



DEPARTMENT OF GENERAL SERVICES

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December 27, 2021

RE: Final Letter of Intent
4000 Wheeler Avenue
Alexandria, Virginia 22304

Dear Mr. Campagna:

The Department of General Services on behalf of the City of Alexandria is please to submit this letter of intent (this "LOI) to Graboyes Family Trust(s) ("Owner and Landlord"), to lease the property at 4000 Wheeler Avenue, Alexandria, VA ("Premise"). Outlined below are the general terms and conditions that would serve as the basis for a lease agreement for the Premise (the "Lease"). Final agreement is subject to a mutually acceptable, and fully executed by both parties, definitive lease agreement.

LANDLORD:

Graboyes Family Trust(s)

TENANT:

The City of Alexandria

PROPERTY:

4000 Wheeler Avenue, Alexandria, Virginia 22304

INITIAL LEASE TERM:

Five (5) years from lease commencement.

RENEWAL OPTION:

Provided Tenant is not in default of the Lease Tenant will have the Option to Renew the Lease for Two (2) additional terms of Five (5) Years each. During any renewal periods the Tenant's Annual Base Rent shall be increased by an amount equal to three (3%) percent per annum over the prior year's Base Rent.

SIZE, LEASED PREMISES & CONDITION:

Approximately 25,234 rentable square feet in accordance with Exhibit "A" Space shall be leased in its AS-IS condition all equipment, roof, overhead door, plumbing and electrical systems in good working order, broom clean and free of all debris.

PARKING

Tenant shall have the exclusive use of parking area directly in front of the Premises, along with the parking spaces on the west side of the building, in accordance with the attached diagram (Exhibit "B"). During the term of the Lease tenant will be responsible for all repairs and maintaining of the parking lot.

COMMON AREA:

During the full term of the Lease Tenant will be responsible for the general upkeep, landscaping and snow removal of the exterior Common Areas of the Property.

USE:

General office, warehouse and police training.

LEASE COMMENCEMENT

Shall be upon full Lease Execution.

RENT COMMENCEMENT:

Shall be upon occupancy for beneficial use.

ANNUAL RENTAL RATE:

The Base Annual Rental Rate shall be \$10.25/NNN per rentable square foot per annum, net of utilities, real estate taxes and insurance. Landlord will not charge a Common Area Maintenance fee. Landlord will reimburse Tenant for its pro rata share (13%) of all utilities for the second-floor office space that it will occupy.

RENTAL ABATEMENT:

Landlord shall fully abate the base rent for the initial sixty days (60) of occupancy.

ANNUAL BASE RENT INCREASES:

Beginning on the first (1st) anniversary of the Lease Commencement Date and on each anniversary thereafter, Tenant's Annual Base Rent shall be increased by an amount equal to three percent (3%) per annum over the prior year's Base Rent.

SECURITY DEPOSIT & FIRST MONTH'S RENT:

Tenant will provide a minimum-Security Deposit in an amount equal to one month's rent. First month's rent and Security Deposit shall be due upon Lease Execution.

LANDLORD IMPROVEMENTS & CONDITION:

Landlord shall maintain all building systems, HVAC, plumbing (not to include toilets and sinks) including the sewage ejector pump during the full Lease Term. Additionally, Landlord shall ensure electric are in good working order upon lease commencement or repair or replace as needed. Property shall convey in as-is, where-is, broom clean and all systems in good working order. Tenant will be responsible for general repairs and upkeep of the warehouse heaters, lights in the demised premises and the bathroom plumbing and Landlord will be responsible for the repairs or replacement of the roof, downspouts, walls and foundation of the building.

TENANT WORK:

Landlord will provide the following turnkey improvements to the demised premises:

In accordance with attached scope of work and floor plan – See Exhibit "C"

RIGHT OF FIRST OFFER:

Tenant shall be granted the first right to purchase the Building ("ROFO"). Once Landlord has decided to sell and notified the Tenant of its intent, Tenant will have 30 days to submit an offer. Landlord will withhold advertising, marketing or engaging in negotiation with all other parties for 90 days. If no Purchase Agreement or binding Contract to Purchase has been agreed to and fully ratified then Landlord may solicit competing offers, market and advertise the property for sale.

CONTINGENCY:

Execution of the lease agreement between the Landlord and the City of Alexandria to lease the property at 4000 Wheeler Avenue is contingent upon City Council approval on January 11, 2022.

SIGNAGE:

Additionally, Tenant shall have the right, subject to Landlord approval, and at the expense of Tenant, to install an exterior sign in the area above the outside Leased Premises entrance with the size, location, and design to be approved by Landlord.

DATA COMMUNICATIONS:

Tenant shall contract directly with providers as needed for cable and data connectivity.

ACCESS & SECURITY:

Tenant shall have access to the Building and Demised Premises twenty-four (24) hours per day, seven (7) days per week, 365 days per year. Landlord shall provide a minimum of Twenty-Four (24) hours' notice if Landlord must access the demised premises, except in the case of an emergency.

RIGHT TO SUBLEASE/ASSIGN:

Provided Tenant is not in default of the terms of the Lease document beyond any applicable notification or cure periods, Tenant shall have the right to sublease all or a portion of the Leased Premises, subject to Landlord's prior written consent, which shall not be unreasonably withheld or delayed.

AGENCY:

Braddock Commercial is acting as the Landlords agent and shall be paid brokerage commission in accordance with separate agreement with the Landlord. Tenant, The City of Alexandria is being represented by Tartan Properties, Inc (TARTAN) and shall be paid brokerage commission in accordance with Commission Agreement.

QUALIFYING CONDITIONS:

This Letter of Intent represents an expression of interest and is not legally binding in any manner whatsoever on either party. The Leased Premises covered by this proposal have been and will continue to be the subject of other proposals issued to additional prospective tenants. The terms outlined herein are subject to a mutually acceptable Lease document being executed between the parties. Any terms not addressed in this proposal shall be further outlined in the Lease document.

If the terms outlined herein are acceptable, please sign below and forward a draft lease for our review.

AGREED AND ACCEPTED:

Tenant: The City of Alexandria

BY: Mark B. Jinks
Mark B. Jinks, City Manager
TITLE: _____
DATE: 12-27-21

Landlord: Graboyes Family Trust(s)
STEVEN M. GRABOYES, Trustee

BY: Steven M. Graboyes
TITLE: Trustee
DATE: 12-30-21

Approved as to Form SL

Exhibit A

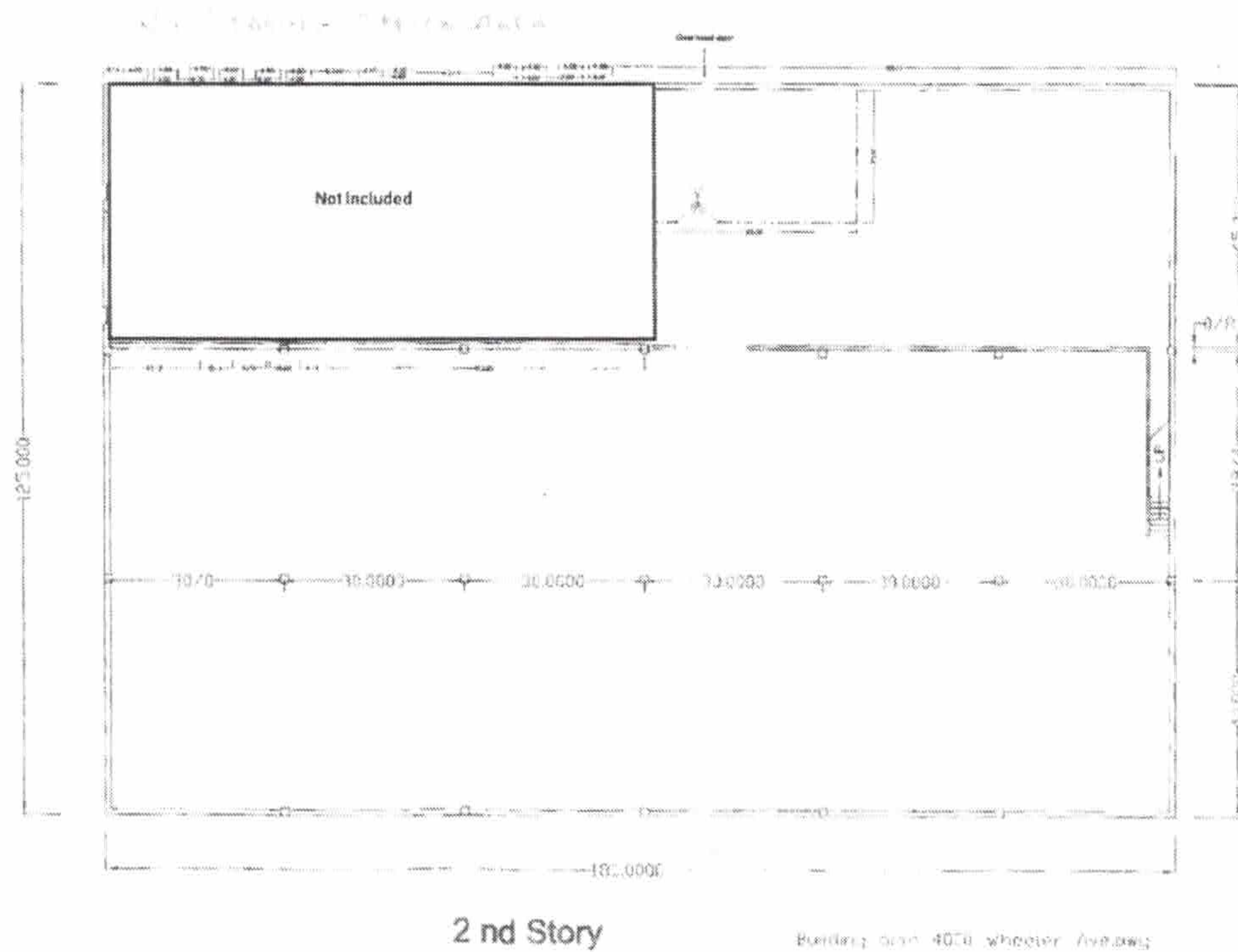
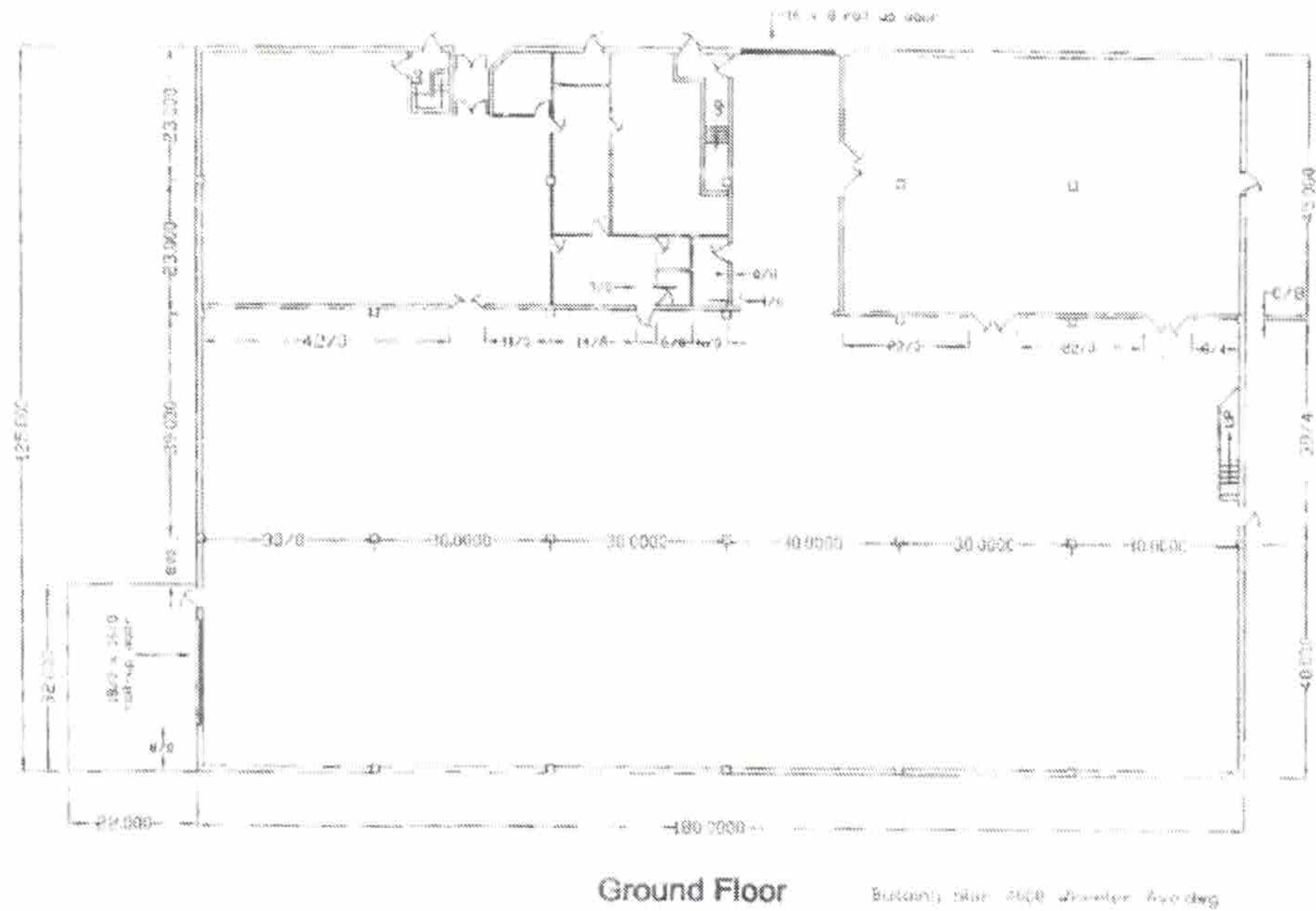


Exhibit B

(X - Reserved for Owner)

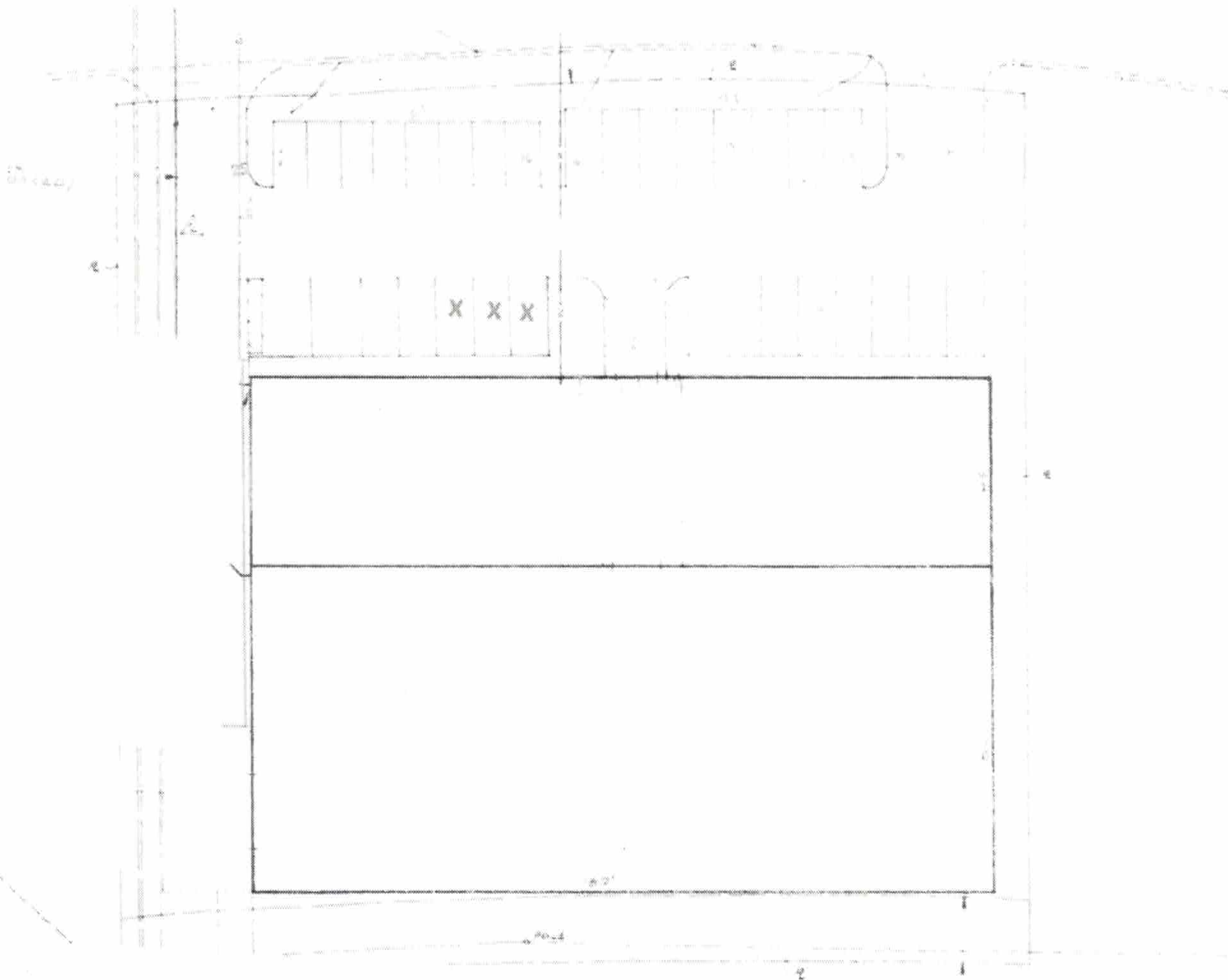


Exhibit C

Landlord will provide the following turnkey improvements to the Demised Premises at its sole cost and expense prior to occupancy:

1. Landlord will deliver the two bathrooms located in the showroom with new paint, and fixtures to include sink toilets and lighting. Done
2. ~~Landlord will deliver the bathroom accessed from the warehouse in full compliance with ADA and make any necessary and mandatory modifications to comply with the most current ADA standards and requirements. The existing space shall incorporate all required modifications to provide free access from a wheelchair to the bathroom and meet the (ADA) required floor space clearance and minimum floor space at the toilet, including the installation of all related compliant accessories in accordance with ADA specifications, as well as standards to ensure obstacle-free utilization and autonomy for the operation of the sanitary fixtures by users with disabilities. The new modifications shall comply with any applicable NFPA/Safety/IBC/ANSI guidelines and include any other associated civil, electrical and mechanical work as required and shall include new paint and fixtures including sink(s), toilet(s), lighting at its sole cost and expense -. – Tenant Architect to provide specification, and floor plan suitable for building permit~~
3. Landlord to install a panic bar on door leading from the Tenant's mezzanine space into the exit stairwell Done
4. Landlord will resurface the parking lot as soon as possible, and weather permitting. Done
5. Landlord will replace the paint and carpet in the office and showroom area to a mutually agreeable color