

#### **FOURTH AMENDMENT TO LEASE**

**THIS FOURTH AMENDMENT TO LEASE** (this "**Amendment**") is made and entered into as of February 16, 2017 (the "**Effective Date**"), by and between **PRIII SUNSET HILLS VIRGINIA LLC**, a Delaware limited liability company ("**Landlord**"), and **INTERNATIONAL BUSINESS MACHINES CORPORATION**, a New York corporation ("**Tenant**").

WITNESSETH:

WHEREAS, Landlord is the landlord and Tenant is the tenant under that certain Lease dated as of February 14, 2002 (the "**Original Lease**"), as amended by that certain First Amendment to Lease dated as of December 8, 2005 (the "**First Amendment**"), as amended by that certain Second Amendment to Lease dated as of April 30, 2006 (the "**Second Amendment**"), and as further amended by that certain Third Amendment to Lease dated as of September 27, 2011 (the "**Third Amendment**"), and together with the Original Lease, the First Amendment, and the Second Amendment, collectively, the "**Lease**"), for certain premises (the "**Premises**") deemed to comprise 22,639 rentable square feet in the aggregate and consisting of (i) 14,090 rentable square feet located on the fifth (5th) floor, and (ii) 8,549 rentable square feet located on the sixth (6th) floor, all in the building (the "**Building**") commonly known as Sunset Corporate Plaza I and located at 11107 Sunset Hills Road, Reston, Virginia 20190, for a term (the "**Term**") currently expiring on April 30, 2017;

WHEREAS, Landlord has heretofore succeeded to all right and interest of each of Sunset Hills, LLC, Wells Operating Partnership, L.P., and Piedmont Operating Partnership, LP as the prior named landlords in and under the Lease; and

WHEREAS, Landlord and Tenant desire to extend the Term and to further amend the Lease, all on the terms and conditions hereinafter set forth.

NOW THEREFORE, in consideration of the foregoing recitals, the mutual covenants and agreements herein contained, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Landlord and Tenant hereby covenant and agree as follows:

1. **Definitions.** Capitalized terms used in this Amendment and not otherwise defined herein shall have the same meaning as provided in the Lease.

2. **Extension.** Effective as of the Effective Date hereof, the Term of the Lease, as heretofore extended, shall be and is hereby further extended for an additional period of four (4) years commencing on May 1, 2017 and continuing through and including April 30, 2021, the same as if April 30, 2021 were the expiration date of the Lease as initially set forth therein, unless sooner terminated in accordance with the terms of the Lease.

3. **Fixed Rent.** Tenant shall continue paying Fixed Rent with respect to the Premises for the period through and including April 30, 2017 in accordance with the terms and provisions of the Lease, including, without limitation, Article Four (Fixed Rent and Additional Rent) of the Original Lease, and Paragraph 3 (Fixed Rent Payable During Extension Term) and Paragraph 4 (Escalation in Fixed Rent During Extension Term), respectively of the Third Amendment. Effective on May 1, 2017, the Lease shall be further amended by deleting the Fixed Rent schedule set forth in Paragraph 4 (Escalation in Fixed Rent During Extension Term) of the Third Amendment in its entirety and by substituting the following Fixed Rent schedule in lieu thereof with the result that, from and after May 1, 2017 and continuing for the remainder of the Term, as extended hereby, Tenant shall pay Fixed Rent with respect to the Existing Premises in accordance with the following Existing Premises Fixed Rent

schedule and otherwise at the same time and in the same manner as set forth in the Lease, including, without limitation, Article Four (Fixed Rent and Additional Rent) of the Original Lease:

**FIXED RENT SCHEDULE  
(22,639 Rentable Square Feet)**

<b>Period</b>	<b>Annual Fixed Rent Per Sq. Ft.</b>	<b>Annual Fixed Rent</b>	<b>Monthly Fixed Rent</b>
05/01/17 - 04/30/18	\$28.50	\$645,211.50	\$53,767.63
05/01/18 - 04/30/19	\$29.36	\$664,681.04	\$55,390.09
05/01/19 - 04/30/20	\$30.24	\$684,603.36	\$57,050.28
05/01/20 - 04/30/21	\$31.14	\$704,978.46	\$58,748.21

4. **Additional Rent.** Tenant shall continue to pay for the remainder of the Term, as extended hereby, Additional Rent, including, without limitation, (i) Tenant's Share of the amount by which the annual Operating Expenses for each Operating Expense Escalation Year exceed the Operating Expenses for the Operating Expense Base Year, and (ii) Tenant's Share of the amount by which the Real Estate Taxes for each Real Estate Tax Escalation Year exceed the Real Estate Taxes for the Real Estate Tax Base Year, together with any and all other sums and charges due and payable by Tenant pursuant to the terms and provisions of the Lease, including, without limitation, Article Four (Fixed Rent and Additional Rent) of the Original Lease, as amended hereby; provided, however (a) effective as of May 1, 2017, the Operating Expense Base Year shall be the 2017 calendar year, (b) effective as of May 1, 2017, the Real Estate Tax Base Year shall be the 2017 calendar year, and (c) Tenant's Share shall be and is hereby established and confirmed as 22.37%.

5. **Condition of Premises; Improvement Allowance; Improvement Work.**

A. Tenant is currently in occupancy of the Premises and Tenant agrees to accept the Premises in their "AS IS" condition as existing as of the Effective Date hereof, without any agreements, representations, understandings, or obligations on the part of Landlord to perform any alterations, repairs, or improvements therein, or to provide any allowance therefor.

B. Notwithstanding the foregoing, Landlord agrees to make available to Tenant, from and after the Effective Date hereof, an allowance (the "**Improvement Allowance**") in an amount not to exceed the sum of Three Hundred Thirty-Nine Thousand Five Hundred Eighty-Five and No/100 Dollars (\$339,585.00) (calculated by multiplying \$15.00 by 22,639, being the rentable area of the Premises) to be applied towards payment or reimbursement of such construction related alterations, additions, and improvements as Tenant desires to make in and to the Premises (collectively, the "**Improvement Work**"); provided, however, that Tenant may apply a portion of the Improvement Allowance, not to exceed the sum of Two Hundred Twenty-Six Thousand Three Hundred Ninety and No/100 Dollars (\$226,390.00) (calculated by multiplying \$10.00 by 22,639, being the rentable area of the Premises) (the "**Soft Costs Portion**"), towards (i) furniture, fixtures, and equipment to be installed and utilized in the Premises, (ii) voice and data cabling and wiring for the Premises, (iii) audio/visual equipment to be installed and utilized in the Premises, (iv) the acquisition and installation of telecommunications equipment in the Premises, and (v) upon written notice to Landlord as hereinafter provided, as a credit towards Tenant's obligations for Fixed Rent next coming due and payable under the Lease until exhausted. Tenant shall be and remain responsible for, and shall pay as and when due, any and all costs

and expenses of such Improvement Work which are in excess of the Improvement Allowance available hereunder, and Landlord shall have no liability for any such excess costs or expenses.

C. Funds may be drawn against the Improvement Allowance at any time and from time to time following the Effective Date hereof, but not after April 30, 2018 (the "**Improvement Allowance Application Deadline**"), subject to the following:

- (i) Tenant may not make more than one (1) draw in any calendar month;
- (ii) The minimum amount which may be drawn at any one time (except in case of the final draw) is Fifty Thousand and No/100 Dollars (\$50,000.00);
- (iii) Except for the final draw, the maximum amount of any draw shall not exceed an amount which bears the same ratio to the total Improvement Allowance as the cost of the Improvement Work paid by Tenant and covered by the lien waivers and other documentation submitted by Tenant in connection with the draw request bears to the total cost of the Improvement Work;
- (iv) With each draw request, Tenant shall submit to Landlord the following documents:
  - (a) A true and correct copy of the application for payment by Tenant's contractors for the Improvement Work completed to date, including contractor's affidavits and sworn statements evidencing the cost of the Improvement Work performed to date;
  - (b) Partial or final lien waivers with respect to the Improvement Work performed to date;
  - (c) Tenant's certification to Landlord that the amounts set forth in all contractors' sworn statements are owed to Tenant's contractors for the Improvement Work performed to date;
  - (d) The total cost of the Improvement Work based on the approved plans and specifications therefor, or any modifications thereof, as such cost may change from time to time;
  - (e) With the final draw request, Tenant shall submit to Landlord a certificate from Tenant's architect stating that the Improvement Work has been completed substantially in accordance with the approved plans and specifications therefor and otherwise in accordance with applicable zoning, building, environmental, and other Laws; and
  - (f) Such additional reasonable and customary draw documentation as may be reasonably required by Landlord.

So long as Tenant is not then in default beyond any applicable notice and cure period under the Lease, Landlord will endeavor to disburse the portion of the Improvement Allowance allocable to each draw request to Tenant or Tenant's Contractors (at Landlord's option) within thirty (30) days after Tenant and Tenant's Contractors have submitted all of the required information for such draw (as determined by Landlord), and has otherwise complied with the requirements hereof.

D. The Improvement Work shall be subject in all respects to Landlord's prior written approval thereof, which approval shall be granted or withheld in accordance with the applicable terms and provisions of the Lease, including, without limitation, approval of the plans, specifications, contractors, and subcontractors therefor, and shall be further subject to all applicable terms and conditions of the Lease relating to construction, alterations, or improvements to the Premises, including, but not limited to, Article Ten (Alterations and Improvements) of the Original Lease, and such other reasonable requirements or conditions as Landlord may impose, as well as the construction rules and regulations of the Building in effect from time to time, and shall otherwise be performed in a good and workmanlike manner, and in compliance with any and all applicable Laws.

E. The Improvement Allowance is for International Business Machines Corporation personally and may not be applied or used for, nor shall such Improvement Allowance inure to the benefit of, any assignee, subtenant, or any other party. It shall be a condition to application of the Improvement Allowance, or any portion thereof, that there shall not be any Tenant's Default under any of the terms, covenants, or conditions of the Lease at the time Tenant requests application or payment of the Improvement Allowance, or any portion thereof. Notwithstanding anything herein to the contrary, in the event that Tenant fails to utilize or request application of all or any portion of the Improvement Allowance on or before the Improvement Allowance Application Deadline, Tenant shall be deemed to have forfeited the Improvement Allowance, or such remaining portion thereof, Landlord shall be entitled to the savings resulting therefrom, and Tenant shall receive no further credit therefor.

#### **6. Right of First Offer.**

A. Subject to the terms and provisions of this Paragraph 6, and subject, further, to (i) the current rights of existing tenants of the Building in and to any such space as of the Effective Date hereof, and (ii) the right of Landlord to (A) renew or extend the lease of any existing tenant or occupant of the ROFO Space (as hereinafter defined), or any portion thereof, whether pursuant to such existing tenant's or occupant's existing lease or occupancy agreement, or otherwise, or (B) renew or extend the lease of any future tenant or occupant of the ROFO Space, or any portion thereof, whether pursuant to such future tenant's or occupant's existing lease or occupancy agreement or otherwise, for which Tenant has failed to exercise its Right of First Offer hereunder (collectively, "**Superior Tenant Rights**"), in the event that certain rentable space comprising approximately 8,862 rentable square feet and located on the first (1st) floor of the Building (such space being referred to herein as a "**ROFO Space**") becomes vacant and available for leasing to third parties free and clear of any Superior Tenant Rights at any time during the period commencing on the Effective Date hereof and ending on December 31, 2017 (the "**ROFO Period**"), Tenant shall have and is hereby granted the one-time right (the "**Right of First Offer**") to add such ROFO Space to the Premises demised hereunder in accordance with the terms and provisions of this Paragraph 6.

B. Subject to the foregoing, at such time as the ROFO Space becomes vacant and available for leasing free and clear of Superior Tenant Rights during the ROFO Period as aforesaid, Landlord shall notify Tenant in writing thereof (the "**ROFO Notice**"), which ROFO Notice shall include (1) a description of the ROFO Space, (2) the Fixed Rent and other economic terms applicable thereto, (3) the anticipated date on which such ROFO Space will be available to Tenant for occupancy as described above (the "**Proposed ROFO Space Delivery Date**"), (4) the proposed rent commencement date, and (5) the condition in which the ROFO Space will be delivered, which shall be consistent with the other economic terms. Tenant shall thereafter have ten (10) days following Tenant's receipt of such ROFO Notice from Landlord within which to notify Landlord in writing of Tenant's desire to add the entirety of such ROFO Space to the Premises on the terms outlined in the ROFO Notice ("**Tenant's ROFO Exercise Notice**"). In the event that Tenant fails to so notify Landlord of its acceptance of such offer

within such 10-day period, or in the event that Landlord and Tenant fail to thereafter enter into a lease amendment which adds the ROFO Space to the Premises on the terms provided herein within the time period set forth in Subparagraph 6.E below, Landlord may thereafter lease such ROFO Space to any other third party on such terms and conditions as Landlord shall deem appropriate in Landlord's sole and absolute discretion, and Tenant shall have no further right or interest in or to the ROFO Space identified in such ROFO Notice, time being of the essence in the giving of Tenant's ROFO Exercise Notice hereunder.

C. In the event that Tenant validly exercises its Right of First Offer hereunder, the ROFO Space shall be added to and included in the Premises, and any reference in this Lease to the term "Premises" shall be deemed to refer to and include any such ROFO Space, subject to all of the terms and conditions of the Lease, as amended hereby, with the following exceptions and modifications:

(i) The rentable area of the Premises shall be increased by the rentable area of the ROFO Space;

(ii) Tenant's Share shall be increased to reflect the rentable area of such ROFO Space;

(iii) The term of the demise covering such ROFO Space shall commence on the later of (A) the Proposed ROFO Space Delivery Date, or (B) the date on which vacant possession of such ROFO Space is actually tendered to Tenant (such date being referred to herein as the "**ROFO Space Commencement Date**"), and shall thereafter be commensurate with the then-remaining Term of the Lease (provided, however, in no event shall the term of the demise covering such ROFO Space be less than thirty-six (36) full calendar months);

(iv) Tenant shall accept the ROFO Space in the condition set forth in the applicable ROFO Notice, and Landlord shall not be obligated to perform any alterations, improvements, or additions thereto, or to provide any allowance or other concessions therefor, except as otherwise provided in the applicable ROFO Notice;

(v) Fixed Rent for the ROFO Space shall be at the then-escalated rate of Fixed Rent applicable to the balance of the Premises;

(vi) In addition to the Fixed Rent applicable thereto, Tenant shall be required to pay in connection with the ROFO Space in the manner set forth herein (a) Tenant's Share of the amount by which the annual Operating Expenses for each Operating Expense Escalation Year exceed the Operating Expenses for the Operating Expense Base Year, and (b) Tenant's Share of the amount by which the Real Estate Taxes for each Real Estate Tax Escalation Year exceed the Real Estate Taxes for the Real Estate Tax Base Year, together with any and all other sums and charges due and payable by Tenant pursuant to the terms and provisions of the Lease; and

(vii) Tenant's obligation to pay Fixed Rent and Additional Rent with respect to the ROFO Space shall commence on the ROFO Space Commencement Date and shall continue for the remainder of the term of the demise covering such ROFO Space.

D. The Right of First Offer is personal to International Business Machines Corporation (and to any Affiliated Person of Tenant who is the then current tenant under the Lease) and may not be exercised by, nor shall such Right of First Offer extend to, any assignee, subtenant, or any other party (other than an Affiliated Person of Tenant who is the then current tenant under the Lease). It shall be a condition of Tenant's right to exercise the Right of First Offer that (i) neither the Lease, nor Tenant's right to possession thereunder, shall have previously been terminated (whether pursuant to Tenant's

exercise of the Termination Option hereunder or otherwise), (ii) there is then no Tenant's Default under any of the terms, covenants, or conditions of the Lease at the time that Tenant delivers Tenant's ROFO Exercise Notice or upon the ROFO Space Commencement Date, (iii) Tenant has not assigned the Lease, in whole or in part, or sublet all or any portion of the Premises (other than an assignment to an Affiliated Person of Tenant who is the then current tenant under the Lease or a sublease to an Affiliated Person of Tenant, as the case may be), at the time that Tenant delivers Tenant's ROFO Exercise Notice or upon the ROFO Space Commencement Date, and (iv) Tenant (or an Affiliated Person of Tenant who is the then current tenant under the Lease) is then leasing and occupying the entirety of the Premises then demised under the Lease at the time that Tenant delivers Tenant's ROFO Exercise Notice or upon the ROFO Space Commencement Date.

E. In the event Tenant exercises its Right of First Offer under this Paragraph 6, Tenant shall execute and deliver to Landlord a lease amendment setting forth the terms of such Right of First Offer within ten (10) business days following the delivery thereof by Landlord.

**7. Other Lease Provisions.** The Lease shall be and is hereby further amended as follows:

A. Effective as of the Effective Date hereof, the Basic Lease Information section of the Lease shall be and is hereby amended as follows:

(i) The item captioned "Landlord" shall be and is hereby amended by deleting the reference to "Sunset Hills, LLC" set forth therein in its entirety and by substituting "PRIII Sunset Hills Virginia LLC, a Delaware limited liability company" in lieu thereof.

(ii) The item captioned "Landlord Address" shall be and is hereby amended by deleting the Landlord address set forth therein in its entirety and by substituting the following Landlord addresses in lieu thereof:

"PRIII Sunset Hills Virginia LLC  
c/o Penzance Management, LLC  
2400 N Street, NW, Suite 600  
Washington, DC 20037  
Attn: Property Manager

With a copy to:

Prudential Real Estate Investors  
7 Giralda Farms  
Madison, New Jersey 07940  
Attn: Asset Manager - PR3 00134

And a copy to:

Quarles & Brady LLP  
300 North LaSalle, Suite 4000  
Chicago, Illinois 60654-3422  
Attn: Robert F. Messerly"

(iii) The item captioned "Leased Premises" shall be and is hereby amended by deleting the phrase "99,794 square feet of rentable area located on the first through sixth floors" set forth therein in its entirety and by substituting the phrase "22,639 square feet of rentable area located on the fifth through sixth floors" in lieu thereof.

(iv) The item captioned "Building" shall be and is hereby amended by deleting the phrase "99,794 square feet of rentable area" set forth therein in its entirety and by substituting the phrase "101,194 square feet of rentable area" in lieu thereof.

(v) The item captioned "Tenant's Share" shall be and is hereby amended by deleting the reference to "One Hundred Percent (100%)" set forth therein in its entirety and by substituting "Twenty-Two and 37/100 Percent (22.37%)" in lieu thereof.

B. Effective as of the Effective Date hereof, Section 4.01 (Fixed Rent) of the Lease shall be and is hereby amended by deleting the Landlord rent payment address set forth therein in its entirety and by substituting the following Landlord rent payment address in lieu thereof:

"PRIII Sunset Hills Virginia LLC  
MSC #373  
P.O. Box 830270  
Birmingham, AL 35233"

C. Effective on May 1, 2017, Subsection 4.04(a) of the Lease shall be amended by deleting it in its entirety and by substituting the following in lieu thereof: "(a) The words "Operating Expense Base Year" shall mean calendar year 2017 (provided, however, with respect to establishing such Operating Expense Base Year hereunder, Operating Expenses for the 2017 calendar year shall be based on 100% occupancy)."

D. Effective as of the Effective Date hereof, Subsection 4.04(c) of the Lease shall be and is hereby amended by deleting the first grammatical sentence thereof in its entirety and by substituting the following in lieu thereof: "The words "Tenant's Share" shall mean twenty-two and 37/100 percent (22.37%), determined by dividing 22,639 square feet of rentable area in the Leased Premises by 101,194 square feet of rentable area in the Building."

E. Effective on May 1, 2017, Subsection 4.05(c) of the Lease shall be amended by deleting it in its entirety and by substituting the following in lieu thereof: "(c) The words "Real Estate Tax Base Year" shall mean calendar year 2017 (provided, however, with respect to establishing such Real Estate Tax Base Year hereunder, Real Estate Taxes for the 2017 calendar year shall be based on 100% occupancy)."

F. Effective as of the Effective Date hereof, Subsection 6.01(a)(3)(i) of the Lease shall be and is hereby amended by deleting it in its entirety and by substituting the following in lieu thereof:

"(3) (i) Heat, ventilation, and air conditioning ("HVAC") in accordance with EXHIBIT C, Monday through Friday, except Holidays (as hereinafter defined), from 8:00 a.m. to 6:00 p.m., and on Saturdays, except Holidays, from 9:00 a.m. to 1:00 p.m., and, at Tenant's request, at all other times as hereinafter provided in this ARTICLE."

G. Effective as of the Effective Date hereof, Article Eighteen (Notices) of the Lease shall be and is hereby amended by deleting the Landlord address set forth therein in its entirety and by substituting the following Landlord addresses in lieu thereof:

"PRIII Sunset Hills Virginia LLC  
c/o Penzance Management, LLC  
2400 N Street, NW, Suite 600  
Washington, DC 20037  
Attn: Property Manager

With a copy to:

Prudential Real Estate Investors  
7 Giralda Farms  
Madison, New Jersey 07940  
Attn: Asset Manager - PR3 00134

And a copy to:

Quarles & Brady LLP  
300 North LaSalle, Suite 4000  
Chicago, Illinois 60654-3422  
Attn: Robert F. Messerly"

H. Effective as of the Effective Date hereof, Paragraph 7 (Termination Option) of the Third Amendment shall be and is hereby amended by deleting it in its entirety.

I. Notwithstanding anything herein or in the Lease to the contrary, it is hereby acknowledged and agreed that (i) Landlord has heretofore satisfactorily completed all of its obligations with respect to the funding of the Allowance under Section 5.01 (Construction) of the Original Lease, and that Landlord shall have no further obligations with respect thereto, (ii) Landlord has heretofore satisfactorily completed all of its obligations with respect to the funding of the Improvement Allowance under Subparagraph 6(a) of the Third Amendment, and that Landlord shall have no further obligations with respect thereto, and (iii) each of Section 3.02 (Extended Term) of the Original Lease, Section 3.03 (Early Termination) of the Original Lease, Section 5.01 (Construction) of the Original Lease, Section 11.03 (Project Sign and Name) of the Original Lease, Article Thirteen (First Offer - Additional Space) of the Original Lease, Exhibit B-2 (Cancellation Agreement) to the Original Lease, and Exhibit E-1 (Adjacent Lot Agreement) to the Original Lease have heretofore been deleted in their entirety and are of no further force or effect.

8. **ERISA.** It is understood that from time to time during the Term, as extended hereby, Landlord may be subject to the provisions of the Employee Retirement Income Security Act of 1974 (as amended, "ERISA") and, as a result, may be prohibited by Law from engaging in certain transactions. Tenant represents and warrants, after due inquiry, that at the time this Amendment is entered into and at any time thereafter when the terms hereof or of the Lease are amended or modified: (a) Tenant is not an employee pension benefit plan subject to the provisions of Title IV of ERISA or subject to the minimum funding standards under Part 3, Subtitle B, Title I of ERISA or Section 412 of the Internal Revenue Code or Section 302 of ERISA, and none of its assets constitutes or will constitute assets of any such employee benefit plan subject to Part 4, Subtitle B, Title I of ERISA; and (b) Tenant is not a "governmental plan" within the meaning of Section 3(32) of ERISA, and the funds used by Tenant for the payment of rent or the performance of its other obligations hereunder are not subject to State statutes regulating investments of and fiduciary obligations with respect to governmental plans. Tenant further agrees to execute such documents or provide such information as Landlord may reasonably request from time to time to permit Landlord to determine whether: (x) the Lease or the performance of any obligations thereunder would constitute a prohibited transaction under ERISA or any applicable similar prohibition under State Law; (y) the Lease and the performance of any obligations thereunder is otherwise in full compliance with ERISA and such applicable similar State Laws; and (z) Landlord would be in violation of ERISA or any applicable similar State Laws by complying with the Lease.

9. **Patriot Act.**



A. Tenant is not, and shall not during the Term, as extended hereby, become, a person or entity with whom Landlord is restricted from doing business under the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001, H.R. 3162, Public Law 107-56 (commonly known as the "**USA Patriot Act**") and Executive Order Number 13224 on Terrorism Financing, effective September 24, 2001 and regulations promulgated pursuant thereto (collectively, and as amended from time to time, the "**Anti-Terrorism Laws**"), including, without limitation, persons and entities named on the Office of Foreign Asset Control Specially Designated Nationals and Blocked Persons List (collectively, "**Prohibited Persons**"). Tenant is not currently engaged in any transactions or dealings, or otherwise associated with, any Prohibited Persons in connection with the use or occupancy of the Premises. Tenant will not in the future during the Term, as extended hereby, engage in any transactions or dealings, or be otherwise associated with, any Prohibited Persons in connection with the use or occupancy of the Premises. Breach of these representations constitutes a default under the Lease and shall, if not cured within any applicable notice and cure period, entitle Landlord to any and all remedies available thereunder, or at Law or in equity. Notwithstanding the foregoing, in no event shall Tenant's representations and warranties under this Subparagraph 9.A apply to any Person which owns, has owned, or may hereafter own any publicly traded stock or other publicly traded securities of (i) Tenant (if any), or (ii) any Person which directly or indirectly owns an interest in Tenant.

B. Landlord is not, and shall not during the Term, as extended hereby, become, a person or entity with whom Tenant is restricted from doing business under the Anti-Terrorism Laws, including, without limitation, Prohibited Persons. Landlord is not currently engaged in any transactions or dealings, or otherwise associated with, any Prohibited Persons in connection with the ownership of the Premises. Landlord will not in the future during the Term, as extended hereby, engage in any transactions or dealings, or be otherwise associated with, any Prohibited Persons in connection with the ownership of the Premises. Breach of these representations constitutes a default under the Lease and shall, if not cured within any applicable notice and cure period, entitle Tenant to any and all remedies available thereunder, or at Law or in equity. Notwithstanding the foregoing, in no event shall Landlord's representations and warranties under this Subparagraph 9.B apply to any Person which owns, has owned, or may hereafter own any publicly traded stock or other publicly traded securities of (i) Landlord (if any), or (ii) any Person which directly or indirectly owns an interest in Landlord.

#### **10. REIT Matters.**

A. It is intended that all rent payable by Tenant to Landlord, which includes all sums, charges, or amounts of whatever nature to be paid by Tenant to Landlord in accordance with the provisions of the Lease, shall qualify as "rents from real property" within the meaning of Section 512(b)(3) and 856(d) of the Internal Revenue Code (as amended, the "**Code**") and the regulations thereunder (the "**Tax Regulations**"). If Landlord, in its sole discretion, determines that there is any risk that all or part of any rent shall not qualify as "rents from real property" for the purposes of Sections 512(b)(3) or 856(d) of the Code and Tax Regulations, Tenant agrees to cooperate with Landlord by entering into such amendment or amendments to the Lease as Landlord deems necessary to qualify all rent as "rents from real property", provided, however, that any adjustments required under this Section 27.1 shall be made so as to produce the equivalent (in economic terms) rent as payable before the adjustment.

B. Without limiting Landlord's right to withhold its consent to any transfer by Tenant, and regardless of whether Landlord shall have consented to any such transfer, neither Tenant, nor any other person having an interest in the possession, use, or occupancy of any portion of the Premises, shall enter into any sublease, license, concession, assignment, or other transfer or agreement for possession, use, or

occupancy of all or any portion of the Premises which provides for rental or other payment for such use, occupancy, or utilization based, in whole or in part, on the net income or profits derived by any person or entity from the space so leased, used, or occupied, and any such purported sublease, license, concession, assignment, or other transfer or agreement shall be absolutely void and ineffective as a conveyance of any right or interest in the Premises. There shall be no deduction from the rental payable under any sublease or other transfer nor from the amount of the rental passed on to any person or entity, for any expenses or costs related in any way to the subleasing or transfer of such space.

**11. No Rents Based on Income; Qualified Rents.**

A. Neither Tenant nor any other person having an interest in the possession, use, occupancy or utilization of the Premises shall enter into any lease, sublease, license, concession, assignment, or other agreement for use, occupancy, or utilization for space in the Premises which provides for rental or other payment for such use, occupancy, or utilization based in whole or in part on the net income or profits derived by any person from the party leased, used, occupied, or utilized (other than an amount based on a fixed percentage or percentages of receipts or sales), and Tenant agrees that any such proposed lease, sublease, license, concession, assignment, or other agreement shall be absolutely void and ineffective as a conveyance of any right or interest in the possession, use, occupancy, or utilization of any part of the Premises.

B. The parties intend that all payments made to Landlord under the Lease will qualify as rents from real property for purposes of Section 512(b)(3) of the Internal Revenue Code of 1986, as amended ("**Qualified Rents**"). If Landlord, in its sole discretion, advises Tenant that there is any risk that all or part of any payments made under the Lease will not qualify as Qualified Rents, Tenant agrees (i) to cooperate with Landlord to restructure the Lease in such manner as may be necessary to enable such payments to be treated as Qualified Rents, and (ii) to permit an assignment of the Lease, in each case provided such restructuring or assignment will not have a material economic impact on Tenant.

**12. Brokers.** Each of Landlord and Tenant hereby represents and warrants to the other party hereto that the representing party has not dealt with any broker, agent, or finder in connection with this Amendment, other than G&E Real Estate Inc. d/b/a Newmark Grubb Knight Frank ("**NGKF**") and CBRE, Inc. ("**CBRE**", and together with NGKF, collectively, the "**Brokers**"). Landlord covenants and agrees to pay a brokerage commission to the Brokers in connection with this Amendment in accordance with the provisions of such separate agreement(s) as may be in effect among Landlord and such Brokers. Tenant agrees to indemnify, defend, and hold harmless Landlord, Landlord's property manager, and their respective members, principals, officers, employees, agents, affiliates, successors, and assigns from and against any and all claims, damages, judgments, liabilities, liens, proceedings, costs, and expenses (including, without limitation, court costs and reasonable attorneys' fees) arising from any claims or demands of any broker, agent, or finder, other than the Brokers, if (a) the claim is made in connection with this transaction and arises out of conversations or dealings between Tenant and any claiming broker (excluding compensation due a broker employed by Landlord), or (b) results from a fraud committed or misrepresentation made by Tenant or anyone employed by Tenant. Landlord agrees to indemnify, defend, and hold harmless Tenant from and against any claim which may be asserted against Tenant by any broker (including the Brokers) if (i) the claim is made in connection with this transaction and arises out of conversations or dealings between Landlord and any claiming broker (excluding compensation due a broker employed by Tenant), or (ii) results from a fraud committed or misrepresentation made by Landlord or anyone employed by Landlord. Tenant shall reimburse Landlord for reasonable expenses, losses, costs, and damages (including reasonable attorneys' fees and court costs if Tenant fails or refuses to defend as herein required) incurred by Landlord in connection with such claims, and Landlord shall reimburse Tenant for reasonable expenses, losses, costs, and damages (including reasonable attorneys'

fees and court costs if Landlord fails or refuses to defend as herein required) incurred by Tenant in connection with such claims. Landlord and Tenant agree that payment to the Brokers or another person under this Paragraph 12 shall not be a release of either party hereto from its respective obligation to indemnify the other party hereunder or of the rights of each party to enforce such indemnity obligations against the other party. This Paragraph 12 shall survive the expiration date or earlier termination of the Lease.

**13. Miscellaneous.**

A. Tenant hereby certifies and acknowledges that, as of the Effective Date hereof and to Tenant's knowledge, (i) Landlord is not in default in any respect under the Lease, (ii) Tenant does not have any defenses to its obligations under the Lease, (iii) Tenant is not in default of any of its obligations under the Lease, and (iv) the Lease is valid, binding, and enforceable in accordance with its terms.

B. This Amendment sets forth the entire agreement between the parties with respect to the matters set forth herein. There have been no additional oral or written representations or agreements. Other than as expressly set forth in this Amendment, under no circumstances shall Tenant be entitled to any Rent abatement, improvement allowance, leasehold improvements, or other work related to the Premises, or any similar economic incentives that may have been provided Tenant in connection with entering into the Lease or any prior amendment, in connection with this Amendment. The mutual obligations of the parties as provided herein are the sole consideration for this Amendment.

C. Tenant agrees that neither Tenant nor its agents or any other parties acting on behalf of Tenant shall disclose any matters set forth in this Amendment or disseminate or distribute any information concerning the terms, details or conditions hereof to any person, firm or entity without obtaining the express written consent of Landlord.

D. The recitals to this Amendment are incorporated into the body of this Amendment as if restated herein.

E. Interpretation of this Amendment shall be governed by the laws of the Commonwealth of Virginia.

F. Each party to this Amendment represents that its signatory has the authority to execute and deliver the same on behalf of the party for which such signatory is acting.

G. This Amendment shall not be binding until executed and delivered by both parties. This Amendment may not be amended except in writing signed by both parties.

H. Signatures to this Amendment transmitted by electronic means shall be valid and effective to bind the party so signing. Each party agrees to promptly deliver an execution original to this Amendment with its actual signature to the other party, but a failure to do so shall not affect the enforceability of this Amendment, it being expressly agreed that each party to this Agreement shall be bound by its own electronically transmitted signature and shall accept the electronically transmitted signature of the other party to this Amendment.

I. This Amendment may be executed in counterparts, each of which shall be an original and all of which counterparts taken together shall constitute one and the same agreement.

J. From and after the Effective Date hereof, all references to the term "Lease" or words of similar import that are contained in the Lease and any amendments or modifications thereto, shall hereinafter refer to the Lease as modified by this Amendment.

K. Except as set forth in this Amendment, the terms, covenants, conditions, and agreements of the Lease shall remain unmodified and otherwise in full force and effect. In the event of any inconsistency between the terms of the Lease and the terms of this Amendment, the terms of this Amendment shall govern and control.

[SIGNATURE PAGE TO FOLLOW]

IN WITNESS WHEREOF, the parties hereto have executed this Amendment as of the Effective Date first above written.

LANDLORD:


**PRIII SUNSET HILLS VIRGINIA LLC, a**  
Delaware limited liability company

By: Penzance Management LLC, a Delaware limited liability  
company, property management agent for Landlord

By:   
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Michael Klein  
Authorized Signatory

TENANT:

**INTERNATIONAL BUSINESS MACHINES**  
**CORPORATION**, a New York corporation

By:   
Name: J.W. DANIEL  
Title: Sr. Real Estate Prop. Mgr.  
2/27/17