the Premises as permitted under the Lease. District shall not use and occupy the Premises for any other uses without the express written consent of the Landlord, which consent shall not be unreasonably withheld, conditioned or delayed. District 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 that will constitute waste, nuisance or unreasonable annoyance to Landlord or adjacent property owners. District shall comply with all applicable 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 District's sole expense, provided that District shall not be required to construct or alter the elements of the Base Building Conditions or Building Structures and Systems within the Premises unless required by reason of District's particular use of the Premises. If any such Laws requires an occupancy or use permit or license for the Premises or the operation of the business conducted therein, then District shall obtain and keep current such permit or license at District's expense and shall promptly deliver a copy thereof to Landlord. Notwithstanding the foregoing, if the Landlord is responsible for any Tenant Improvements, Landlord shall be responsible for obtaining any necessary licenses, permits, or, upon completion of the improvements, certificates of occupancy. Use of the Premises is subject to all covenants, conditions and restrictions of record, which Landlord represents and warrants do not and will not adversely impact the permitted use hereunder.

3.2 District shall pay before delinquency any business, rent or other taxes or fees that are now or hereafter levied,

assessed or imposed directly upon District due to its use or occupancy of the Premises, the conduct of District's business at the Premises or District'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 District shall pay the amount of such tax or fee with payment of Annual Rental next becoming due and payable.

3.3 (a) District shall not 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 by the District, provided that the District may use and store normal and reasonable quantities of standard cleaning and office materials as may be reasonably necessary for District to conduct normal operations in the Premises so long as such materials are properly, safely and lawfully stored and used by District 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. At the expiration or earlier termination of this Lease, District shall surrender the Premises to Landlord free of Hazardous Materials introduced by District and in compliance with all Environmental Laws (excluding violations caused by parties other than the District).

(b) District shall: (i) give Landlord prompt oral and follow-up written notice of any actual or threatened Environmental Default about which District becomes aware. District shall promptly cure an Environmental Default in accordance with all Environmental Laws and only after District 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 equity, Landlord shall have the right but not the obligation to immediately enter the Premises, to supervise and approve any actions taken by District to address the Environmental Default, and, if District fails promptly to address same in compliance with applicable Laws, to perform, at District's sole cost and expense, any lawful action necessary to address such Environmental Default. Landlord shall be released from all liability for damage or injury to the District resulting from Landlord's entry on the Premises to address an Environmental Default, except for any damages or injury arising from the gross negligence or willful misconduct of Landlord .

#### 4. RULES

District will abide by and observe reasonable rules that Landlord may promulgate from time to time for the operation and maintenance of the Building, provided that notice thereof is given and such rules are not inconsistent with the provisions of this Lease. If any provision of this Lease conflicts with a rule promulgated hereunder, such provision of this Lease shall govern. Landlord shall not discriminate against District in the enforcement or promulgation of any rule.

#### 5. TERM

5.1 All of the provisions of this Lease shall be in full force and effect from

and after the Lease Commencement Date unless specifically stated otherwise in Section III(19) on DC DRES Form L-102TIA. The Lease Term includes any properly exercised renewal or extension of the term of this Lease.

5.2 Until the Rent Commencement Date, (i) District shall not be obligated to pay Annual Rental, and (ii) Landlord shall not be obligated to provide any utility or service in excess of that customarily provided to or for the benefit of a premises in order to perform leasehold improvement work thereto, if any.

#### 6. EXTENSION OPTIONS

Provided there is no uncured District Default under the Lease, District may notify Landlord in writing of District's election to extend the Lease in accordance with and for the term set forth in Section III(15) on DC DRES Form L-102TIA. The Shell Rental for the renewal period shall be as set forth in Section III(15) on DC DRES Form L-102TIA.

#### 7. ANNUAL RENTAL, OPERATING COSTS, AND REAL ESTATE TAXES

7.1 District shall pay to Landlord Annual Rental for the Premises during the Lease Term, during the applicable Lease Years, payable in equal monthly installments in arrears. Annual Rental shall be paid to Landlord by District on or before the fifth day of the calendar month following the month in which such Annual Rental accrued. Annual Rental is the amount set forth in Section II(8)(a) on DC DRES FORM L-102TIA subject to increases, after the initial Lease Year, in Operating Costs and Real Estate Taxes as described in this Section.

7.2 If the Rent Commencement Date is not the first day of a month, then the

Annual Rental from the Rent Commencement Date until the first day of the following month shall be prorated on a per diem basis at the rate of one-thirtieth (1/30th) of the monthly installment of the Annual Rental payable during the first Lease Year, and District shall pay such prorated installment of the Annual Rental after the Rent Commencement Date, in arrears. If the Lease Term commences or expires on a day other than the first day or the last day of a calendar year, respectively, then District's liabilities pursuant to this Section for such calendar year shall be apportioned pro rata based upon a three hundred sixty-five (365) day calendar year.

7.3 District shall pay Annual Rental to Landlord, at Landlord Payment Address, or to such other place or to such other agent as Landlord may from time to time designate in writing, by good check or other funds approved by Landlord from time to time, without setoff, deduction or demand. Landlord's acceptance of Annual Rental 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.

7.4 Operating Costs. The amount of the Operating Costs then in effect after the initial Lease Year shall be increased (or decreased) by a percentage equal to the percent change in the CPI in effect on the date of such adjustment over (or under) the CPI in effect on the date that was one (1) year prior to the date of such adjustment.

7.5 Real Estate Taxes.

(a) The Annual Rental includes Real Estate Taxes for each calendar year falling entirely or partly within the Lease Term attributable to District. The Real Estate Taxes used to calculate the Annual Rental for the first Lease Year is set forth in

Section II(28) on DC DRES Form L-101.

(b) For the purposes of this Section 7, the term "Building" shall be deemed to include the Land, the roof of the Building and any extensions therefrom, and, to the extent that such elements exist, any balconies extending from the Building, any driveways, sidewalks and parking garage facilities servicing the Building and all other areas, facilities, improvements and appurtenances relating to any of the foregoing.

(c) "Real Estate Taxes" shall include (1) all real estate taxes, vault space rentals, rates and assessments (including general and special assessments, if any), ordinary and extraordinary, foreseen and unforeseen, that are imposed upon Landlord in connection with the Building or the Land, or assessed against the Building or the Land or Landlord's personal property used in connection therewith, and (2) any other present or future taxes or charges that are imposed upon Landlord in connection with the Building or the Land or assessed against the Building or the Land that 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, franchise taxes computed on the basis of gross receipts, or occupancy tax or fee; and any assessment imposed in connection with business improvement or similar districts. Real Estate Taxes shall also include any costs incurred by Landlord to challenge the tax valuation of the Building or the Land (excluding however protest costs incurred to reduce tax valuations for years preceding the Lease Commencement Date). Real Estate Taxes shall not include any fines, penalties and interest on late payments of any Real Estate Taxes, except to the extent caused solely by District's failure to

pay its share of Real Estate Taxes. Real Estate Taxes shall not include capital gains, corporation, unincorporated business, net income, profits, excess profit, estate, inheritance, transfer, recordation, gift, franchise, or license fees; any hotel or business entity fees (unless such taxes or fees replace or supplement the current system of real property taxes in effect as of the date hereof).

(d) Commencing with the payment of Annual Rental, District shall make estimated monthly payments to Landlord on account of the amount of Real Estate Taxes that are expected to be incurred during each tax year of the Lease Term. Beginning at the beginning of the Lease Term and at the beginning of each Lease Year, or calendar year if so specified in Item III(19) on DC DRES Form L-102TIA, thereafter through the remainder of the Lease Term, Landlord shall submit a statement setting forth Landlord's reasonable estimate of the amount of Real Estate Taxes that Landlord expects to incur during each Lease Year (or portion thereof) and District's share thereof. District shall pay to Landlord on the first day of each month following receipt of such statement, until District's receipt of the succeeding annual statement, as a part of Annual Rental an amount equal to one-twelfth (1/12<sup>th</sup>) of such share (estimated on an annual basis without proration). From time to time during any Lease Year, Landlord may revise Landlord's estimate and adjust District's monthly payments to reflect Landlord's revised estimate. Within approximately one hundred twenty (120) days after the end of each Lease Year, or calendar year if so specified in Item III(19) on DC DRES Form L-102TIA, or as soon thereafter as is feasible but no later than one hundred eighty (180) days after the end of such year, Landlord shall submit a statement (the "**Real Estate Taxes Expense Statement**")

showing (1) District's share of Real Estate Taxes incurred during the preceding Lease Year or calendar year, as applicable, and (2) the aggregate amount of District's estimated payments made during such year. If the Real Estate Taxes Expense Statement indicates that the aggregate amount of such estimated payments exceeds District's actual liability, then Landlord shall credit the net overpayment toward District's next estimated payment(s) pursuant to this Section 7.5(d). If the Real Estate Taxes Expense Statement indicates that District's actual liability exceeds the aggregate amount of such estimated payments, then District shall pay such excess amount with the next monthly payment of Annual Rental due on or after thirty (30) days of receipt of the Real Estate Taxes Expense Statement. The foregoing provisions notwithstanding, Landlord shall not be permitted to charge District for any excess liability for Real Estate Taxes for any Lease Year or calendar year, as applicable, during the Lease Term in the event Landlord fails to first deliver to District the Real Estate Taxes Expense Statement for such Lease Year or calendar year, as applicable, no later than one hundred eighty (180) days after the end thereof. Furthermore, the foregoing provisos shall not be deemed to limit or nullify the audit rights otherwise available to District under Section 7.5(f) of the Lease.

(e) District shall not initiate or participate in any contest of Real Estate Taxes without Landlord's prior written consent, such consent not to be unreasonably withheld, conditioned, or delayed. Real Estate Taxes that are being contested by Landlord shall nevertheless be included for purposes of the computation of the estimated liability of District hereunder. If District shall have paid an amount of Real Estate Taxes and Landlord thereafter receives a refund of such Real Estate Taxes or a credit against future Real Estate Taxes, District

shall receive a proportionate credit (after all reasonable costs of obtaining such refund have been deducted) toward the next installment(s) of Annual Rental due under this Lease. If the Lease shall have expired or is otherwise terminated, Landlord shall refund any such net credit due District, after first deducting the amount of any unpaid Annual Rental hereunder, within thirty (30) days thereafter. Landlord shall pay any special assessment in the maximum number of installments permitted by the applicable taxing authority, and Real Estate Taxes for any calendar year shall include only the amount of such installments and interest paid (or deemed paid) to the taxing authority on the unpaid balance of the assessment for each calendar year.

(f) District shall have the audit rights set forth herein with respect to the Real Estate Taxes Expense Statement. If District reasonably believes that any Real Estate Taxes Expense Statement includes charges that are not permitted pursuant to this Lease or contains an error, in calculation or otherwise, then, within one hundred eighty (180) days after receipt by District of such Real Estate Taxes Expense Statement, District may provide Landlord with a reasonably detailed and written notice of its objections to or inquiries about such Real Estate Taxes Expense Statement charges. If Landlord is unable to satisfy District's inquiries or if Landlord and District are unable to resolve District's objections and agree upon the Real Estate Taxes Expense Statement in question within thirty (30) days after Landlord's receipt of District's notice, District shall have the right, to be exercised within ninety (90) days after the expiration of such thirty (30)-day period, to inspect or audit Landlord's books and records relating to the calculation of Real Estate Taxes (provided the person working for District so inspecting and/or auditing shall have a financial educational and employment

background) or employ an independent certified public accountant with no less than five (5) years of experience auditing similar buildings in Washington, D.C. and employed by District on an hourly basis (and not on a contingent fee basis) to inspect or audit Landlord's books and records relating to the calculation of Real Estate Taxes. District shall conclude such inspection or audit within a reasonable time but not longer than one hundred eighty (180) days after District has notified Landlord of its exercise of this right, subject to extension for Landlord's failure to promptly make its relevant books and records available for such District audit. If District so elects to inspect or audit or employ such accountant, District shall provide not less than ten (10) days' notice to Landlord of the date on which the District or accountant desires to examine Landlord's books and records, and Landlord shall make the relevant books and records available to District or to such accountant, at Landlord's office during regular business hours. District or District's accountant shall deliver a written report of any such audit to Landlord within thirty (30) days after the conclusion of the examination and Landlord's accountants and District's accountants (or Landlord and District, as the case may be) shall attempt to reconcile their differences within thirty (30) days thereafter and shall provide notice of such reconciliation to Landlord and District (or to each other). If Landlord's accountant and District's accountant are unable to reconcile their differences within such thirty (30) day period, Landlord and District shall resolve the dispute in the manner provided in D.C. Official Code § 10-1014. Upon final determination thereof, if it is determined that the amounts paid by District to Landlord for Real Estate Taxes exceeded the amounts to which Landlord was entitled hereunder, Landlord shall credit the amount of such excess payments against payments of

Annual Rental next becoming due and payable under this Lease after the date Landlord receives notice of final determination of the error; provided, however, that if the Lease Term shall have expired or been terminated, Landlord shall refund such excess to District within thirty (30) days of the final determination of the amount due. If it is determined that the amounts paid by District to Landlord for Real Estate Taxes were less than the amounts to which Landlord was entitled hereunder, District shall pay the amount of such shortfall as Annual Rental during the Lease Year then in effect to Landlord within thirty (30) days after its receipt of the final determination. All costs and expenses of any such District audit shall be paid by District, except if such determination (made pursuant to the procedures set forth above) discloses that the total amount billed to District by Landlord for the applicable Lease Year or calendar year, as applicable, exceeded the total amount to which Landlord was entitled by more than five percent (5%), Landlord shall reimburse District within thirty (30) days for the reasonable out-of-pocket costs and expenses incurred by District for such audit, which in no event shall exceed the amount of District's excess payments of Real Estate Taxes for the applicable Lease Year or calendar year, as applicable,. Any provision hereof to the contrary notwithstanding, in the event a District audit conducted pursuant to the provisions of this Section 7.5(f) indicates that District owes Landlord an amount in excess of what was indicated in Real Estate Taxes Expense Statement, then District shall pay the amount of such excess to Landlord as Annual Rental with the next installment of Annual Rental due hereunder, after first deducting from such excess the actual fees incurred by District in conducting its audit. Notwithstanding further anything herein to the contrary, if District does not

notify Landlord in writing of any objection to an annual Real Estate Taxes Expense Statement within one hundred eighty (180) days after receipt thereof, then District shall be deemed to have waived any such objection and shall have no right to audit such statement pursuant to this Section 7.5(f), provided, however, that no such waiver shall limit any statutory rights relating to the False Claims Provisions or any cause of action or investigation conducted pursuant thereto.

## 8. CONSTRUCTION OF DISTRICT IMPROVEMENTS AND ALTERATIONS

8.1 The construction of Tenant Improvements (if any) shall be performed and completed in accordance with a work agreement substantially in the form of DC DRES Form A-103.

8.2 Subsequent to completion of Tenant Improvements (if any), District shall not make or permit anyone to make Alterations without the prior written consent of Landlord, which consent shall not be unreasonably withheld, conditioned, or delayed. All Alterations shall be constructed at District's sole expense, in compliance with applicable Laws and lien free, and District shall ensure that any activities associated with such improvements or alterations do not materially and unreasonably disturb the other occupants of the Building. Prior to commencing any alterations or improvements, District shall provide to Landlord, as reasonably requested by Landlord, lien waivers in a form reasonably acceptable to Landlord from all contractors and subcontractors. District shall not permit any mechanic's lien to be filed against the Premises or the real property of which the Premises are a part, for work claimed to have been done for or materials claimed to have been furnished to District. Landlord shall not be liable for any

and all claims, losses, expenses, and damages resulting from or arising out of any Alterations in the Premises by District.

8.3 If any Alterations are made without the prior written consent of Landlord, Landlord shall have the right to require District to restore the Premises and the Building to their condition immediately prior thereto. All Alterations to the Premises or the Building made by either party shall immediately become the property of Landlord and shall remain upon and be surrendered with the Premises as a part thereof at the expiration or earlier termination of the Lease Term, except that District shall be required to remove any Alterations that Landlord requires District to remove as a condition of its consent to the installation of such Alterations under Section 8.2; provided, however, District shall have the right to remove, prior to the expiration or earlier termination of the Lease Term, all movable furniture (including systems furniture), furnishings and equipment installed in the Premises solely at the expense of District. District shall be liable for the reasonable cost of repair for damage and injury to the Premises or the Building caused by such removal.

## 9. MAINTENANCE AND REPAIRS

9.1 Other than elements of the Base Building Conditions within the Premises, District, at District's sole cost and expense, shall promptly make all repairs, perform all maintenance, and make all replacements in and to the Premises that are necessary or desirable to keep the Premises in good condition and repair; in a clean, safe and tenantable condition; and otherwise in accordance with all Laws and the requirements of this Lease. District shall maintain all Tenant Improvements, including fixtures, furnishings and equipment, to the extent located in, or

exclusively serving the Premises and not a part of the Base Building Conditions, in clean, safe and sanitary condition, shall take good care thereof and make all required repairs and replacements thereto. District 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 Rent Commencement Date, except for ordinary wear and tear and as otherwise provided in Section 16.

9.2 Except as otherwise provided in Section 16, all injury, breakage and damage to the Premises and to any other part of the Building or the Land caused solely by the negligence or willful misconduct of District, shall be repaired at District's expense. At all times, subject to Section 14, Landlord shall be liable for all injury, breakage and damage to the Premises resulting from a failure of the Base Building Conditions, except if arising solely due to the negligence or willful misconduct of District. District 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.

9.3 Except as otherwise provided in this Lease, Landlord at its sole expense shall keep the Common Areas and Base Building Conditions clean and in good operating condition and, promptly after becoming aware of any item needing repair, shall make repairs thereto. Landlord warrants and covenants that the Base Building Conditions and the Common Areas will be maintained in accordance with all applicable Laws.

9.4 Landlord shall ensure that the Building will be managed, operated and maintained in accordance with comparable standards of quality followed in comparable

class facilities in Washington, D.C. and in full compliance with all applicable Laws (including, but not limited to, codes for electrical, mechanical, plumbing, fire and fire safety). Any changes or additions required from time to time in order to remain in compliance with Laws shall be at Landlord's sole cost and expense. Any such construction work as required by this Section 9.4 shall be performed to the extent commercially reasonable after Building Hours and on weekends, recognizing that no such limitation shall apply in the event of a condition imminently endangering the health or safety of the Building occupants or other persons.

## 10. SIGNS

Landlord, at its sole cost and expense, shall provide and install the initial suite entry signage for District using the standard graphics for the Building. District shall also be entitled to its pro-rata share of the Building directory (based on the ratio that the rentable area of the Premises bears to the total rentable area of the space in the Building), and the listings thereon shall be provided by Landlord at no cost to District. District shall be entitled to install an exterior mounted building sign. The foregoing shall apply unless otherwise specified in Section III(19) on DC DRES Form L-102TIA.

## 11. SERVICES AND UTILITIES

11.1 Except as otherwise provided in Section III(19) on DC DRES Form L-102TIA, Landlord shall provide the following:

(i) except for holidays recognized by the District of Columbia, janitor and cleaning services to the Premises in accordance with those services typically provided by other landlords in comparable buildings within the Washington, D.C. area

after 5:00 p.m. Monday through Friday of each week;

(ii) hot and cold water sufficient for drinking, lavatory, toilet and ordinary cleaning purposes to be drawn from approved fixtures in the Premises or on the floors on which the Premises are located;

(iii) electricity to the Premises in quantities necessary for normal use, as permitted by this Lease, and standard lighting;

(iv) snow removal from sidewalks, drives, and entrances;

(v) extermination and pest control at appropriate intervals, as may be deemed necessary in the exercise of prudent management practices. Such work shall be performed after normal Building Hours or on weekends or holidays recognized by the District of Columbia;

(vi) maintenance of Common Areas in a manner comparable to properties in the Washington, D.C. metropolitan area of similar size, location, use, age and quality. Such maintenance shall include without limitation cleaning, Building security, HVAC, illumination, repairs, and replacements;

(vii) After Building Hours use of the Building's HVAC system;

(viii) HVAC meeting the following design specifications: Outside summer 95 degrees FDB, 80 degrees FWB; Inside summer 74 degrees FDB 45-55% RH; Outside winter 20 degrees FDB, 45-55% RH; Inside winter 74 degrees FDB; population design 10/1000 RSF; Minimum overall air distribution 1.05 CFM/USF; Outside air exchange 20 CFM/person; and compliant with the latest standards for

Ventilation for Acceptable Indoor Air Quality of the American Society of Heating, Refrigerating, and Air-condition Engineers, Inc.

(ix) trash removal services in compliance with all applicable provisions of D.C. Official Code § 8-1001 *et seq.* and the regulations promulgated thereunder, including without limitation D.C. Official Code § 8-1007, regarding mandatory rules for separation of solid waste pertaining to owners and occupants of commercial property;

(x) fire protection systems, exterior lighting, the parking areas (to include snow removal), walkways, driveways, landscaping, fences, and utility installations of the Common Areas kept in good condition and repair;

(xi) if the Premises are located, entirely or in part, above the ground floor, at least one (1) elevator in service and operational at all times;

(xii) provision and installation of replacement bulbs or tubes for the Building and Premises standard light fixtures. Bulbs or tubes for all other lighting within the Premises shall be provided and installed at District's expense; provided that if District elects to supply the bulbs or tubes to Landlord, then Landlord shall provide the labor involved for such replacement at no cost to District;

(xiii) Building and Premises access cards, keys or similar devices adequate for the District's permitted use of the Premises, provided that if the District elects, and at its sole cost and expense, the District shall have the right to expand the Building's security system for the benefit of the Premises or install an independent access control system for the Premises;

(xiv) that the Building shall be professionally managed, operated and maintained and services shall be provided in accordance with comparable buildings in the metropolitan Washington, D.C. area;

(xv) if the Building is serviced by fiber optic cables, or other state-of-the-art telecommunications wiring, cabling, or similar equipment, then such telecommunications equipment shall also be installed for the service of the Premises; and if the Building has no such telecommunications equipment, then if the District elects, and at its sole cost and expense, the District shall have the right to install such telecommunications equipment to and through the Building for the service of the Premises;

(xvi) access to the Building service entrance and the Building loading area with a loading dock or scissors lift; and

(xvii) any additional utilities or services as set forth in Section III(19) on DC DRES Form L-102TIA to be provided by the Landlord or obtained or installed by the District, if any.

## 12 INTERRUPTION OF SERVICES.

12.1 District agrees that Landlord shall not be liable, by abatement of Annual Rental, except as specifically set forth herein, for any interruption of any service, failure to furnish any service, delay in furnishing any service, or surge or diminution thereof, when such interruption, failure, delay, diminution or surge is occasioned by a Force Majeure Event.

12.2 Upon any Failure of Strategic Services not resulting solely from the negligence or willful misconduct of District, District shall be entitled to an abatement of Annual Rental on a per diem basis in the

proportion in which the area of the portion of the Premises that is unfit to occupy because of such Failure of Strategic Services bears to the total area of the Premises. Such abatement shall begin on the third (3rd) day of the Failure of Strategic Services and shall end as to each portion affected when such service is fully restored to such area. The abatement shall not be affected by Force Majeure Events. If Failure of a Strategic Service continues for ten (10) consecutive days, District shall have the right to immediately terminate this Lease by giving Landlord written notice of its election to terminate, which notice shall be effective in the absence of the resumption of such services within five (5) days following Landlord's receipt of such notice.

### 13. INSPECTION

13.1 Subject to District's reasonable security requirements and upon reasonable prior notice, District shall permit Landlord, its agents and representatives, and the holder of any mortgage, to enter the Premises without charge therefor and without diminution of the rent payable by District in order to examine, inspect or protect the Premises; to make such alterations and/or repairs to the Base Building Conditions and Building Structures and Systems as in the judgment of Landlord may be deemed necessary or desirable; or if District has given notice to Landlord that it intends to vacate the Premises or if during the last Lease Year of the Lease Term, then to exhibit the same to brokers, prospective tenants, lenders, and purchasers. Landlord shall endeavor to minimize disruption to District's normal business operations in the Premises in connection with any such entry. In no event may Landlord interrupt, delay or disrupt any normal business operations without reasonable, prior notice to District of its intent to do so.

### 14. INSURANCE

14.1 Landlord shall carry and maintain all-risk property insurance (with 100% replacement cost coverage with an agreed amount endorsement) covering the Building and Landlord's property therein in an amount required by its insurance company to avoid the application of any coinsurance provision. Such insurance shall include extended coverage, agreed amount and other endorsements of the kinds normally required by institutional lenders and that permit insurance proceeds to be used by Landlord for the repair and restoration of the Building. Landlord also agrees to carry and maintain commercial general liability insurance including public liability and broad form property damage, with a minimum combined single limit of liability in the amount of \$1,000,000 for personal injuries or deaths of persons occurring in or about the Building. Landlord may elect to carry such other additional insurance or higher limits as it reasonably deems appropriate. District acknowledges that Landlord shall not carry insurance on, and shall not be responsible for damage to, personal property or Tenant Improvements (which do not constitute Base Building Conditions) and that Landlord shall not carry insurance against, or be responsible for any loss suffered by District due to, interruption of District's business.

14.2 Landlord acknowledges that District is a self-insurer and does not maintain policies of contractual and general liability insurance. Subject to the limitations set forth in Section 27.1, District shall be liable for its own negligence or willful misconduct arising from its occupancy and use of the Premises.

14.3 Except to the extent arising from the negligence or willful misconduct of District, Landlord hereby indemnifies and

agrees to defend and hold the District harmless from claims for personal injury, death or property damage caused by the negligence or willful misconduct of Landlord, Landlord's Representatives, and Landlords' contractors or invitees.

14.4 Landlord shall deliver to District, ten (10) days prior to the Lease Commencement Date and periodically thereafter during the Lease Term, certificates issued by each carrier furnishing a policy of insurance hereunder showing that the coverages required hereunder are in force with premiums paid and that such policies are noncancellable and may not be materially modified except upon thirty (30) days prior notice to District. All insurance required hereunder shall be purchased from carriers authorized to do business in the District of Columbia and possessing an A- or better policyholders' rating and a minimum Class VIII financial size category as listed at the time of issuance by A.M. Best Insurance Reports or a similar rating publication.

14.5 All insurance policies against loss or damage to property and business interruption or rent loss shall be endorsed to provide that any release from liability of, or waiver of claim for recovery from, another person entered into in writing by the insured thereunder prior to any loss or damage shall not affect the validity of such policy or the right of the insured to recover thereunder. Such policies shall also provide that the insurer waives all rights of subrogation that such insurer might have against such other person. Landlord and District hereby waive all claims for recovery from or against the other for any loss or damage to any of its property or damages as a result of business interruption or rent loss insured under a valid policy to the extent of any recovery collected under such policies.

## 15. LIABILITY OF LANDLORD AND TENANT

15.1 Except as otherwise expressly provided in this Lease, Landlord and Landlord's Representatives shall not be liable to District or District's Agents for any damage, injury, loss or claim based on or arising out of any fire, robbery, theft, vandalism, mysterious disappearance or any other casualty; actions of any other person or entity; or failure or inability to furnish any service specified in this Lease, unless such liability arises from the negligence or willful misconduct of Landlord or Landlord's Representatives.

15.2 The District and District's Agents shall not be liable to Landlord or Landlord's Representatives, for any damage, injury, loss or claim based on or arising out of any cause whatsoever to the extent such damage, injury, loss or claim is (i) covered by Landlord's insurance or would be covered by Landlord's insurance to the extent required under this Lease or (ii) is due to Landlord's negligence or willful misconduct. Under no circumstance shall District or Landlord (or their respective Agents or representatives) be liable to the other for any exemplary, punitive, consequential or indirect damages in connection with, arising under or relating to this Lease, provided, however, that this limitation shall not apply with regard to any claim arising under the False Claims Provisions.

15.3 Subject to the False Claims Provisions, no landlord hereunder shall be liable for any obligation or liability based on or arising out of any event or condition occurring either prior to or after the period that such landlord held an ownership interest in the Building. Notwithstanding the foregoing, any landlord during its period of ownership interest shall be obligated to cure

any continuing Event of Default.

## 16. DAMAGE OR DESTRUCTION

16.1 (a) If the Premises or the Building are totally or partially damaged or destroyed, then Landlord shall diligently repair and restore the Building and Premises, excepting only District's trade fixtures; provided, however, that notwithstanding anything to the contrary, both Landlord and District shall have the right to cancel this Lease on ninety (90) days prior written notice given within thirty (30) days of the date of the casualty if, in District's reasonable opinion, the damage renders the Premises inaccessible or the majority thereof unusable for the normal conduct of District's operations then conducted on the Premises, or if, in Landlord's reasonable judgment the repair and restoration cannot be completed within one hundred eighty (180) days after the date of the damage or destruction (taking into account the 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) or there is then left in the lease term less than twelve (12) full calendar months. If the Premises or any part thereof shall be damaged or destroyed, District shall provide prompt notice thereof to Landlord.

(b) Landlord's obligations to repair and reconstruct the Building and the Premises as set forth in Section 16(a) are subject to the following conditions precedent having been satisfied in Landlord's reasonable judgment:

(i) Landlord shall likely be able to obtain, or shall have obtained, all necessary governmental or quasi-government approvals and similar authorizations to rebuild the Building as required herein, including, but not limited to,

zoning approvals and permits.

(ii) Landlord shall not have exercised its right to terminate the Lease to the extent permitted to do so pursuant to Section 16.1(a).

(iii) Landlord's mortgagee shall have permitted the insurance proceeds to be used to repair and restore the Building.

16.2 If this Lease is terminated pursuant to Section 16.1, then Annual Rental shall be apportioned (based on the portion of the Premises that is usable or used after such damage or destruction) and paid to the date of termination. Whether or not the Lease is terminated as a result of such damage or destruction, then until such repair and restoration of the Premises are substantially complete, District shall be required to pay Annual Rental only for the portion of the Premises that is usable while such repair and restoration are being made.

16.3 In the event that inadequate insurance proceeds are available for repair and restoration, this Lease shall terminate and, any other provision of this Lease notwithstanding, the District shall be entitled to damages, including indirect and consequential damages.

## 17. CONDEMNATION

17.1 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 District shall have the right to terminate this Lease upon written notice to Landlord. If the District does not elect to terminate the Lease, 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, District shall not be required to pay Annual Rental with respect to the part of the Premises so condemned. 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, the District shall have the right to terminate this Lease by giving at least sixty (60) days' prior notice of such termination at any time after such condemnation. This Lease shall terminate on the date specified in the notice and Annual Rental shall be adjusted to such date.

17.2 Landlord reserves all rights to any award paid because of any taking of the Premises. District assigns to Landlord any right District may have to such award. Further, District shall make no claims against Landlord or the condemning authority for damages. Notwithstanding the foregoing, the District may claim and recover from the Landlord or the condemning authority, as applicable, a separate award for the District's moving expenses, business dislocation damages, the District's personal property and fixtures, or the unamortized costs of leasehold improvements paid for by District (excluding any leasehold improvements paid for through the use of an allowance from Landlord). Each party shall seek its own award, as limited above, at its own expense.

## 18. DEFAULT

### 18.1 District Default.

(a) It shall be a District default ("**District Default**") hereunder if District fails to (i) pay Annual Rental within ten (10) business days after the date the District receives written notice thereof from Landlord stating that any such amount is past due or (ii) perform or observe any non-monetary obligation of the District under this Lease within thirty (30) days after the date the District receives written notice from Landlord setting forth in reasonable detail the nature and extent of the failure and identifying the applicable Lease provision requiring such obligation to be performed, or within such longer period of time as may be necessary for such cure so long as the District shall promptly commence and thereafter diligently prosecute to completion the curing thereof but no later than one hundred twenty (120) days from the date of the notice, (iii) any sublease or assignment not permitted by Article VII shall occur, or (iv) District abandons the Premises. It is specifically understood and agreed that a failure to obtain appropriated funds in accordance with Section 27.1 shall not constitute a District Default.

(b) Upon the occurrence of a District Default, Landlord may seek: (i) in the case of a monetary District Default all remedies available to it under the Quick Payment Act, D.C. Code § 2-221.01 *et seq.*, and otherwise at law and equity, including termination and possession, subject to Landlord's duty to mitigate damages; or (ii) in the case of any other District Default, all remedies available at law and equity. In accordance with Section 27.1, any deficiency in Annual Rental shall not exceed the amount of funds actually appropriated and lawfully available at the time of the occurrence of a District Default.

(c) If Landlord shall institute proceedings against District 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 unless expressly agreed by Landlord and District. Neither the payment by District of a lesser amount than the monthly installment of Annual Rental 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 District, Landlord may apply any payment received from District to any payment then due. No re-entry by Landlord, and no acceptance by Landlord of keys from District, shall be considered an acceptance of a surrender of this Lease.

#### 18.2 Landlord Default.

(a) It shall be a Landlord default ("**Landlord Default**") hereunder if Landlord fails to perform or observe any of its obligations under this Lease after a period of thirty (30) days from the date Landlord receives written notice thereof from District setting forth in reasonable detail the nature and extent of the failure and identifying the applicable Lease provision requiring such obligation to be performed; provided, however, that Landlord shall not have committed a Landlord Default if such failure is of a type and nature that cannot reasonably be cured within such thirty (30) day period, so long as Landlord promptly commences the curing of such failure within such thirty (30) day period and thereafter diligently prosecutes to completion the curing of such failure but no later than one hundred twenty (120) days from the date of the notice.

(b) Upon the occurrence of a Landlord Default, the District, subject to the terms of this Lease, may pursue any remedies available to it at law or equity or terminate this Lease upon thirty (30) days' prior notice to Landlord.

(c) Neither the availability of insurance proceeds under Section 14 nor any provision in Section 23 shall be interpreted to deprive District of its right to be awarded specific performance or an injunction in an action brought to enforce any of its rights under this Lease. Furthermore, nothing in Section 14 shall be interpreted as limiting any remedy District may have pursuant to the False Claim Provisions, as the District is not authorized to limit such authority or remedy.

### 19. SUBORDINATION

19.1 This Lease may be subject and subordinate to the lien, provisions, operation and effect of all mortgages, deeds of trust, ground leases or other security instruments that may now or hereafter encumber 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, provided that any subordination to any future or present Mortgage is conditioned upon receipt and execution by District of a commercially reasonable subordination, non-disturbance and attornment agreement ("SNDA") in accordance with Section 19.3.

19.2 Within thirty (30) business days after Landlord receives written notice that District has executed this Lease, Landlord shall deliver to District an SNDA form from Landlord's primary mortgagee in substantially in the form of DC DRES Form A-101.

19.3 Within thirty (30) business days after District receives Landlord's form of SNDA, as aforesaid, District shall deliver to Landlord the executed SNDA, which shall not modify or change the terms of this Lease. With regard to an SNDA with any future mortgagee, District shall execute an SNDA in substantially the form of DC DRES A-101, provided that such SNDA shall not modify or change the terms of this Lease and any future mortgagee agrees that, so long as District is not in default under this Lease, District's leasehold estate, use, possession, tenancy, rights, options, and occupancy under the Lease shall remain undisturbed and shall survive foreclosure or similar action.

## 20. ESTOPPEL CERTIFICATE

Within thirty (30) business days' of receipt of Landlord's written request, District and each subtenant, assignee, or licensee of District shall execute and deliver to Landlord and/or any other person or entity designated by Landlord, a written statement 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) whether or not, to District's actual knowledge, 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 District are to be sent; (e) that District has accepted the Premises and that all work thereto has been completed (or if such work has not been completed, specifying the incomplete work); (f) that statements contained in the Certificate are based solely upon a reasonably diligent review of the District's Lease file as of the date of the issuance of the Certificate; (g) that Landlord, and/or such other person or entity designated by

Landlord to receive the Certificate, are deemed to have constructive notice of such facts as would be reasonably ascertainable by an inspection of the Premises or by reasonable inquiry to appropriate District officials; (h) that the Certificate shall not be deemed to be a representation or warranty by the District that the Premises comply with any Laws or of the condition of, or the absence of, any defects in the Premises (or any portion thereof; and (i) such other factual matters as Landlord may reasonably request, in all cases substantially in the form of DC DRES Form A-102.

## 21. ASSIGNMENT AND SUBLETTING

21.1 District shall not assign, transfer or otherwise encumber (collectively, "assign") this Lease or all or any of District'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 shall not be unreasonably withheld, conditioned or delayed. No assignment or right of occupancy hereunder may be effectuated by operation of law or otherwise without the prior written consent of Landlord. Provided, however, that it is specifically understood and agreed that District's substitution of another agency pursuant to Section 3.1 shall not constitute an assignment or subletting under this Section.

21.2 District shall deliver to Landlord a fully-executed copy of each agreement evidencing a sublease, assignment or mortgage, and Landlord's consent thereto, within ten (10) days after execution thereof.

21.3 All restrictions and obligations imposed pursuant to this Lease

on District shall be deemed to extend to any subtenant, assignee, licensee, or transferee, and District shall cause such person to comply with such restrictions and obligations. Any assignee shall be deemed to have assumed obligations as if such assignee had originally executed this Lease and at Landlord's request shall execute promptly a document confirming such assumption. Notwithstanding the foregoing, the limitations set forth in Section 27 shall not apply to the extent an assignee is not subject to the provisions set forth therein. . In the event of any assignment whereby District would be released from further liability under this Lease, before Landlord gives its consent thereto, Landlord shall have the right to obtain and review pertinent financial and business records of the proposed assignee to determine whether to accept the liability of the proposed assignee in lieu of the District in the event of a Tenant default. In the event Landlord determines, in its commercially reasonable judgment, not to consent to such assignment, Landlord shall have the option to cancel this Lease and take back the Premises from District thereby releasing District from future liability hereunder. Upon execution of an assignment by assignee after Landlord's consent of the assignment, District shall be released from and have no further responsibility of any and all obligations, duties and responsibilities to perform under the Lease. Each sublease is subject to the condition that if the Lease Term is terminated or Landlord succeeds to District'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.

21.4 Any rent and other consideration accruing to District as the result of any

sublease or any assignment of this Lease, which is in excess of the pro rata share of Annual Rental then being paid by District for all or a portion of the Premises being sublet or assigned, shall be District's profit to keep and shall not be paid to Landlord.

## 22. HOLDING OVER

If District (or anyone claiming through District) does not immediately surrender the Premises or any portion thereof upon the expiration or earlier termination of the Lease Term, then the Shell Rental (less Real Estate Taxes) payable by District hereunder shall be increased to one hundred twenty-five percent (125%) of the Shell Rental (less Real Estate Taxes) payable by District during the month immediately preceding such holdover period. The increased Shell Rental (less Real Estate Taxes) shall apply to each month or partial month during the holdover period. Such Shell Rental (less Real Estate Taxes) shall be computed by Landlord and paid by District on a monthly basis in arrears and shall be payable on the first day of the second month of such holdover period and the first day of each calendar month in arrears thereafter during such holdover period until the Premises have been vacated. District's obligations during any such holdover period shall remain subject to the limitations set forth in Section 27.1 and any limitations imposed pursuant to D.C. Official Code § 1-204.51 and all other applicable Laws.

## 23. COVENANTS OF LANDLORD

23.1 Landlord represents and warrants that it has the right and authority to enter into this Lease and perform all obligations of Landlord hereunder. Landlord further covenants that, subject to the

provisions of this Lease, District shall during the Lease Term peaceably and quietly occupy and enjoy the full possession of the Premises without hindrance by Landlord or Landlord's Agents.

23.2 To the extent the exercise of such rights hereinafter enumerated shall not interfere with District's use and enjoyment of the Premises as contemplated and permitted in this Lease, Landlord reserves the following rights: (a) to change the street address and name of the Building; (b) to change the arrangement and location of entrances, passageways, doors, doorways, corridors, elevators, stairs, toilets or other public parts of the Building; (c) to erect, use and maintain pipes, wires, structural supports, ducts and conduits in and through the Premises; (d) to grant to anyone the exclusive right to conduct any particular business in the Building not inconsistent with District's permitted use of the Premises; (e) to exclusively use or lease the roof areas, the sidewalks and other exterior areas; and (f) to prohibit smoking in the entire Building or portions thereof (including the Premises), so long as such prohibitions are in accordance with applicable Laws. 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 District's business or use or occupancy of the Premises and District shall have no claim against Landlord in connection therewith, provided that (i) District shall have reasonable access to and from the Premises and parking areas at all times; (ii) Landlord shall at all times use commercially reasonable efforts to minimize disruption to District's operations; and (iii) any installation by Landlord in the Premises shall be behind walls or above ceilings and Landlord shall restore the Premises to substantially the same condition and finish as existed immediately prior to such

installation.

## 24. BROKERS, AGENTS

24.1 District acknowledges that neither Landlord nor any broker, agent or employee of Landlord has made any representation or promise with respect to the Premises or the Building except as herein expressly set forth, and no right, privilege, easement or license is being acquired by District except as herein expressly set forth.

24.2 Nothing contained in this Lease shall be construed as creating any relationship between Landlord and District other than that of landlord and tenant. District shall not use the name of the Building for any purpose other than as the address of the business to be conducted by District in the Premises, use the name of the Building as District's business address after District vacates the Premises or do or permit to be done anything in connection with District's business or advertising that 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 District.

24.3 Landlord acknowledges and agrees that Landlord shall pay any commission or fee due to Landlord's broker, if any, pursuant to a separate agreement. District and Landlord each warrants and represents that it has not procured the services of any broker for brokerage services related to the procuring of this Lease, except as provided in Section 12 on DC DRES Form L-102TIA.

## 25. GENERAL PROVISIONS

25.1 Waiver of Jury Trial.  
LANDLORD, DISTRICT, ALL  
GUARANTORS, AND ALL GENERAL

PARTNERS 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 DISTRICT HEREUNDER, DISTRICT'S USE OR OCCUPANCY OF THE PREMISES AND/OR ANY CLAIM OF INJURY OR DAMAGE. LANDLORD, DISTRICT, ALL GUARANTORS AND ALL GENERAL PARTNERS 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.

25.2 Service of Notices. 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 an established, overnight delivery service, or on the third (3<sup>rd</sup>) business day after being sent by certified or registered mail, return receipt requested, postage prepaid. Landlord's and District's initial address for sending notices hereunder are set forth in Sections 4(a) and 4(b) on DC DRES Form L-100. Any notice asserting a District Default shall be copied to the Office of the Attorney General for the District of Columbia as set forth in Section 4(b) on DC DRES Form L-100. Either party may change its address for the giving of notices by notice given in accordance with this Section.

25.3 Severability. Each provision of this Lease shall be valid and enforceable to the fullest extent permitted by Laws. 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 Laws.

25.4 Pronouns. 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.

25.5 Headings. Headings are used for convenience and shall not be considered when construing this Lease.

25.6 Successors. 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.

25.7 Integration. 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 includes and incorporates all schedules, forms, exhibits, or other documents specified in Section 3 on DC DRES Form L-100.

25.8 Governing Law. This Lease shall be governed by the laws of the District of Columbia, 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 that may evolve between the parties in the administration of the terms of this Lease shall be construed to waive either party's right to insist on the other party's strict performance of the terms of this Lease.

25.9 Amendments. This Lease may be modified or changed in any manner only by an instrument signed by both parties and approved for legal sufficiency by the Office of the Attorney General for the District of Columbia.

25.109 Time is of the Essence. Time is of the essence with respect to each of District's and Landlord's obligations hereunder.

25.11 Counterparts. 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.

25.12 No Recordation. Neither this Lease nor a memorandum thereof shall be recorded.

25.13 Federally Prohibited Persons.

Neither Landlord nor any person owning any interest in Landlord has engaged in any dealings or transactions (i) in contravention of the applicable money laundering laws or regulations or conventions of the United States or (ii) in contravention of Executive Order No. 13224 dated September 24, 2001 issued by the President of the United States (Executive Order Blocking Property and Prohibiting Transactions with Persons Who Commit, Threaten to Commit, or Support Terrorism), as may be amended or supplemented from time-to-time or any published terrorist or watch list that may exist from time-to-time. Neither Landlord nor any person owning any interest in Landlord: (a) is or will be conducting any business or engaging in any transaction with any person appearing on the list maintained by the U.S. Treasury Department's Office of Foreign Assets Control list located at 31 C.F.R., Chapter V, Appendix A, or (b) is a person described in Section 1 of the Anti-Terrorism Order.

25.14 Survival. Subject to applicable Laws (including the limitations set forth in Section 27.1, District's 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.

25.15 Force Majeure. Unless specifically provided otherwise, if Landlord or District is in any way delayed or prevented from performing any of its obligations under this Lease (other than payment obligations) due to a Force Majeure Event, 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, interruption or prevention. The foregoing shall not serve to excuse District's payment of Annual Rental when due under this Lease, unless otherwise specifically provided in the

Lease.

25.16 Review. A Party's review, approval and consent powers (including the right to review plans and specifications), if any, are for such Party's 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.

25.17 Meaning of Deleted Text. The deletion of any printed, typed or other portion of this Lease shall not evidence the parties' intention to contradict such deleted portion. Such deleted portion shall be deemed not to have been inserted in this Lease.

25.18 Delivery of Keys upon Termination. At the expiration or earlier termination of the Lease Term, District 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 District, and shall inform Landlord of the combination of each lock, safe and vault, if any, in the Premises.

## 26. ASBESTOS CERTIFICATION.

26.1 Certification. Landlord certifies that, to the best of its knowledge, it has disclosed all asbestos surveys or inspections within its custody that have been conducted concerning the Building (including the Premises). Based upon these surveys and inspections, if any, Landlord further certifies that, to the best of its knowledge, all asbestos-containing materials ("ACM") in the Building (including the Premises) are in full compliance with all applicable Laws. Landlord has furnished copies of these asbestos surveys or inspections (if any) to the District prior to

the Effective Date. If any asbestos inspection is conducted, Landlord shall furnish a copy thereof to District ten (10) days prior to the Commencement Date. The D.C. Office of Occupational Safety and Health is authorized to conduct a visual inspection of the Building (including areas not demised hereunder) at any time after the date hereof and during the Term. The certifications made by Landlord regarding asbestos and hazardous waste management contained herein are material representations of fact upon which the District has relied in entering into this Lease.

26.2 Inspection and Abatement. Upon discovery by Landlord or upon notice to Landlord by District or any other person of the presence of suspected asbestos containing materials in the Building in violation of any applicable Laws, Landlord shall promptly, at its sole cost, have the relevant portion of the Building inspected by a firm licensed to perform asbestos inspections. Promptly after receipt by Landlord of the written report of such finding, Landlord shall deliver to District a copy thereof. Landlord shall cause any asbestos containing materials in violation of applicable Laws noted in such report to be removed, contained or otherwise brought into compliance with all applicable Laws, provided that District shall be responsible for removing, without any abatement of rent or other cost or expense to Landlord, all asbestos District places in the Building. Prior to commencement of any abatement action, Landlord shall consult with District and receive approval of District, such approval not to be unreasonably withheld, conditioned or delayed concerning the nature of the abatement action. If Landlord fails promptly to commence and diligently pursue removal, containment or other compliance procedures with respect to the asbestos containing materials after notice to Landlord of the same, District, after giving

Landlord five (5) days' notice, may perform such work at Landlord's expense, which expense, in a reasonable amount, shall be reimbursed to District within thirty (30) days after receipt of an invoice therefor. Provided that the asbestos was not placed in the Building by District, if the asbestos or the abatement action halts or interferes with the District's use of the Premises for more than five (5) business days, then Annual Rental, in proportion to the amount of space rendered unfit for occupancy, shall be abated beginning on the date that District's use of the Premises is compromised.

26.3 Indemnity. Landlord shall indemnify District and defend and save the District and all of its officers, agents and servants harmless from and against any and all cost of removal or remediation and from any and all claims of liability arising from or based on or as a consequence of or result of any act, omission or default of Landlord, its or its contractors or vendors regarding the certification in Section 26.1 above.

26.4 Insurance. Provided such coverage is available at commercially reasonable rates, at all times during the term of this Lease, Landlord agrees to maintain, and furnish to District evidence of liability insurance coverage as prescribed in Section 14 of this Lease without any provision or endorsement excluding coverage for asbestos-related conditions.

## 27. SPECIFIC DISTRICT OF COLUMBIA LAWS

27.1 ANTI-DEFICIENCY LIMITATIONS. The following limitations exist as to each and every purported obligation of District set forth in this Lease, whether or not expressly conditioned:

(a) The obligations of the District to fulfill financial obligations

pursuant to this Lease or any subsequent agreement entered into pursuant to this Lease or referenced herein (to which the District is a party) are and shall remain subject to the provisions of (i) the federal Anti-Deficiency Act, 31 U.S.C. §§ 1341, 1342, 1349-1351 and 1511-1519 (2004) (the "**Federal ADA**"), and D.C. Official Code §§ 1-206.03(e) and 47-105 (2001); (ii) the District of Columbia Anti-Deficiency Act, D.C. Official Code §§ 47-355.01 – 355.08 (2004 Supp.) (the "**D.C. ADA**" and (i) and (ii) collectively, as amended from time to time, the "**Anti-Deficiency Acts**"); and (iii) § 446 of the District of Columbia Home Rule Act, D.C. Official Code § 1-204.46 (2001). Pursuant to the Anti-Deficiency Acts, nothing in this Lease shall create an obligation of the District in anticipation of an appropriation by Congress for such purpose, and the District's legal liability for the payment of any Annual Rental, or any component thereof, under this Lease shall not arise or obtain in advance of the lawful availability of appropriated funds for the applicable fiscal year as approved by Congress.

(b) The District agrees to exercise all lawful authority available to it to satisfy the financial obligations of the District that may arise under this Lease. During the term of this Lease, the Mayor of the District of Columbia or other appropriate official shall, for each fiscal period, include in the budget application submitted to the Council of the District of Columbia the amount necessary to fund the District's known potential financial obligations under this Lease for such fiscal period. In the event that a request for such appropriations is excluded from the budget approved by the Council and submitted to Congress by the President for the applicable fiscal year or if no appropriation is made by Congress to pay Annual Rental, or any component thereof, due under this Lease for any period after the

fiscal year for which appropriations have been made, and in the event appropriated funds for such purposes are not otherwise lawfully available, the District will not be liable to make any payment under this Lease upon the expiration of any then-existing appropriation, the District shall promptly notify Landlord, and this Lease shall immediately terminate upon the expiration of any then-existing appropriation.

(c) Notwithstanding the foregoing, no officer, employee, director, member or other natural person or agent of the District shall have any personal liability in connection with the breach of the provisions of this Section or in the event of a Default by the District under this Lease.

(d) This Lease shall not constitute an indebtedness of the District nor shall it constitute an obligation for which the District is obligated to levy or pledge any form of taxation or for which the District has levied or pledged any form of taxation. No District of Columbia Official or employee is authorized to obligate or expend any amount under this Lease unless such amount has been appropriated by Act of Congress and is lawfully available.

#### 27.2 Nondiscrimination in Facilities.

(a) Definition. As used in this Section 27.2, “**facility**” means the Premises.

(b) No Discrimination. Landlord shall not discriminate by segregation or otherwise against any person because of race, color, religion, sex, national origin, age, marital status, personal appearance, sexual orientation, familial status, family responsibilities, disability, matriculation, political affiliation, source of income or place of residence or business in furnishing or by refusing to furnish to such

person or persons the use of the facility, including any and all services, privileges, accommodations and activities provided under this Lease.

#### (c) Noncompliance.

Landlord’s noncompliance with the provisions of this Section 27.2 shall constitute a material breach of this Lease. In the event of such noncompliance, District shall promptly provide to Landlord notice thereof, detailing with specificity Landlord’s noncompliance. If Landlord does not correct such noncompliance within sixty (60) days after its receipt of such notice from the District specifying such noncompliance the District may, subject to this Section 27.2(c), pursue any remedies on account of such noncompliance as may be provided by applicable law (including any applicable regulations thereto) or in equity. In the event of termination, Landlord shall be liable for all excess costs of the District in acquiring substitute space, including without limitation the cost of moving to such space.

#### (d) Concession

Agreements. Landlord shall include, or require the inclusion of, the foregoing provisions of this Section 27.2 (with the terms “Landlord” and “District” appropriately modified) in every agreement or concession agreement pursuant to which any persons other than Landlord operates or has the right to operate any facility. Landlord shall take such action with respect to any such agreement as the District may reasonably direct as a means of enforcing this Section 27.2, including without limitation the termination of such agreement or concession.

#### 27.3. Nondiscrimination in Employment.

#### (a) Nondiscrimination.

In connection with Landlord’s performance

of its obligations hereunder to furnish to District building services and utilities, Landlord shall not discriminate against any employee or applicant for employment because of race, color, religion, national origin, sex, age, marital status, personal appearance, sexual orientation, family responsibilities, disability, matriculation or political affiliation. Landlord shall take affirmative action to ensure that applicants are employed and that employees are treated during employment without regard to any of the aforementioned categories. Such action shall include without limitation the following: employment, upgrading, demotion or transfer, recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeships. Landlord shall post in conspicuous places available to employees and applicants for employment notices to be provided by District setting forth the provisions of this non-discrimination clause.

(b) Advertisements. In all solicitations or advertisements for employees placed by or on behalf of Landlord, Landlord shall state that all qualified persons will receive consideration for employment without regard to race, color, religion, national origin, sex, age, marital status, personal appearance, sexual orientation, family responsibilities, disability, matriculation or political affiliation.

(c) Labor Unions. Landlord shall send to each labor union or representative of workers with which Landlord has a collective bargaining agreement or other contract with respect to the furnishing of labor a notice to be provided by the District advising such labor unions or workers' representatives of Landlord's commitments under this Section

27.3 and Landlord shall post copies of such notice in conspicuous places available to employees and applicants for employment.

(d) Books and Records. At reasonable times with appropriate notice to Landlord, Landlord shall permit District and its agents to have reasonable access to Landlord's books, records and accounts for purposes of investigation to ascertain compliance with the provisions of this Section 27.3.

(e) Noncompliance. In the event of Landlord's noncompliance with the nondiscrimination provisions of this Lease, District shall promptly provide to Landlord notice thereof, detailing with specificity Landlord's noncompliance. If Landlord does not correct such noncompliance within sixty (60) days after its receipt of such notice from District specifying such noncompliance, District may pursue any remedies on account of such noncompliance as may be provided by applicable law (including any applicable regulations thereto) or in equity.

(f) Contracts. Landlord shall insert the foregoing nondiscrimination in employment provisions in all contracts for procurement of goods and services relating to the performance of Landlord's obligations hereunder, except contracts for standard commercial supplies or raw materials, unless exempted by rules, regulations or orders of District, so that such provisions will be binding upon each contractor or vendor. Landlord shall take such action with respect to any contractor or vendor as District may direct as a means of enforcing such provisions, including without limitation sanctions for noncompliance; provided, however, that in the event Landlord becomes involved in or is threatened with litigation with a contractor or vendor as a result of such direction by District, Landlord shall

give notice thereof to District and Landlord may request District to enter into such litigation to protect the interests of District.

#### 27.4 Contingent Fees.

##### (a) No Contingent Fees.

Except for Landlord's Broker, Landlord warrants that no person or agency has been employed or retained by Landlord to solicit or obtain this Lease upon an agreement or understanding for a contingent fee. For breach or violation of this warranty, District shall have the right in its discretion, to deduct from all items of Annual Rental, or otherwise recover, the full amount of the contingent fee.

##### (b) **"Contingent fee"**

means any commission, percentage, brokerage or other fee that is contingent upon the success such person or concern has in securing a lease with District.

(c) The negotiation, execution, delivery and performance of the Lease by District are not and will not be induced by, resulting from or based on improper influence. **"Improper influence"** means any influence that induces or tends to induce an employee or officer of District to give consideration or to act regarding a lease with District on any basis other than on the merits of the matter or in violation of any Laws or regulation regarding the acquisition by District of a leasehold interest.

27.5 Authority of District. Subject to the provisions set forth in Section 27.1, by executing this Lease the District represents to Landlord that: (i) it is authorized to enter into, execute and deliver this Lease and perform the obligations hereunder; (ii) this Lease is effective and enforceable against the District in accordance with its terms; (iii) the person signing on the District's behalf is duly authorized to execute this Lease; and

(iv) no other signatures or approvals are necessary in order to make all of the representations of the District contained in this Section 27.5 true and correct, provided that the Council of the District of Columbia shall have first approved the Lease in accordance with D.C. Official Code § 1-204.51(b) and D.C. Official Code § 10-1008.

#### 27.6 False Claims Provisions.

Notwithstanding any provision to the contrary in this Lease, all Real Estate Tax Expense Statements and all other demands for payment or reimbursement under this Lease shall be subject to False Claims Provisions.