

Fourth Amendment of Lease

THIS FOURTH AMENDMENT OF LEASE (this "**Fourth Amendment**") is made and entered into as of \_\_\_\_\_, 2021, by and between WG Tavern Square Venture, LLC, a Delaware limited liability company having an address at c/o Cambridge Asset Advisors LLC, 8391 Old Courthouse Road, Suite 210, Vienna, Virginia 22182 ("**Landlord**"), and City of Alexandria, a municipal corporation of Virginia ("**Tenant**").

**WITNESSETH:**

WHEREAS, Landlord, as the assignee of Tavern Square, LLC, and Tenant are parties to that certain Office Lease dated as of February 17, 2016, as amended by that certain First Amendment dated as of September 14, 2016, by that certain Second Amendment dated as of July 26, 2018 and by that certain Third Amendment dated as of October 26, 2018 (as amended, the "**Lease**"), with respect to approximately 56,221 rentable square feet of office space (the "**Office Premises**") and 560 square feet of storage space (the "**Storage Space**" and, collectively with the Office Premises, the "**Premises**"), such Premises being located in portions of the buildings at 421 King Street, 123 North Pitt Street, 110 North Royal Street and 132 North Royal Street, Alexandria, Virginia (collectively, the "**Buildings**");

WHEREAS, the existing Term of the Lease is scheduled to expire August 31, 2026, but Landlord and Tenant desire to extend the Term of the Lease for an additional seven (7) years, in accordance with the terms and conditions of this Fourth Amendment.

NOW, THEREFORE, in consideration of the mutual covenants and agreements set forth herein below, of Ten Dollars in hand paid, and of other good and valuable consideration, the receipt and sufficiency of all the foregoing hereby being acknowledged by the parties hereto, Landlord and Tenant, intending legally to be bound, agree as follows:

1. Recitals. The Recitals are not prefatory but are an integral part hereof.
2. Capitalized Terms. Capitalized terms used in this Amendment shall have the meaning ascribed to such term in the Lease, unless such term is specifically defined in this Amendment.
3. Extension of Lease Term. This Lease hereby is extended for a term (hereinafter referred to as the "**Extension Term**") commencing on September 1, 2026 and expiring at 11:59 p.m. on August 31, 2033.
4. Fixed Rent for Office Premises. Landlord and Tenant agree that, commencing on the first day of the first full calendar month after execution of this Fourth Amendment by Landlord and Tenant (the "**Rent Reset Commencement Date**"), and notwithstanding anything to the contrary set forth in the Lease, including, without limitation, Section 1.3 thereof, the Lease hereby is modified to provide that Fixed Rent with respect to the Office Premises shall be paid as follows:

<b>Rental Period</b>	<b>Fixed Rent PRSF</b>	<b>Fixed Annual Rent</b>	<b>Monthly Fixed Rent</b>
Rent Reset Commencement Date thru June 30, 2022	\$29.50	\$1,658,519.50	\$138,209.95
July 1, 2022 thru June 30, 2023	\$30.39	\$1,708,556.10	\$142,379.67
July 1, 2023 thru June 30, 2024	\$31.30	\$1,759,717.30	\$146,643.10
July 1, 2024 thru June 30, 2025	\$32.24	\$1,812,565.00	\$151,047.08
July 1, 2025 thru June 30, 2026	\$33.20	\$1,866,537.20	\$155,544.76
July 1, 2026 thru June 30, 2027	\$34.20	\$1,922,758.20	\$160,229.85
July 1, 2027 thru June 30, 2028	\$35.23	\$1,980,665.80	\$165,055.48
July 1, 2028 thru June 30, 2029	\$36.28	\$2,039,697.80	\$169,974.81
July 1, 2029 thru June 30, 2030	\$37.37	\$2,100,978.70	\$175,081.55
July 1, 2030 thru June 30, 2031	\$38.49	\$2,163,946.20	\$180,328.85
July 1, 2031 thru June 30, 2032	\$39.65	\$2,229,162.60	\$185,763.55
July 1, 2032 thru June 30, 2033	\$40.84	\$2,296,065.60	\$191,338.80
July 1, 2033 thru Aug 31, 2033	\$42.06	\$2,364,655.20	\$197,054.60

Notwithstanding the foregoing, provided there is no then-current Event of Default as set forth in this Lease, (i) Tenant shall not be obligated to pay the Monthly Base Rent with respect to the first three (3) full calendar months ( July, August, September) immediately following the Rent Reset Commencement Date, (ii) the Monthly Base Rent with respect to the first five (5) full calendar months (February, March, April, May, June) following the first annual anniversary of the Rent Reset Commencement Date and (iii) the Monthly Base Rent with respect to the first four (4) full calendar months (July, August, September, October) following the second annual anniversary of the Rent Reset Commencement Date.

5. Storage Space Fixed Rent. Commencing as of the Rent Reset Commencement Date, Fixed Rent for the Storage Space, being 560 rentable square feet, shall be payable by Tenant pursuant to the same Fixed Rent schedule set forth above, provided that that the rental rate per rentable square foot of the Storage Space shall be Twenty Dollars (\$20.00) per rentable square foot. On each subsequent July 1, commencing July 1, 2022, the Fixed Rent for the Storage Space shall be increased by three percent (3%) of the sum being paid for the Storage Space immediately prior to such date.

6. Operating Expense and Taxes Base Year. Effective as of the Rent Reset Commencement Date, (a) Section 1.2 of the Lease is modified to provide that the Expenses Base Year shall be 2020 and Section 1.11 of the Lease is modified to provide that the Taxes Base Year also shall be 2020 and (b) Tenant shall not be responsible for any Tenant's Tax Payment or Tenant's Expense Payment prior to July 1, 2022.

7. Tenant Allowance. Tenant accepts the Premises in its “as-is” condition, Tenant being in possession of said Premises as of the date of this Fourth Amendment. While Landlord has no obligation to make any improvements to the Premises in connection with this Fourth Amendment, Landlord shall provide Tenant an allowance equal to Fifteen Dollars (\$15.00) per square foot in the Office Premises (the “**Allowance**”), which shall be applied to the cost of construction of improvements to the Office Premises, as approved by Landlord in writing in accordance with the terms of the Lease (the “**Tenant Refurbishment**”). The Allowance shall be applied toward the “hard” and “soft” costs of construction of the Tenant Refurbishment, including architectural and engineering services and fees, wiring and data cabling, project management services and permit fees. Tenant shall not be entitled to receive any balance of the Allowance after full payment of the cost of the Tenant Refurbishment. The Tenant Refurbishment shall be performed by Landlord’s general contractor and Landlord shall not charge a construction management fee in connection therewith. Tenant shall reimburse Landlord, which Landlord may pay directly from the Allowance, for reasonable out-of-pocket expenses incurred in connection with Landlord’s review of the construction documents relating to the Tenant Refurbishment. Landlord shall provide Tenant reasonable evidence of such out-of-pocket expenses. Any portion of the Allowance not properly requisitioned by Tenant on or before December 31, 2022 shall be retained by Landlord.

8. Legal Actions. The word “county” in Section 18.7 of the Lease is removed and replaced with the word “city”.

9. Ratification. Except as otherwise expressly modified by the terms of this Amendment, 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, as further amended hereby, constitute valid and binding obligations of Tenant enforceable according to the terms thereof.

10. Authority. Tenant and each of the persons executing this Amendment on behalf of Tenant hereby covenants and warrants that Tenant is a duly organized corporation, validly existing and in good standing under the laws of the Commonwealth of Virginia, that Tenant has full right and authority to enter into this Fourth Amendment, and that the person signing on behalf of Tenant is authorized to do so on behalf of Tenant.

11. Binding Effect. All of the covenants contained in this Fourth Amendment, 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.

12. Effectiveness. The submission of this Fourth Amendment shall not constitute an offer, and this Amendment shall not be effective and binding unless and until fully executed and delivered by each of the parties hereto.

13. Counterparts. This Fourth Amendment may be executed in multiple counterparts, each of which shall be an original, but all of which together shall constitute one and the same Amendment.

*[signatures appear on the following pages]*

**IN WITNESS WHEREOF**, Landlord and Tenant have executed this Fourth Amendment as of the date first above written.

**LANDLORD:**

WG Tavern Square Venture, LLC

By: Tavern Square Holdings IV (ERISA), LLC, a Delaware limited liability company, its Managing Member

By: \_\_\_\_\_ [SEAL]  
Name:  
Title:

By: \_\_\_\_\_ [SEAL]  
Name:  
Title:

**TENANT:**

City of Alexandria, a municipal corporation of Virginia

By: \_\_\_\_\_ [SEAL]  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_