

THIRD LEASE MODIFICATION AGREEMENT AND DEED OF LEASE

THIS THIRD MODIFICATION AGREEMENT AND DEED OF LEASE (this "Third Modification") is made on this day ____ of November 2018, by and between MOUNT VERNON AVENUE, ("Landlord") and the CITY OF ALEXANDRIA, a municipal corporation of the Commonwealth of Virginia ("Tenant").

WITNESSETH:

WHEREAS, Landlord and Tenant are party to that certain Lease Agreement dated August 4, 1995 (the "Original Lease"), pursuant to which Landlord's predecessor in interest, Poladian Construction Corporation, leased to Tenant, certain real property located in the City of Alexandria, Virginia, and described in Exhibit A to the Original Lease; and

WHEREAS, by that certain Second Lease Modification Agreement dated May 29, 2009 (the "Second ") (the Original Lease and the First Modification and Second Modification are sometimes referred to as the "Lease"), the Term of the Original Lease was extended for an additional period ending June 30, 2009 (the "Current Lease Expiration Date"), and other terms of the Original Lease were modified; and

WHEREAS, Landlord and Tenant desire to further extend the Term of the Lease for a period (39) months, beginning July 1, 2019, and expiring at 11:59 P.M. on September 30, 2022.

NOW THEREFORE, in consideration of the mutual covenants contained herein, and the sum of ten dollars (\$10.00), the receipt and sufficiency of which is hereby acknowledged, the parties, intending to be legally bound, do hereby agree as follows:

1. ***Recitals.*** The foregoing recitals are hereby incorporated herein.
2. ***Extension Term.*** The Term of the Lease is hereby extended for a single period of thirty-nine months (the "2019-2022 Extension Period"), which 2019-2022 Extension Period shall commence on July 1, 2019 (the "2019-2022 Extension Period Commencement Date") and shall expire at 11:59 P.M. on September 30, 2022, unless earlier terminated pursuant to the provisions of the Lease, as modified by the provisions of this Third Modification, or pursuant to law.
3. ***2019-2022 Extension Period Rent.*** (a) Base Rent for the 2019-2022 Extension Period shall be payable in advance in equal monthly installments on the first day of each month, commencing July 1, 2019, without setoff, deduction or demand, in accordance with the following schedule:

Period	Annual Base Rent	Monthly Base Rent
July 1, 2019 through June 30, 2020	\$1,184,536.80	\$98,711.40
July 1, 2020 through June 30, 2021	\$1,220,072.90	\$101,672.70
July 1, 2021 through June 30, 2022	\$1,256,675.09	\$104,722.90
July 1, 2022 through September 30, 2022	\$323,593.86	\$107,864.60

(b) Without limiting Tenant's other obligations under the Lease, Tenant expressly reaffirms its obligations for the payment of real estate taxes, utilities, custodial services and facility maintenance as provided and modified in Exhibit "B" of the Lease, which obligations are in addition to the obligation for the payment of Base Rent as provided herein.

4. *Condition of Premises.* Tenant acknowledges that it is in occupancy of the Premises as of the date of execution of this Third Modification and accepts the Premises in their as-is condition, both as of the date hereof, and as of the 2019-2022 Extension Period Commencement Date.

5. *Provisions of First Modification Superseded.* The provisions of the Second Modification expressly supersede Paragraphs 2, 3, 4 and 5 of the First Modification; Paragraph 3 of the First Modification is deleted in its entirety effective as of the date hereof; Paragraphs 2, 4 and 5 are deleted, and provision of the Third Modification Exhibit B modified maintenance responsibilities in their entirety effective as of the 2019-2022 Extension Period Commencement Date.

6. *Address for Notices.* Paragraph 22 of the Original Lease, as modified by Paragraph 8 of the First Modification, is amended by changing the designated address of the Landlord to: Mount Vernon Avenue, LLC, 7615 Southdown Road, Alexandria, Virginia 22308.

7. *Brokerage.* Tenant hereby represents that it has not entered into any agreement with, or otherwise had any dealing with, any broker, agent or finder, in connection with the negotiation or execution of this Third Modification which could form the basis of any claim by any such broker, agent or finder for a brokerage fee or commission, finder's fee, or any other compensation of any kind or nature. Tenant agrees to indemnify and hold Landlord harmless from all reasonable costs (including but not limited to, court costs, investigation costs, and attorneys' fees), expenses, and liabilities for commission or other compensation with respect to this Third Modification which may arise out of any agreement or dealings or alleged agreement or dealings with any broker, agent or finder.

8. ***Ratification.*** Except as expressly modified by the terms of this Third Modification, the Lease shall remain unchanged and continue in full force and effect. All terms, covenants and conditions of the Lease not expressly modified herein are hereby confirmed and ratified and remain in full force and effect, and constitute valid and binding obligations of Tenant enforceable in accordance with the terms thereof. All capitalized words and phrases not otherwise defined herein shall have the meanings ascribed to them in the Lease. Tenant hereby acknowledges that Landlord is not in default under the Lease as of the date hereof, and that it is unaware of any condition or circumstance which, but for the passage of time or delivery of notice, or both, would constitute an Event of Default under the Lease. Tenant has no claims, defenses or set-offs of any kind to the payment or performance of Tenant's obligations under the Lease. Nothing contained herein shall be deemed to waive any sums due from Tenant to Landlord, or any event, occurrence or condition existing as of the date hereof which, with the passage of time, or delivery of notice, or both, would constitute a Default by Tenant under the Lease. ·

9. ***Binding Effect.*** All of the covenants in this Third Modification, including, but not limited to, all covenants of the Lease as modified hereby, shall be binding upon and shall inure to the benefit of the parties hereto and their respective heirs, legal representatives and permitted successors and assigns.

10. ***Effectiveness.*** The submission of this Third Modification shall not constitute an offer, and this Third Modification shall not be effective and binding unless and until fully executed and delivered by each of the parties hereto.

11. ***Counterparts.*** This Third Modification may be executed in multiple counterparts, each of which shall constitute an original, but all of which shall be an original, and shall constitute one and the same Third Modification.

12. ***Miscellaneous.*** This Third Modification constitutes the entire Agreement of the parties relative to the subject matter hereof. There are no representations or agreements relied upon by either party which are not expressly set forth herein. This Third Modification may be modified only by written instrument signed by both parties. This Third Modification constitutes a Deed of Lease pursuant to Va. Code §55-2.

[SIGNATURES APPEAR ON NEXT PAGE)

IN WITNESS WHEREOF, the parties have signed and sealed this Third Modification as of the date first set forth above.

TENANT:

CITY OF ALEXANDRIA
a municipal corporation of the Commonwealth of Virginia

By: _____
Mark B. Jinks, City Manager

LANDLORD:

MOUNT VERNON AVENUE, LLC

By: _____
Title:
Name:

