

**DETERMINATION AND FINDINGS
FOR A
SOLE SOURCE PROCUREMENT**

CONTRACT NO.: CW30991
CAPTION: Jet Fuel
PROPOSED CONTRACTOR: South Capitol Street Heliport, LLC
PROGRAM AGENCY: Metropolitan Police Department

FINDINGS

1. AUTHORIZATION:

27 DCMR 1702.3

2. MINIMUM NEED:

The Metropolitan Police Department (MPD) requires jet aviation fuel for its helicopters. The Department of General Services (DGS), on behalf of MPD, has a current lease agreement with South Capitol Heliport located at 1724 South Capitol Street, SE. MPD continues to require a helipad located in the District to store the helicopters. The location in the District reduces flight time, stress on the equipment while maximizing police man hours for operations. South Capitol Heliport is located in the District.

3. ESTIMATED REASONABLE PRICE:

\$120,000 based on historical spending.

4. FACTS WHICH JUSTIFY SOLE SOURCE PROCUREMENT:

DGS, on behalf of MPD, entered into a lease agreement with South Capitol Heliport for the use of its facility. A condition of the lease is that the District purchases its required jet fuel from South Capitol on an exclusive basis, excluding emergencies. DGS had extended the lease for the period 10/1/13 through 9/30/14. DGS is in the process of executing a further extension for the period 10/1/14 through 9/30/15. All terms of the original lease agreement will continue to be in effect. Therefore the District is required to purchase its jet fuel from South Capitol Heliport.

5. CERTIFICATION BY AGENCY HEAD:

I hereby certify that the above findings are true, correct and complete.

Date

Cathy Lanier
Chief of Police

6. CERTIFICATION BY CONTRACTING OFFICER:

I have reviewed the above findings and certify that they are sufficient to justify the use of the sole source method of procurement under the cited authority. I certify that the sole source notice of Intent to Award a Sole Source Contract was posted on the OCP website and no valid responses were received regarding the posting. I recommend that the Assistant Director of Procurement approve the use of the sole source procurement method for this proposed contract.

Date

Gena Johnson
Contracting Officer

DETERMINATION

Based on the above findings and in accordance with the cited authority, I hereby determine that it is not feasible or practical to invoke the competitive bidding process under Section 303 of the District of Columbia Procurement Practices Act of 1985 (D.C. Law 6-85; D.C. Official Code § 2-303.03). Accordingly, I determine that the District is justified in using the sole source method of procurement.

Date

James D. Staton, Jr.
Chief Procurement Officer

SECOND AMENDMENT TO SUBLEASE AGREEMENT

THIS SECOND AMENDMENT TO SUBLEASE AGREEMENT (this “**Second Amendment**”) is effective as of _____, 2014 (the “**Second Amendment Effective Date**”) between SOUTH CAPITOL STREET HELIPORT LLC, a Delaware limited liability company (the “**Sublessor**”), and the District of Columbia, a municipal corporation, acting by and through its Department of General Services (the “**District**” or “**Sublessee**”). Sublessor and District are each sometimes referred to herein as a “**Party**” and collectively as “**Parties**”.

WITNESSETH

WHEREAS, Sublessor and the District entered into that certain Sublease last dated December 23, 2011 (the “**Original Sublease**”), as amended by that certain Second Amendment to Sublease made effective as of October 1, 2013, by and between Sublessor and Sublessee (the “**First Amendment**”, which such First Amendment together with the Original Sublease shall hereafter be referred to as the “**Sublease**”);

WHEREAS, Sublessor and the District acknowledge that the First Amendment was incorrectly titled as the second amendment to the Original Sublease, and the Parties further acknowledge that such references and definitions in such First Amendment contemplating that it is a second amendment to the Original Sublease shall be appropriately construed to make reference to such document being a first amendment to the Original Sublease;

WHEREAS, pursuant to the Sublease, from and after the Sublease Commencement Date, the District has subleased the Premises from the Sublessor, and Sublessor has subleased the Premises to the District;

WHEREAS, pursuant to the Department of General Services Establishment Act of 2011, effective September 14, 2011 (D.C. Law 19-21, 58 DCR 6226), D.C. Official Code § 10-551.01 (2011 Supp.), as well as all regulations and orders promulgated and related thereto and in furtherance thereof, the District of Columbia Department of General Services was established and, among other things, performs certain functions and has certain delegated authority with respect to management, maintenance, and operations of certain facilities, which include administering matters related to the District’s leasehold interests in the Premises; and

WHEREAS, the Parties intend to hereby (1) amend the Term of the Sublease; (2) confirm the names and addresses for notices; and (3) attend to such other matters as expressly set forth herein.

NOW, THEREFORE, in consideration of the foregoing recitals, the mutual covenants set forth herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

1. Incorporation of Recitals. The above recitals are incorporated in, and made a part of, this Second Amendment.

2. Defined Terms. Defined terms used, but not defined, herein shall have the meaning ascribed to them in the Sublease.

3. Extension of Term.
 - a. Extension Term. The Parties hereby agree to extend the Term (as extended, the “**Third Extension Term**”) to expire on September 30, 2015 at 11:59:59 pm, as may be further extended pursuant to the Parties’ written agreement.

 - b. Base Rent. Commencing on October 1, 2014 and continuing through the last day of the Third Extension Term, the District shall pay to Sublessor Base Rent of \$56,758.90, payable in equal monthly installments in arrears in the manner set forth in, and subject to, the terms of the Sublease pertaining to the District making such payments.

 - c. Additional Rent. During the Third Extension Term, the District shall continue to pay to Sublessor its pro rata share of the Property Tax in the manner set forth in, and subject to, the terms of the Sublease pertaining to the District making such payments.

4. Notices. Unless notified to the contrary, any notice, consent, approval or other communication pertaining to the Sublease shall be addressed to the Parties as follows:

To the District:

Government of the District of Columbia
Department of General Services
2000 14th Street, N.W., 8th Floor
Washington, D.C. 20009
Attention: Director

with a copy to:

Government of the District of Columbia
Department of General Services
2000 14th Street, N.W., 8th Floor
Washington, D.C. 20009
Attention: General Counsel

and, in the event of a default by the District, with a copy to:

Government of the District of Columbia
Office of the Attorney General for the District of Columbia
414 4th Street, N.W., Suite 1010 South
Washington, D.C. 20001

Attention: Deputy Attorney General, Commercial Division

To the Sublessor:

South Capitol Street Heliport LLC
115 Valley View Rd.
Fairfield, CT 06824
Attention: Pamela Lutin Shaplin, Esq.

with an e-mail copy to:

pamela.shaplin@gmail.com

5. Counterpart Copies. This Second Amendment may be executed in counterpart copies, both of which executed counterparts shall have the same force and affect as if the Parties had executed a single copy of this Second Amendment.
6. Binding. This Second Amendment (a) shall be binding upon and inure to the benefit of the Parties hereto and their respective representatives, transferees, successors and assigns (except as expressly otherwise provided in the Sublease); and (b) shall be governed and construed in accordance with the laws of the District of Columbia.
7. Authority.
 - a. District's Representations. By executing this Second Amendment, the District represents to Sublessor that: (i) the District is authorized to enter into, execute, and deliver this Second Amendment and perform its obligations hereunder; (ii) this Second Amendment is effective and enforceable against the District in accordance with its terms and limitations; (iii) the person signing this Second Amendment on District's behalf is duly authorized to execute the same; and (iv) no other signatures or approvals are necessary in order to make all of the representations of the District contained in this paragraph true and correct, in all material respects.
 - b. Sublessor's Representations. By executing this Second Amendment, the Sublessor represents to the District that: (i) the Sublessor is authorized to enter into, execute and deliver this Second Amendment and perform its obligations hereunder; (ii) this Second Amendment is effective and enforceable against the Sublessor in accordance with its terms; (iii) the person signing on behalf the Sublessor is duly authorized to execute and deliver this Second Amendment; (iv) no other signatures or approvals are necessary in order to make all of the representations of the Sublessor contained in this paragraph true and correct in all material respects; (v) Sublessor is in good standing in the District of Columbia; and (vi) Sublessor is in compliance with all District of Columbia laws and regulations applicable to Sublessor.

8. Anti-Deficiency. The following limitations exist as to each and every purported obligation of the District as set forth in this Second Amendment or the Sublease, whether or not expressly conditioned:
- a. The obligations of the District to fulfill financial obligations pursuant to this Second Amendment, the Sublease or any subsequent agreement entered into pursuant to this Second Amendment 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 (2006 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 (2006 Supp.), as may be amended from time to time. Pursuant to the Anti-Deficiency Acts, nothing in this Second Amendment or the Sublease shall create an obligation of the District in anticipation of an appropriation by the United States Congress (“**Congress**”) for such purpose, and the District’s legal liability for the payment of any financial obligation including Monthly Rent, or any component thereof, under this Second Amendment or the Sublease shall not arise or obtain in advance of the lawful availability of appropriated funds for the applicable fiscal year as approved by Congress. During the term of the Sublease as amended by this Second Amendment, the District agency authorized and delegated by the Mayor to administer this Second Amendment shall, for each corresponding District fiscal period, include in the then-current services funding level package a request sufficient to fund the District’s known potential financial obligations under this Second Amendment for such fiscal period. Sublessor confirms that it has read and familiarized itself with the Anti-Deficiency Acts and has full knowledge of such laws and the impact on the District’s financial obligations hereunder.
 - b. If no appropriation is made by the District or Congress to pay Monthly Rent, or any component thereof, for any period after the District 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 Second Amendment or the Sublease 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 Second Amendment or the Sublease.

- d. This Second Amendment and the Sublease 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 Sublease unless such amount has been appropriated by act of Congress and is lawfully available.

[SIGNATURE PAGES FOLLOW]

IN WITNESS WHEREOF, the Parties have executed Second Amendment as of the Second Amendment Effective Date.

SUBLESSOR:

SOUTH CAPITOL STREET HELIPORT
LLC, a Delaware limited liability company

By: _____

Name: _____

Title: _____

[LAST SIGNATURE PAGE FOLLOWS]

SUBLESSEE:

DISTRICT OF COLUMBIA, a municipal corporation, by and through its Department of General Services

By: _____
Brian J. Hanlon, Director

The Form of this Second Amendment Approved as to Legal Sufficiency for the District of Columbia by:

Office of the Attorney General for the District of Columbia

By: _____
Assistant Attorney General

EXECUTION COPY

SECOND AMENDMENT TO SUBLEASE

THIS SECOND AMENDMENT TO SUBLEASE (this "Second Amendment") is effective as of October 1, 2013 (the "Second Amendment Effective Date") between SOUTH CAPITOL STREET HELIPORT, LLC, a Delaware limited liability company (the "Sublessor"), and the District of Columbia, a municipal corporation (the "District" or "Sublessee"), acting by and through its Department of General Services ("DGS"). Sublessor and District are each referred to herein as a "Party" and collectively as "Parties".

WITNESSETH

WHEREAS, Sublessor and the District entered into that certain Sublease last dated September 23, 2011 (the "Sublease");

WHEREAS, pursuant to the Sublease, from and after the Sublease Commencement Date, the District has subleased the Premises from the Sublessor, and Sublessor has subleased the Premises to the District;

WHEREAS, pursuant to the Department of General Services Establishment Act of 2011, effective September 14, 2011 (D.C. Law 19-21, 58 DCR 6226), D.C. Official Code § 10-551.01 (2011 Supp.), as well as, all regulations, and orders promulgated and related thereto and in furtherance thereof, DGS was established and, among other things, performs certain functions, and has certain delegated authority with respect to management, maintenance, and operations of certain facilities, which include administering matters related to the District's leasehold interests in the Premises; and

WHEREAS, the Parties intend to hereby (1) amend the Term and the Expiration Date; (2) change the names and addresses for notices to the District; and (3) attend to such other matters as expressly set forth herein.

NOW, THEREFORE, in consideration of the foregoing recitals, the mutual covenants set forth herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

1. Incorporation of Recitals. The above recitals are incorporated in, and made a part of, this Second Amendment.
2. Defined Terms. Defined terms used, but not defined, herein shall have the meaning ascribed to them in the Sublease.
3. Extension of Term.
 - a. Extension Term. The Parties hereby agree to extend the Term (as extended, the "Extension Term") to expire on September 30, 2014 at 11:59:59pm. As used in

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the Sublease, the term Termination Date shall be construed to mean September 30, 2014, as may be extended pursuant to the Parties' written agreement.

- b. Base Rent. Commencing on October 1, 2013 and continuing through the last day of the Extension Term, the District shall pay to Sublessor Base Rent of \$55,105.73, payable in equal monthly installments in the manner set forth in, and subject to, the terms of the Sublease pertaining to the District making such payments.
 - c. Additional Rent. During the Extension Term, the District shall continue to pay to Sublessor Sublessee's Pro Rata Share of Real Estate Taxes and Sublessee's Pro Rata Share of Operating Expenses in the manner set forth in, and subject to, the terms of the Sublease pertaining to the District making such payments.
 - d. Terms. Except as otherwise expressly provided herein, the Extension Term shall be upon the same terms, covenants and conditions as set forth in the Sublease.
4. Notices to District. Unless notified to the contrary, any notice, consent, approval or other communication to the District pertaining to the Sublease shall be addressed as follows:

Government of the District of Columbia
Department of General Services
2000 14th Street, NW, 8th Floor
Washington, D.C. 20009
Attention: Director

with a copy to:

Government of the District of Columbia
Department of General Services
2000 14th Street, NW, 8th Floor
Washington, D.C. 20009
Attention: General Counsel

and, in the event of a default by the District, a copy to:

Government of the District of Columbia
Office of the Attorney General for the District of Columbia
414 4th Street, NW, Suite 1010 South
Washington, DC 20001
Attention: Commercial Division, Real Estate Section

5. Condition of Premises. From the Sublease Commencement Date, the District has been in possession of the Premises and accepts same in it's as is condition.

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6. **Counterpart Copies.** This Second Amendment may be executed in counterpart copies, both of which executed counterparts shall have the same force and affect as if the Parties had executed a single copy of this Second Amendment.
7. **Binding.** This Second Amendment (a) shall be binding upon and inure to the benefit of the Parties hereto and their respective representatives, transferees, successors and assigns (except as expressly otherwise provided in the Sublease); and (b) shall be governed and construed in accordance with the laws of the District of Columbia.
8. **Authority.**
 - a. **District's Representations.** By executing this Second Amendment, the District represents to Sublessor that: (i) the District is authorized to enter into, execute, and deliver this Second Amendment and perform its obligations hereunder; (ii) this Second Amendment is effective and enforceable against the District in accordance with its terms and limitations; (iii) the person signing this Second Amendment on District's behalf is duly authorized to execute same; and (iv) no other signatures or approvals are necessary in order to make all of the representations of the District contained in this paragraph true and correct, in all material respects.
 - b. **Sublessor's Representations.** By executing this Second Amendment, the Sublessor represents to the District that: (i) the Sublessor is authorized to enter into, execute and deliver this Second Amendment and perform its obligations hereunder; (ii) this Second Amendment is effective and enforceable against the Sublessor in accordance with its terms; (iii) the person signing on behalf the Sublessor is duly authorized to execute and deliver this Second Amendment; (iv) no other signatures or approvals are necessary in order to make all of the representations of the Sublessor contained in this paragraph true and correct in all material respects; (v) Sublessor is in good standing in the District of Columbia; and (vi) Sublessor is in compliance with all District laws and regulations applicable to Sublessor.
9. **Ratification.** Except as expressly amended by this Second Amendment, all other terms, conditions and provisions of the Sublease are hereby ratified and confirmed and shall continue in full force and effect.
10. **Anti-Deficiency.** The obligations of the District to fulfill any financial obligations pursuant to the Sublease or this Second Amendment or any subsequent agreement entered into pursuant to the Sublease or the Second Amendment (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), as may be amended from time

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to time ("Federal ADA"), and D.C. Official Code §§ 1-206.03(e) and 47-105 (2001), as may be amended from time to time; (ii) the District of Columbia Anti-Deficiency Act, D.C. Official Code §§ 47-355.01 – 355.08 (2004 Supp.), as may be amended from time to time ("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), as may be amended from time to time. Pursuant to the Anti-Deficiency Acts, nothing in this Second Amendment or the Sublease shall create an obligation of the District in anticipation of the appropriate authorization of the District of Columbia and due appropriation by the District of Columbia and Congress for such purpose, and the District's legal liability for the payment of any Rent or other charges under the Sublease, as amended, shall not arise or obtain in advance of the lawful availability of authorized and appropriated funds for the applicable fiscal year as appropriately authorized and approved by the District of Columbia and Congress.

[SIGNATURES ON THE NEXT TWO PAGES]

EXECUTION COPY

IN WITNESS WHEREOF, the Parties have executed Second Amendment as of the Second Amendment Effective Date.

SUBLESSOR:

South Capitol Street Heliport, LLC
a Delaware limited liability company

By: Pamela Leticia Shapiro

Print Name: Pamela Leticia Shapiro

Title: Principal

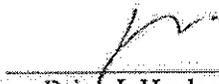
[LAST SIGNATURE PAGE FOLLOWS]

EXECUTION COPY

SUBLESSEE:

DISTRICT OF COLUMBIA, a municipal
corporation

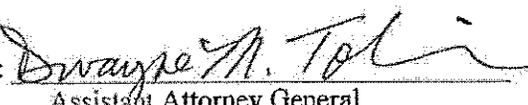
By: Department of General Services

By: 

Brian J. Hanlon, Director

APPROVED AS TO LEGAL SUFFICIENCY:

by the Office of the Attorney General
of the District of Columbia

By: 

Dwayne A. Tolini
Assistant Attorney General

SUBLEASE AGREEMENT

THIS SUBLEASE AGREEMENT (“**Sublease**”) is made and executed by and between **SOUTH CAPITOL STREET HELIPORT, LLC** a Delaware limited liability company (“**Sublessor**”), and the **DISTRICT OF COLUMBIA**, by and through its Department of General Services (“**Sublessee**”).

WITNESSETH:

WHEREAS, Steuart Investment Company, a Delaware corporation, (“**Landlord**”) is the fee simple owner of the property located at 1724 South Capitol Street, S.E., in Washington, D.C., designated for tax and assessment purposes as Lot 0004 in Square 0708-S, as more fully described in Exhibit A (the “**Land**”) and the improvements located thereon (together with the Land, the “**Property**”); and

WHEREAS, pursuant to that certain Commercial Lease Agreement effective as of October 1, 2002, by and between Sublessor and Landlord (the “**Master Lease**”), Landlord leased to Sublessor the Property for a term of five (5) years with two (2) options to extend the term for an additional five (5) years each; and

WHEREAS, Sublessor desires to lease to Sublessee and Sublessee desires to lease from Sublessor the Premises (defined below), which comprises a portion of the Property.

NOW, THEREFORE, in consideration of the hereinafter promises, and other good and valuable consideration, the receipt of which are acknowledged, Sublessor and Sublessee agree as follows:

**ARTICLE I
DEFINITIONS**

Whenever used in this Sublease, the following capitalized terms shall have the meaning set forth below:

“**Alterations**” means alterations, additions, substitutions, installations, changes and improvements to the Premises by Sublessee during the Term of this Sublease.

“**Base Rent**” is the annual amount payable as base rent to Sublessor for the Sublessee’s occupancy and use of the Premises and for the Sublessee’s use of the Common Areas and Heliport, which base rent is inclusive of Base Property Tax and all other costs, expenses, and services in this Sublease but which does not include Property Tax or Insurance Premium.

“**Anti-Deficiency Acts**” are defined in Section 17.1 herein.

“**Applicable Law**” means all laws, rules, regulations, requirements, and orders of any governmental, quasi-governmental or public authority having jurisdiction over the Property or any restrictive covenants, now in force or that may hereafter be in force.

“**Base Property Tax**” shall be real property tax assessed by D.C. Office of Tax and Revenue against the Property in the amount of \$23,200.48, which corresponds to the real property tax assessed in tax year 2006.

“**Building**” means the office building located on the Property, a floor plan diagram of which is attached hereto as Exhibit B.

“**Category X Heliport Security Procedures For South Capitol Street Heliport**” is the manual, effective as of October 2003, that provides security procedures and requirements to be exercised by Sublessor, which was established by Sublessor and approved by the U.S. Department of Homeland Security. The manual is maintained at the Premises and is available for review and access by

“**Commencement Date**” shall mean October 1, 2011.

“**Common Areas**” means that portion of the Property not included in the Premises.

“**Environmental Law**” means any present and future law and any amendments (whether common law, statute, rule, order, regulation or otherwise), permits and other requirements or guidelines of governmental authorities applicable to the Property and relating to the environment and environmental conditions or to any Hazardous Material (including, without limitation, CERCLA, 42 U.S.C. § 9601 *et seq.*; the Resource Conservation and Recovery Act of 1976, 42 U.S.C. § 6901 *et seq.*; the Hazardous Materials Transportation Act, 49 U.S.C. § 1801 *et seq.*; the Federal Water Pollution Control Act, 33 U.S.C. § 1251 *et seq.*; the Clean Air Act, 42 U.S.C. § 7401 *et seq.*; the Toxic Substances Control Act, 15 U.S.C. § 2601 *et seq.*; the Safe Drinking Water Act, 42 U.S.C. § 300f *et seq.*; the Emergency Planning and Community Right-To-Know Act, 42 U.S.C. § 1101 *et seq.*; the Occupational Safety and Health Act, 29 U.S.C. § 651 *et seq.*; and any so-called “Super Fund” or “Super Lien” law, any law requiring the filing of reports and notices relating to hazardous substances, environmental laws administered by the Environmental Protection Agency, and any similar state and local laws, all amendments thereto and all regulations, orders, decisions and decrees now or hereafter promulgated thereunder concerning the environment, industrial hygiene or public health or safety).

“**Estoppel Certificate**” is defined in Section 15.3 herein.

“**Execution Date**” is the date on which each of the signatories shown on the signature page have signed this Sublease and delivered its counterpart signature to all other signatories on this Sublease.

“**Extension Notice**” is Sublessee’s written notice to Sublessor of Sublessee’s exercise of an Extension Option.

“**Extension Option**” is defined in Section 3.3 herein.

“**Extension Term**” is defined in Section 3.3 herein.

“**Force Majeure**” means an act or event, the cause of which is not within the performing party’s direct control that prevents, delays, retards or hinders performance of an obligation or undertaking provided for in this Sublease, including an act of God, fire, earthquake, flood, explosion, war, invasion, insurrection, riot, mob violence, sabotage, inability to procure or a general shortage of labor, equipment, facilities, materials or supplies in the open market, failure or unavailability of transportation, strike, lockout, action of labor unions, a taking by eminent domain, requisition, laws, orders of government or of civil, military or naval authorities (but only such orders of a general nature pertaining to the Premises and comparable properties in the District of Columbia), or any other cause, whether similar or dissimilar to the foregoing, so long as such act or event (i) is not due to the fault or negligence of the performing party and (ii) is not reasonably foreseeable and avoidable by the performing party, specifically excluding, however, delays for adjustments of insurance and delays due to shortage or unavailability of funds.

“**Hangar**” is the structure located on the Land as identified in the diagram attached hereto as Exhibit C.

“**Hazardous Materials**” mean (a) asbestos, any asbestos-containing material and any substance that is then defined or listed in, or otherwise classified pursuant to, any Environmental Law or any other Applicable Law as a “hazardous substance,” “hazardous material,” “hazardous waste,” “infectious waste,” “toxic substance,” “toxic pollutant” or any other formulation intended to define, list or classify substances by reason of deleterious properties such as ignitability, corrosivity, reactivity, carcinogenicity, toxicity, reproductive toxicity or Toxicity Characteristic Leaching Procedure (TCLP) toxicity; (b) any petroleum and drilling fluids, produced waters and other wastes associated with the exploration, development or production of crude oil, natural gas or geothermal resources; and (c) any petroleum product, polychlorinated biphenyls, urea formaldehyde, radon gas, radioactive material (including any source, special nuclear or by-product material), medical waste, chlorofluorocarbon, lead or lead-based product and any other substance whose presence could be detrimental to the Property or hazardous to health or the environment.

“**Heliport**” is that portion of the Property designed to allow the landing and take-off of helicopters, including those areas for cargo operations and facilities for maintenance, service, storage and fueling as identified in the plan attached hereto as Exhibit C.

“**Initial Term**” is identified in Section 3.1 herein.

“**Insurance Premium**” is defined in Section 4.5 herein.

“**Land**” is defined in the Recitals.

“**Master Lease**” is defined in the Recitals.

“**Monthly Rent**” is the monthly installments of Base Rent and Property Tax paid by Sublessee.

“**Mortgage**” means any mortgage, deed of trust, ground lease or other security instrument that now or hereafter encumbers the Property or portion thereof.

“**Permitted Uses**” is defined in Section 6.1 herein.

“**Premises**” is the portion of the Property that includes (a) approximately three thousand square feet of the southern portion of the Hangar, as indicated on Exhibit C, (b) the outside police helicopter parking area identified in Exhibit C, (c) the police vehicles parking area identified in Exhibit C, and (d) approximately six hundred ninety-nine (699) square feet of space in the Building, which consists of the chief pilot and maintenance officer office area, the lieutenant and duty sergeants office, the pilots ready room, and the communications room/watch commander/storage area, all of which as indicated in Exhibit B and so designated.

“**Property**” is defined in the Recitals.

“**Property Tax**” is defined in Section 4.3 herein.

“**Property Tax Expense Statement**” is defined in Section 4.3 herein.

“**Quick Payment Act**” is the District of Columbia Quick Payment Act, D.C. Official Code §§ 2-221.01, *et seq.* (2001), and the regulations promulgated thereunder.

“**Shared Use Agreement**” is defined in Section 2.5 herein.

“**SNDA**” is a Subordination and Non-Disturbance Agreement as detailed in Article XV.

“**Sublessee Default**” is defined in Section 14.1 herein.

“**Sublessor Default**” is defined in Section 14.2 herein.

“**Term**” means the Initial Term and the Extension Terms, if any.

ARTICLE II DEMISE OF PREMISES

2.1 Demise. Subject to and with the benefit of the terms, conditions and provisions of this Sublease, Sublessor hereby lets and demises to Sublessee and Sublessee hereby leases from Sublessor the Premises. Further, Sublessor hereby grants and Sublessee hereby accepts a non-exclusive right to use the Heliport and the Common Areas as necessary for the Permitted Uses under this Sublease. Further, Sublessor hereby grants and Sublessee hereby accepts a non-exclusive right-of-way in and over the Property as necessary to occupy and use the Premises and as otherwise necessary for the Permitted Uses under this Sublease.

2.2 Ingress and Egress. Sublessee, together with its respective employees, agents, representatives, contractors, licensees and invitees, shall have the right to access the Premises, the Heliport and the Common Areas on a 24-hour, every-day-of-the-year basis, subject to the applicable security requirements as set forth in the Category X Heliport Security Procedures For South Capitol Street Heliport.

2.3 Condition of Premises. Sublessee accepts the Premises in its "as-is" condition, subject to the following representations and warranties made by Sublessor as of the Commencement Date:

- (a) the Premises comply with all Applicable Laws, including all statutes, laws, Environmental Laws, by-laws, ordinances, rules, regulations, directives, orders and requirements of all governmental, quasi-governmental or regulatory authorities or agencies responsible for enforcing the Americans with Disabilities Act;
- (b) Sublessor has delivered possession of the Premises to Sublessee; and
- (c) the Premises do not contain any Hazardous Substances.

2.4 Warranties of Sublessor as to Master Lease. Sublessor makes the following representations and warranties to Sublessee:

- (a) the Master Lease has not been amended or modified, except for that First Amendment to Commercial Lease Agreement dated October 1, 2006, in which the Landlord and Sublessor adjusted the Minimum Base Rent;
- (b) Sublessor is not in default or breach of any of the provisions of the Master Lease; and

- (c) Sublessor has no knowledge of any claim by Landlord that Sublessor is in default or breach of any of the provisions of the Master Lease.
- (d) Sublessor has an option under the Master Lease to extend the term of the Master Lease from October 1, 2012 through September 30, 2017 and will timely exercise its rights to such extension option.

2.5 Shared Use Agreements. If permitted under Applicable Law, Sublessor may enter into agreements with third parties during the Term of this Sublease to provide for shared use of the Heliport (“**Shared Use Agreement**”) if, and only if, Sublessor has first complied with the terms of this Section 2.5. Sublessor shall give Sublessee thirty (30) business days’ prior written notice of its intention of entering into any Shared Use Agreement, such notice to include a sufficiently detailed description of the use so that Sublessee can ascertain the impairment, if any, on Sublessee’s use of the Premises, the Heliport or the Common Areas and of the public safety. If Sublessee gives Sublessor written notice that Sublessee has determined that its use of the Premises, the Heliport or the Common Areas and the public safety would not be impaired by the proposed Shared Use Agreement, then Sublessor may enter into such Shared Use Agreement with the proposed third party. Each Shared Use Agreement shall provide in its terms and conditions that it may not be subsequently amended, revised or otherwise modified without Sublessee’s consent as described in this Section 2.5.

Each Shared Use Agreement shall set forth a percentage of Property Tax, based on the amount, in terms of area and time, that the third party is permitted to use the Property, for which the third party will be responsible. Sublessor shall, simultaneously with the Shared Use Agreement, execute an amendment to this Sublease decreasing Sublessee’s share of Property Tax by the share to be paid by the third party under said Shared Use Agreement. Sublessor’s failure to comply with this Section 2.5 shall be a Sublessor Default.

ARTICLE III TERM AND SURRENDER

3.1 Initial Term. The initial term (the “**Initial Term**”) of this Lease shall commence on the Commencement Date and shall expire at 11:59 p.m. on September 30, 2012, subject to the Extension Terms (defined below), unless sooner terminated as provided herein.

3.2 Conditions to Enforceability. The parties acknowledge that this Sublease shall not be enforceable unless and until the following conditions precedent occur:

- (a) Landlord has given its consent to this Sublease in accordance with Paragraph 5 of the Master Lease; and

- (b) Sublessee's receipt of a Certification of Funding from the Metropolitan Police Department.

3.3 Extension Terms. Subject to Sublessor's extension of the term of the Master Lease in accordance with Paragraph 2 therein, Sublessor hereby grants to Sublessee three (3) options to extend the term of this Sublease (respectively the "**First Extension Option**," "**Second Extension Option**," and "**Third Extension Option**"), each for an additional period of one (1) year (respectively the "**First Extension Term**," "**Second Extension Term**," and "**Third Extension Term**"). Upon Sublessor's legally effective extension of the lease term under the Master Lease, in accordance with Paragraph 2 therein, and Sublessor's written notice, with proof of such legally effective extension, to Sublessee, the parties shall be deemed to have effectuated the First Extension Option and the term of this Sublease shall be extended by the First Extension Term, being the period of October 1, 2012 through 11:59 p.m. on September 30, 2013; provided, however, that the First Extension Term shall not be effective unless Sublessor has given such written notice to Sublessee no later than June 1, 2012. Sublessee, if it elects in its sole discretion, shall exercise the Second Extension Option and the Third Extension Option, as applicable, by giving Sublessor written notice (the "**Extension Notice**") to Sublessor not less than six (6) months prior to the expiration of the then effective prior extension term. Except for Base Rent, as provided for in Section 4.2 hereof, the First Extension Term, Second Extension Term, and Third Extension Term shall each be on the same terms and conditions set forth in this Sublease, as may be amended. If Sublessor elects not to extend the Master Lease to September 30, 2017, this Sublease shall end on the last day of the Initial Term. Each extension option under this Section 3.3 is subject to the prior condition that an extension term shall not be effective unless Sublessee has entered into a separate agreement with Sublessor to purchase Jet A Fuel exclusively, except for emergencies, from Sublessor, for the period of the applicable extension term; provided, however, that Sublessor may waive this condition, in its absolute discretion, by written notice to Sublessee given no later than (90) days from the expiration of the then applicable term.

3.4 Surrender. Upon expiration or the earlier termination of this Sublease, Sublessee shall vacate and surrender the Premises to Sublessor in the same broom clean condition that the Premises were in on the Commencement Date, except for (a) ordinary wear and tear; (b) damage by the elements, fire and other casualty; (c) condemnation; (d) damage arising from any cause not required to be repaired or replaced by Sublessee; and (e) Alterations made by Sublessee during the Term.

ARTICLE IV BASE RENT, PROPERTY TAXES, AND INSURANCE PREMIUM

4.1 Base Rent During Initial Term. For the period of October 1, 2011 through September 30, 2012, Sublessee shall pay to Sublessor Base Rent in the annual amount of \$51,942.44, payable in twelve equal monthly installments in arrears, beginning on the Execution Date, without demand. If the Execution Date is not the first day of the month, then the monthly installment of Base Rent due for the period from the Execution Date

until the first day of the following month shall be prorated on a per diem basis for the actual number of days in the month that this Sublease is in effect.

4.2 Base Rent During First Extension Term and Second Extension Term. If Sublessee exercises an option for an extension term, the Base Rent during such extension term shall be an amount three percent (3%) greater than the Base Rent for the immediately preceding term, as indicated in the following schedule:

Extension Term	Base Rent
1	\$53,500.71
2	\$55, 105.73
3	\$56,758.90

4.3 Property Taxes.

(a) The parties acknowledge and agree that Base Rent during the Term of this Sublease is inclusive of Base Property Tax. In addition to the Base Rent, Sublessee shall be responsible to pay to Sublessor as additional rent the portion of the real property tax assessed against the Property by the D.C. Office of Tax and Revenue in excess of the Base Property Tax, excluding any penalties or interest assessed for late payment, (“**Property Tax**”) in accordance with Section 4.3(b) below. Notwithstanding the foregoing, in the event Sublessor executes a Shared Use Agreement pursuant to Section 2.5 herein, Sublessee’s share of the Property Tax shall be reduced as described in said section. Sublessor shall promptly pay Landlord the annual real property tax for every tax year during the Term and all other charges assessed under the Master Lease when due under the Master Lease.

(b) Attached as Exhibit E, Sublessor has provided, and shall submit again prior to each lease year a statement setting forth Sublessor’s reasonable estimate of the amount of Property Tax that Sublessor expects to incur during the then upcoming lease year. Attached as part of Exhibit E is, and to each subsequent statement shall be, copies of all current assessments and bills for real property tax. Sublessee shall pay to Sublessor together with monthly installments of Base Rent an amount equal to one-twelfth (1/12) of the Property Tax shown on the applicable statement. From time to time during any Term, Sublessor may revise Sublessor’s estimate and adjust Sublessee’s monthly payments to reflect Sublessor’s revised estimate, provided Sublessor delivers to Sublessee concurrent notice of the reasons, justifications and documentary support for the revisions. Within sixty (60) days after the end of each lease year, Sublessor shall submit a statement (the “**Property Tax Expense Statement**”) showing (1) the Property Tax incurred during the preceding lease year and (2) the aggregate amount of Sublessee’s estimated payments made during such lease year. If the Property Tax Expense Statement indicates that the aggregate amount of such estimated payments exceeds Sublessee’s actual liability, then Sublessor shall credit the net overpayment toward Sublessee’s next payment(s) of Property Tax due under this Sublease (or, in the event that this Sublease shall have expired or terminated before such credit may be made, then Sublessor shall refund Sublessee the amount of the overpayment within thirty (30) days of issuance of

the Property Tax Expense Statement). If the Property Tax Expense Statement indicates that Sublessee's actual liability exceeds the aggregate amount of such estimated payments, then Sublessee shall pay the amount of such excess as additional rent on the condition precedent that Sublessor submitted such Property Tax Expense Statement to Sublessee within ninety (90) days following the lease year that the Property Tax Expense Statement describes. Sublessor shall notify Sublessee of all pending appeals of real property assessment or tax within one hundred fifty (150) days after the beginning of each lease year of this Sublease. In the event Sublessor receives any reductions in its real property tax owed for the Property, Sublessor shall apply such reductions to Property Tax paid or owed by Sublessee and notify Sublessee of the same within fifteen (15) days of its receipt of a binding decision by the relevant tax authority. If Sublessee shall have paid an amount of real property tax and Sublessor thereafter receives a refund or a credit against future real property tax as a result of an appeal, Sublessee shall receive a proportionate credit equal to Sublessor's refund or credit toward the next installment(s) of Property Tax due under this Sublease within fifteen (15) days of its receipt of a binding decision by the relevant tax authority. Notwithstanding anything to the contrary in this Subsection, Property Tax that comprises a portion of Back Rent shall be paid in accordance with Section 4.4.

4.4 Back Rent. The monthly installments of Annual Rent and Property Tax that accrued during the period between the Commencement Date and the Execution Date ("**Back Rent**") shall be due to Sublessor within thirty (30) days after the Execution Date.

4.5 Insurance Premium. In addition to the Base Rent, Sublessee shall pay to Sublessor as additional rent the premium cost to Sublessor of adding Sublessee as an additional insured on its insurance policies in accordance with Section 10.2 herein ("**Insurance Premium**"). Within thirty (30) days after Sublessee's receipt of a statement or invoice evidencing the amount of the Insurance Premium and evidence of the coverage required under Section 10.2 (with the understanding that Sublessor's compliance with Section 10.3 shall serve as such evidence), Sublessee shall pay to Sublessor the amount of the Insurance Premium.

4.6 Time and Manner for Payment. Sublessee shall pay Sublessor Monthly Rent and such other amounts due to Sublessor in accordance with this Article, by wire transfer, payable to "**South Capitol Street Heliport, LLC**". Sublessor shall provide Sublessee wiring instructions and such other documentation and information as necessary for Sublessee to process wire transfers and Sublessee's obligation to pay by wire transfer is conditioned upon Sublessor's provision of such instructions, documentation and information. In the event that Sublessor has failed to provide such items in time for Sublessee to timely make any installment of Monthly Rent, Sublessee may make payments by good check mailed to Sublessor at the address designated in Section 17.4 hereof until such time as the parties can effectuate wire transfers.

4.7 Late Charges. In accordance with the requirements of the Quick Payment Act, for any installment of Monthly Rent, Back Rent or Insurance Premiums due after the Execution Date and not paid within fifteen (15) days after the due date, such installment

may be deemed delinquent and paid with a late charge equal to the amount of interest authorized and in the manner and to the extent provided under the Quick Payment Act.

4.8 Jet A Fuel It is specifically understood and agreed that this Sublease is contingent upon Sublessee entering into a separate contract to purchase Jet A Fuel exclusively, except for emergencies, from Sublessor and the parties have simultaneously herewith executed such separate contract.

4.8 Utilities. It is specifically understood and agreed that Sublessee shall not pay any other costs, expenses, or rent to Sublessor arising out of or in connection with the Sublease, except as specifically stated in this Sublease. Accordingly, Sublessor shall be responsible for and pay before delinquent all charges for water, sewer, gas, electricity and all other utility charges for the Premises and the Property incurred during the Term.

**ARTICLE V
INTENTIONALLY OMITTED**

**ARTICLE VI
USE**

6.1 Sublessee, through its Metropolitan Police Department and other agencies, will use and occupy the demised Premises as a Heliport, for general office use in the Building, and any lawful use incident to the foregoing (the "**Permitted Uses**"). Use of the Premises is subject to all covenants, conditions and restrictions of record, which Sublessor represents and warrants does not and will not adversely impact the permitted use hereunder. Sublessor covenants that Applicable Laws permit the Premises to be used as contemplated in this Sublease and, as of the Commencement Date, the Premises comply with all Applicable Laws. During the Term of this Sublease, Sublessee shall comply with all Applicable Laws regarding the use, condition and occupancy of the Premises. If any Applicable Law requires an occupancy or use permit or license for the Premises or the operation of the business conducted therein exclusively by Sublessee, then Sublessee shall obtain and keep current such permit or license at Sublessee's expense for the sole benefit of Sublessee.

6.2 Provided that Sublessee is not in default beyond any applicable cure period under this Sublease, Sublessee shall have the unqualified right to freely, peaceably and quietly occupy and enjoy full, exclusive possession of the demised Premises and shall have full access to the Common Areas and the Heliport, subject to the provisions of this Sublease and in compliance with the requirements set forth in the Category X Heliport Security Procedures For South Capitol Street Heliport.

**ARTICLE VII
REPAIRS AND MAINTENANCE**

Sublessor shall, at Sublessor's sole cost and expense (without any reimbursement from Sublessee other than payments of Monthly Rent and Insurance Premium), keep and maintain all parts of the Premises, Common Areas and Heliport, in good condition at all times during the Term and promptly make all necessary repairs and replacements thereto;. Sublessor shall also be responsible for removing all trash, unwanted vegetation and accumulations of ice and snow from the Property. Repairs, replacements or maintenance required under this Section shall be commenced promptly by Sublessor and diligently prosecuted to completion within a reasonable time after receiving notice or having actual knowledge of the need for a repair, replacement or maintenance. Any repairs, replacements or maintenance required by this Section shall be made in compliance with all Applicable Laws (including, but not limited to, electrical, mechanical, plumbing, fire and fire safety codes, etc.). Notwithstanding the foregoing, Sublessee shall be responsible repairs or replacements, at its sole cost and expense, to the Premises and to any other part of the Land to the extent caused by the negligence or willful misconduct of Sublessee (including the District of Columbia Metropolitan Police Department), its employees or agents.

**ARTICLE VIII
ALTERATIONS**

Sublessee may make nonstructural Alterations that do not adversely affect the value of the Premises or the structural integrity of the Building or other improvements that comprise the Premises. Sublessee shall perform and complete Alterations with due diligence and all required permits, in a safe and workmanlike manner, in compliance with Applicable Laws, and using materials and installations at least equal in quality to the original materials and installations. Alterations under this Section shall be made at Sublessee's expense. During the Term of this Sublease, Sublessee shall have the right to remove any Alterations made to the Premises in accordance with this Article; provided, however, if Sublessee fails to remove any such Alterations at the end of the Term, the Alterations shall become the property of Sublessor.

**ARTICLE IX
ASSIGNMENT AND SUBLETTING**

Sublessee may assign or sublease the Premises, provided Sublessee first obtains Sublessor's prior consent.

**ARTICLE X
INSURANCE AND INDEMNIFICATION**

10.1 Sublessor acknowledges that Sublessee is a self-insurer and that it does not maintain policies of liability insurance. Subject to the limitations set forth in Section 17.1 and as otherwise provided by Applicable Law, Sublessee shall be liable only for its own negligent or wrongful acts arising from its occupancy and use of the Premises.

10.2 Sublessor shall maintain such insurance policies as are required under Paragraph 14 of the Master Lease and shall name Sublessee as an additional insured on all such policies as follows: (a) its Comprehensive General Liability/Airport Liability Insurance (in an amount not less than \$5,000,000 per occurrence), (b) Hangar Keeper's Legal Liability Insurance (as provided in the Master Lease) and (c) Garage Keeper's Legal Liability Insurance (as provided in the Master Lease). Provided the foregoing policies are obtained at a commercially reasonable rate, in form and from an insurance provider reasonably acceptable to Sublessee, Sublessee shall be responsible for the premium costs to Sublessor for naming Sublessee as an additional insured and Sublessee shall pay Sublessor the same in accordance with Section 4.5 herein.

10.3 Sublessor shall deliver to Sublessee on the Execution Date and on each anniversary of the Commencement Date thereafter during the Term, certificates issued by each carrier furnishing a policy of insurance showing that the coverages required by Section 10.2 are in force with premiums current.

10.4 Except to the extent arising from the negligence or willful misconduct of Sublessee, its employees, agents, licensees, invitees or its contractors, Sublessor hereby indemnifies and agrees to defend and hold the Sublessee and all of its officers, agents and servants harmless from claims for personal injury, death or property damage caused by the negligence or willful misconduct of Sublessor its agents, employees, licensees, invitees or contractors.

10.5 Sublessor and Sublessee 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. 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.

**ARTICLE XI
HAZARDOUS MATERIALS**

11.1 Sublessee shall not allow, cause or permit any Hazardous Materials to be generated, used, treated, released, stored or disposed of in or about the Premises by Sublessee, its employees, agents, licensees or invitees, provided that Sublessee may use and store normal and reasonable quantities of standard cleaning and office materials, and any other materials with Sublessor's prior consent, so long as such materials are properly, safely and lawfully stored and used by Sublessee 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 and provided further, that Sublessee shall in no event cause or permit any deposit, release or discharge of Hazardous Substances to soil or groundwater on or about the Premises. At the expiration or earlier termination of this Sublease, Sublessee shall surrender the Premises to Sublessor free of Hazardous Materials introduced by Sublessee, its

employees, agents, licensees or invitees and in compliance with all Environmental Laws (other than violations caused by parties other than Sublessee, its employees, agents, licensees or invitees).

11.2 If Sublessee discovers any Hazardous Materials that existed at the Premises on or before the Commencement Date, other than Hazardous Materials brought to the Premises by Sublessee or permitted by Sublessee to be brought to the Premises, Sublessor shall promptly remove said Hazardous Materials at Sublessor's sole cost and expense. All such work shall be performed, to the extent possible, after normal operating hours and on weekends.

ARTICLE XII DAMAGE OR DESTRUCTION

12.1 If the Premises is totally or partially damaged or destroyed, thereby rendering the Premises totally or partially inaccessible or unusable, then Sublessor shall diligently repair and restore the Premises; provided, however, that if, in Sublessor's reasonable judgment, repair and restoration of the Premises cannot be completed within one hundred eighty (180) days after the occurrence of such 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), then Sublessor shall have the right to terminate this Sublease by giving written notice of termination within thirty (30) days of the date of damage. Notwithstanding the foregoing, if Landlord cancels the Master Lease and Sublessor does not void the same in accordance with Paragraph 16 of the Master Lease, this Sublease shall terminate.

12.2 If this Sublease is terminated pursuant to this Article, then Monthly Rent shall be paid to the date of damage. If this Sublease is not terminated as a result of such damage or destruction, then until such repairs and restorations of the Premises are substantially complete, Sublessee shall be required to pay Monthly Rent only for the portion of the Premises that is accessible and usable while such repairs and restorations are being made, provided Sublessee can continue its Heliport use; otherwise, Monthly Rent shall be abated completely until such use is restored.

ARTICLE XIII CONDEMNATION

13.1 If the Premises, in its entirety, 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 Sublease shall terminate on the day prior to the date title thereto vests in such authority and Monthly Rent shall be apportioned as of such date. If substantially less than the entire Premises or the use or occupancy thereof is condemned, then this Sublease 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 Sublessee shall not be required to pay Monthly Rent with respect to the part of the

Premises so condemned. Notwithstanding the foregoing, if Sublessee determines, in its sole discretion, that its operations cannot continue on the remaining portion of the Premises, Sublessee may terminate this Sublease by giving Sublessor notice of the same within thirty (30) days after the date title vests in the condemning authority. In the event of such a partial taking, Sublessor shall proceed, with reasonable diligence and at Sublessor's sole cost, to perform any necessary repairs and to restore the Premises in as nearly as possible to the condition of the Premises was in immediately prior to such taking for Sublessee's uses as contemplated by this Sublease.

13.2 Sublessee may claim and recover from the condemning authority a separate award for Sublessee's moving expenses, business dislocation damages, Sublessee's personal property and fixtures, the unamortized costs of leasehold improvements paid for by Sublessee and any other award that would in no way diminish or reduce the award payable to Landlord, Sublessor or any lender of either with a valid mortgage lien against the Property. Each party shall seek its own award, as limited above, at its own expense.

ARTICLE XIV DEFAULT

14.1 Sublessee Default.

(a) Sublessee shall be in default under this Sublease if Sublessee fails to (i) pay Monthly Rent or Insurance Premium hereunder within fifteen (15) days after the Sublessee receives notice thereof from Sublessor that any such amount is past due or (ii) perform any non-monetary obligation of the Sublessee hereunder within thirty (30) days after the Sublessee receives notice from Sublessor setting forth in reasonable detail the nature and extent of the failure and identifying the applicable Sublease provision, or within such longer period of time as may be necessary for such cure so long as the Sublessee shall promptly commence and diligently prosecute the curing thereof, but in any event within ninety (90) days after receipt of such notice ("**Sublessee Default**").

(b) Upon the occurrence of a non-monetary Sublessee Default and the expiration of applicable cure periods, Sublessor may pursue any remedies at law and at equity, subject to Sublessor's duty to mitigate its damages.

(c) Upon the occurrence of a monetary Sublessee Default, Sublessor shall have all remedies available to it under the Quick Payment Act and otherwise at law or equity, subject to Sublessee's duty to mitigate its damages, including reletting the Premises. In compliance with the Anti-Deficiency Acts and applicable appropriations law, the Sublessee's liability with respect to a deficiency in Monthly Rent or Insurance Premium in the event of a Sublessee Default shall not exceed the amount of funds actually appropriated and lawfully available for the payment of Monthly Rent, Insurance Premium, or other monetary obligation owed under this Sublease at the time of such Sublessee Default.

14.2 Sublessor Default.

(a) Sublessor shall be in default under this Sublease if (i) Sublessor fails to perform or observe any of its obligations under this Sublease within thirty (30) days from the date Sublessor receives notice from Sublessee setting forth in reasonable detail the nature and extent of the failure and identifying the applicable Sublease provision or within such longer period of time as may be necessary for such cure so long as Sublessor shall promptly commence and diligently prosecute the curing thereof, but in any event within ninety (90) days after receipt of such notice or (ii) Sublessor is in violation of any provision of the Master Lease after expiration of the applicable cure period, as provided therein (either of which, a “**Sublessor Default**”). Notwithstanding the foregoing, a violation of Sections 17.2, 17.3 or 17.4, as determined exclusively in accordance with Section 17.5, shall be a Sublessor Default.

(b) Upon the occurrence of a Sublessor Default that remains uncured as provided for in Section 14.2(a) above, the Sublessee, subject to the terms of this Sublease, may pursue any remedies available to it at law or in equity or terminate this Sublease upon thirty (30) days’ prior notice to Sublessor.

14.3 Exception to Cure Periods. The cure periods set forth in this Article shall not apply to emergencies that create threats to the health, safety or welfare of persons at the Premises or to any failure to maintain the insurance required by Article X.

ARTICLE XV SUBORDINATION, NON-DISTURBANCE, ESTOPPEL CERTIFICATES

15.1 This Sublease is subject and subordinate to the Master Lease and the lien, provisions, operation and effect of all 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 by Sublessee of a commercially reasonable non-disturbance agreement that does not increase Sublessee’s obligations to Sublessor and that does not materially alter the terms of this Sublease, in a form substantially similar to Exhibit D (the “**SNDA**”).

15.2 Attornment and Non-disturbance. Sublessee agrees upon receipt of a fully executed SNDA (a) to attorn to any beneficiary of a Mortgage encumbering the Premises in the event of foreclosure or the issuance of a deed in lieu of foreclosure to such beneficiary, or to any party acquiring title to the Premises by judicial foreclosure, trustee's sale or deed in lieu of foreclosure, provided such successor landlord shall agree in writing to accept Sublessee’s attornment; (b) to execute any attornment agreement reasonably requested by a mortgagee, beneficiary or party so acquiring title to the Premises; and (c) that this Sublease, upon such attornment shall remain in full force and effect notwithstanding any such judicial foreclosure, trustee's sale deed in lieu of foreclosure or merger of title.

15.3 Estoppel Certificate. Sublessee, at any time and from time to time upon not less than thirty (30) business days' prior written notice from Sublessor, agrees to execute and deliver to Sublessor a statement: (a) certifying that this Sublease is unmodified and in full force and effect, or if modified, stating the nature of such modification and certifying that this Sublease, as so modified, is in full force and effect and the date to which the Monthly Rent and Insurance Premium are paid in advance, if any; and (b) acknowledging that there are not, to Sublessee's knowledge, any uncured defaults on the part of Sublessor hereunder, or specifying such defaults if they are claimed ("Estoppel Certificate").

15.4 Termination of the Master Lease. In the event of the early termination of the Master Lease, the Sublessee shall attorn to and recognize the Landlord as the landlord hereunder. Landlord's acknowledgement and approval of this Sublease evidences its consent to this Section 15.4.

**ARTICLE XVI
GENERAL PROVISIONS**

16.1 Brokers. Sublessor and Sublessee each represent that they had no dealings with any real estate agent or broker with respect to this Sublease.

16.2 No Partnership. Nothing contained in this Sublease shall be construed as creating any relationship between Sublessor and Sublessee other than that of landlord and tenant.

16.3 SUBLESSOR AND SUBLESSEE 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 SUBLEASE, THE RELATIONSHIP OF SUBLESSOR AND SUBLESSEE HEREUNDER, SUBLESSEE'S USE OR OCCUPANCY OF THE PREMISES AND/OR ANY CLAIM OF INJURY OR DAMAGE. SUBLESSOR AND SUBLESSEE EACH WAIVES ANY OBJECTION TO THE VENUE OF ANY ACTION FILED IN SUPERIOR COURT OF THE DISTRICT OF COLUMBIA, 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.

16.4 Notices. All notices or other communications required under this Sublease 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 a recognized overnight delivery service, on the third (3rd) business day after being sent by certified or registered mail, return receipt requested, postage prepaid (when normal mail delivery is in effect), to the following addresses:

If to Sublessor: South Capitol Street Heliport

50 Washington Street, Suite 713
Norwalk, CT 06854
Attn: Pamela Lutin Shaplin, Esq.
With Copy by Email: pamela.shaplin@gmail.com

If to Sublessee: District of Columbia
Department of General Services
2000 Fourteenth Street, N.W., Suite 800
Washington, D.C. 20009
Attn: Chief Property Management Officer

With a copy to: Office of the Attorney General for the District of Columbia
1100 Fifteenth Street, N.W., Eighth Floor
Washington, D.C. 20005
Attn: Deputy of the Commercial Division

Either party may change its address for the giving of notices by notice given in accordance with this Section. If Sublessor, Landlord or the holder of any Mortgage notifies Sublessee that a copy of any notice to Sublessor shall also be sent Landlord or to such Mortgage holder at a specified address, then Sublessee shall send (in the manner specified in this Section and at the same time such notice is sent to Sublessor) a copy of each such notice to Landlord or such Mortgage holder.

16.5 Interpretation.

(a) Each provision of this Sublease shall be valid and enforceable to the fullest extent permitted by law. If any provision of this Sublease 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 Sublease 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.

(b) 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.

(c) Headings are used for convenience and shall not be considered when construing this Sublease.

(d) There shall be no presumption that this Sublease 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 Sublease and that each party had the opportunity to consult legal counsel before the execution of this Sublease).

(e) Nothing contained in this Sublease shall be construed as permitting Sublessor to charge or receive interest in excess of the maximum rate allowed by the Quick Payment Act.

16.6 Successors and Assigns. The provisions of this Sublease 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.

16.7 Entire Agreement. This Sublease 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 Sublease shall be of no force or effect. This Sublease may be modified or changed in any manner only by an instrument signed by both parties. This Sublease includes and incorporates all Exhibits attached hereto.

16.8 INTENTIONALLY OMITTED.

16.9 Counterparts. This Sublease 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.

16.10 Survival. To the extent permitted by law (including the limitations set forth in Section 17.1), Sublessor's and Sublessee's respective liabilities and obligations with respect to the period prior to the expiration or earlier termination of the Term shall survive such expiration or earlier termination.

16.11 Force Majeure. If Sublessor and Sublessee is in any way delayed or prevented from performing any of its obligations under this Sublease (other than payment obligations) due to Force Majeure, 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.

16.12 Time of the Essence. Time is of the essence in the performance of any of the obligations of Sublessor and Sublessee under this Sublease.

16.13 INTENTIONALLY OMITTED.

16.14 Maintenance of Master Lease. Sublessor shall provide all necessary assurance and take all necessary measures to ensure that the Master Lease remains in full force and effect during the Initial Term of this Sublease and any Extension Term, if exercised. Sublessor shall also ensure that there shall be no default, threatened or actual, under the Master Lease by Sublessor.

**ARTICLE XVII
SPECIAL DISTRICT OF COLUMBIA PROVISIONS**

17.1 ANTI-DEFICIENCY LIMITATIONS. Sublessor and Sublessee acknowledge and agree that the following limitations exist with respect to any purported obligations of Sublessee under this Sublease, whether or not expressly conditioned:

(a) The obligations of Sublessee to fulfill financial obligations pursuant to this Sublease, or any subsequent agreement entered into pursuant to this Sublease or referenced herein (to which the Sublessee 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 (2005) and D.C. Official Code Sections 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 (2005 Supp.) ((i) and (ii) collectively, as amended from time to time, the “**Anti-Deficiency Acts**”); and (iii) Section 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 Sublease shall create an obligation of the Sublessee in anticipation of an appropriation by Congress for such purpose, and the Sublessee’s legal liability for the payment of any Monthly Rent and other charges under this Sublease shall not arise or obtain in advance of the lawful availability of appropriated funds for the applicable fiscal year as approved by Congress.

(b) Sublessee agrees to exercise all lawful authority available to it to satisfy the financial obligations of Sublessee that may arise under this Sublease. During the Term of this Sublease, 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 Sublessee’s known potential financial obligations under this Sublease 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 Monthly Rent and any other amount under this Sublease 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, Sublessee will not be liable to make any payment under this Sublease upon the expiration of any then-existing appropriation, Sublessee shall promptly notify Sublessor, and this Sublease 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 Sublessee shall have any personal liability in connection with the breach of the provisions of this Section or a Sublessee Default under this Sublease.

(d) This Sublease shall not constitute an indebtedness of Sublessee nor shall it constitute an obligation for which Sublessee is obligated to levy or pledge any form of taxation or for which Sublessee 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 Sublease unless such amount has been appropriated by Act of Congress and is lawfully available.

17.2 Nondiscrimination in Facilities. Sublessor 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 Premises, including any and all services, privileges, accommodations and activities provided under this Sublease.

17.3 Nondiscrimination in Employment.

(a) Nondiscrimination. In connection with Sublessor's performance of its obligations hereunder, Sublessor 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. Sublessor 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. Sublessor shall post in conspicuous places available to employees and applicants for employment notices to be provided by Sublessee setting forth the provisions of this non-discrimination clause.

(b) Advertisements. In all solicitations or advertisements for employees placed by or on behalf of Sublessor, Sublessor 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. Sublessor shall send to each labor union or representative of workers with which Sublessor has a collective bargaining agreement or other contract with respect to the furnishing of labor a notice to be provided by Sublessee advising such labor unions or workers' representatives of Sublessor's commitments under this Section and Sublessor shall post copies of such notice in conspicuous places available to employees and applicants for employment.

(d) Contracts. Sublessor shall use reasonable efforts to ensure that all vendors and contractors adhere to the foregoing nondiscrimination in employment provisions with respect to the procurement of goods and services relating to the performance of Sublessor's obligations hereunder, except contracts for standard commercial supplies or raw materials, unless exempted by rules, regulations or orders of Sublessee, so that such provisions will be binding upon each contractor or vendor. Sublessor shall take such reasonable action with respect to any contractor or vendor as Sublessee may reasonably direct as a means of enforcing such provisions, including without limitation sanctions for noncompliance; provided, however, that in the event

Sublessor becomes involved in or is threatened with litigation with a contractor or vendor as a result of such direction by Sublessee, Sublessor shall give notice thereof to Sublessee and Sublessor may request Sublessee to enter into such litigation to protect the interests of Sublessee.

17.4 Patriot Act. Neither Sublessor nor any person owning directly or indirectly any interest in Sublessor has engaged in any dealings or transactions (i) in contravention of the applicable money laundering laws or regulations or conventions 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 Sublessor nor any person owning directly or indirectly any interest in Sublessor (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.

17.5 Noncompliance with Provisions. Sublessor's noncompliance with the provisions of Sections 17.2, 17.3 or 17.4 shall constitute a Sublessor Default of the Sublease. In the event of such noncompliance, Sublessee shall promptly provide to Sublessor notice thereof, detailing with specificity Sublessor's noncompliance.

17.6 Contingent Fees. Sublessor warrants that no person or agency has been employed or retained by Sublessor to solicit or obtain this Sublease upon an agreement or understanding for a commission, percentage, brokerage or other fee that is contingent upon the success such person or concern has in securing a lease with Sublessee.

17.7. Authority of Sublessee. Subject to the Anti-Deficiency Acts identified in Section 17.1, by executing this Sublease the Sublessee represents to Sublessor that: (a) it is authorized to enter into, execute and deliver this Sublease and perform the obligations hereunder; (b) this Sublease is effective and enforceable against the Sublessee in accordance with its terms; (c) the person signing on the Sublessee's behalf is duly authorized to execute this Sublease; and (d) no other signatures or approvals are necessary in order to make all of the representations of the Sublessee contained in this Section true and correct, provided that Council Approval is first obtained.

17.8 Asbestos Certification.

(a). Certification. Sublessor certifies that it has disclosed to Sublessee the inspection report dated January 31, 2003 from Versar, Inc., which was prepared as a result of Versar's inspection of the Building and a former warehouse building on the Property and that it has within its custody no other environmental surveys or inspection reports that have been conducted concerning the Building or the Hangar. Sublessor further certifies that all asbestos-containing materials ("ACM") in the Building or

Hangar, whether or not the ACM were disclosed in the aforementioned report are in full compliance with all Applicable Laws. If any asbestos inspection is conducted during the Term of this Sublease, Sublessor shall furnish a copy thereof to Sublessee within ten (10) days after Sublessor's receipt of the same. 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 during the Term. The certifications made by Sublessor contained herein are material representations of fact upon which the Sublessee has relied in entering into this Sublease. Sublessee acknowledges that it has reviewed the survey(s) and has been afforded the opportunity to inspect the Building and Sublessee has agreed to enter into this Sublease based upon such information.

(b) Inspection and Abatement. Upon discovery by Sublessor or upon notice to Sublessor by Sublessee or any other person of the presence of suspected asbestos containing materials in the Building or Hangar in violation of any Applicable Law, Sublessor shall promptly, at its sole cost, have the relevant portion of the Building or Hangar inspected by a firm licensed to perform asbestos inspections. Promptly after receipt by Sublessor of the written report of such finding, Sublessor shall deliver to Sublessee a copy thereof. Sublessor shall cause any ACM in violation of Applicable Law noted in such report to be removed, contained or otherwise brought into compliance with all Applicable Laws, provided that Sublessee shall be responsible for removing, without any abatement of Monthly Rent or other cost or expense to Sublessor, all ACM that Sublessee places in the Building. Prior to commencement of any abatement action, Sublessor shall inform Sublessee concerning the nature of the abatement action. If Sublessor fails to diligently pursue removal, containment or other compliance procedures with respect to the ACM after notice to Sublessor of the same, then Sublessee, after giving Sublessor five (5) days' prior notice, may perform such work at Sublessor's expense, which expense, in a reasonable amount, shall be reimbursed to Sublessee within thirty (30) days after Sublessor's receipt of an invoice herefore. Provided that the ACM were not placed in the Building by Sublessee, if the ACM or the abatement action halts or interferes with the Sublessee's use of the Building for more than five (5) business days, then Monthly Rent, in proportion to the amount of space rendered unfit for occupancy by such ACM or abatement action, shall be abated beginning on the date that Sublessee's use of the Building is compromised.

17.9 False Claims Provisions. Notwithstanding anything to the contrary in this Sublease, and without limitation of any kind, all demands for payment or reimbursement of any kind under this Sublease shall be subject to D.C. Official Code Sections 2-308.13 - 2-308.19 (2001) and the remedies available thereunder.

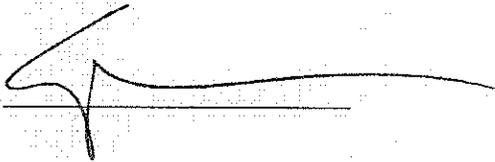
17.10 No Conflict of Interest. Sublessor represents that no officer, agent, employee, elected official or representative of the Sublessee, or of the Council of the District of Columbia has received any payment or other consideration for the making of this Sublease and that no such person has any interest, direct or indirect, in this Sublease or the proceeds thereof.

[signatures on following page]

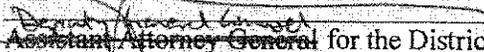
IN WITNESS WHEREOF, Sublessor and Sublessee have executed this Sublease under seal on the date indicated below.

WITNESS:

WITNESS:



Approved as to Legal Sufficiency:


~~Assistant Attorney General~~ for the District of Columbia
Date: 12/22/11

Reviewed and acknowledged by:
D.C. Metropolitan Police Department

By: _____
Name:
Title:

SUBLESSOR:

**SOUTH CAPITOL STREET
HELIPORT, LLC a Delaware limited
liability company**

By: _____ (SEAL)
Name:
Title:
Date: _____

SUBLESSEE:

**THE DISTRICT OF COLUMBIA, a
municipal corporation, by and through its
Department of General Services**

By:  _____ (SEAL)
Name: Brian Hanlon
Title: Interim Director
Date: 12-22-11

LANDLORD:

STEUART INVESTMENT COMPANY
a Delaware corporation
(joining for the purpose of evidencing its
consent to this Sublease and Section 15.4)

By: _____
Name:
Title:
Date: _____

IN WITNESS WHEREOF, Sublessor and Sublessee have executed this Sublease under seal on the date indicated below.

WITNESS:

SUBLESSOR:

**SOUTH CAPITOL STREET
HELIPORT, LLC** a Delaware limited liability company



Stacey Hascoe

By:  (SEAL)
Name: Pamela Latin Shaplin
Title: President
Date: 12-23-11

WITNESS:

SUBLESSEE:

THE DISTRICT OF COLUMBIA, a municipal corporation, by and through its Department of General Services

By: _____ (SEAL)
Name: Brian Hanlon
Title: Interim Director
Date: _____

Approved as to Legal Sufficiency:

Assistant Attorney General for the District of Columbia
Date: _____

LANDLORD:

Reviewed and acknowledged by:
D.C. Metropolitan Police Department

STEUART INVESTMENT COMPANY
a Delaware corporation
(joining for the purpose of evidencing its consent to this Sublease and Section 15.4)

By: _____
Name:
Title:

By: _____
Name:
Title:
Date: _____

IN WITNESS WHEREOF, Sublessor and Sublessee have executed this Sublease under seal on the date indicated below.

WITNESS:

SUBLESSOR:

**SOUTH CAPITOL STREET
HELIPORT, LLC a Delaware limited
liability company**

By: _____ (SEAL)

Name:

Title:

Date: _____

WITNESS:

SUBLESSEE:

**THE DISTRICT OF COLUMBIA, a
municipal corporation, by and through its
Department of General Services**

By: _____ (SEAL)

Name: Brian Hanlon

Title: Interim Director

Date: _____

Approved as to Legal Sufficiency:

Assistant Attorney General for the District of Columbia

Date: _____

LANDLORD:

STEUART INVESTMENT COMPANY

a Delaware corporation

(joining for the purpose of evidencing its consent to this Sublease and Section 15.4)

Reviewed and acknowledged by:

D.C. Metropolitan Police Department

By: _____

Name:

Title:

By: _____

Name: John R. Clark #2

Title: President

Date: 12/23/2011

but this consent in no way limits Landlord's rights under Section 26 of the Master Lease

EXHIBIT A
[Legal Description]

Original Lot 4 in Square S-708; being the South 184.79-foot frontage on South Capitol Street of said Square, extending East between parallel lines to the high water mark of the "bulkhead line" of the Anacostia River.

EXHIBIT B

EXHIBIT B—MPD OCCUPIES 708 SQUARE FEET (AS DESIGNATED BY CROSSHATCH)

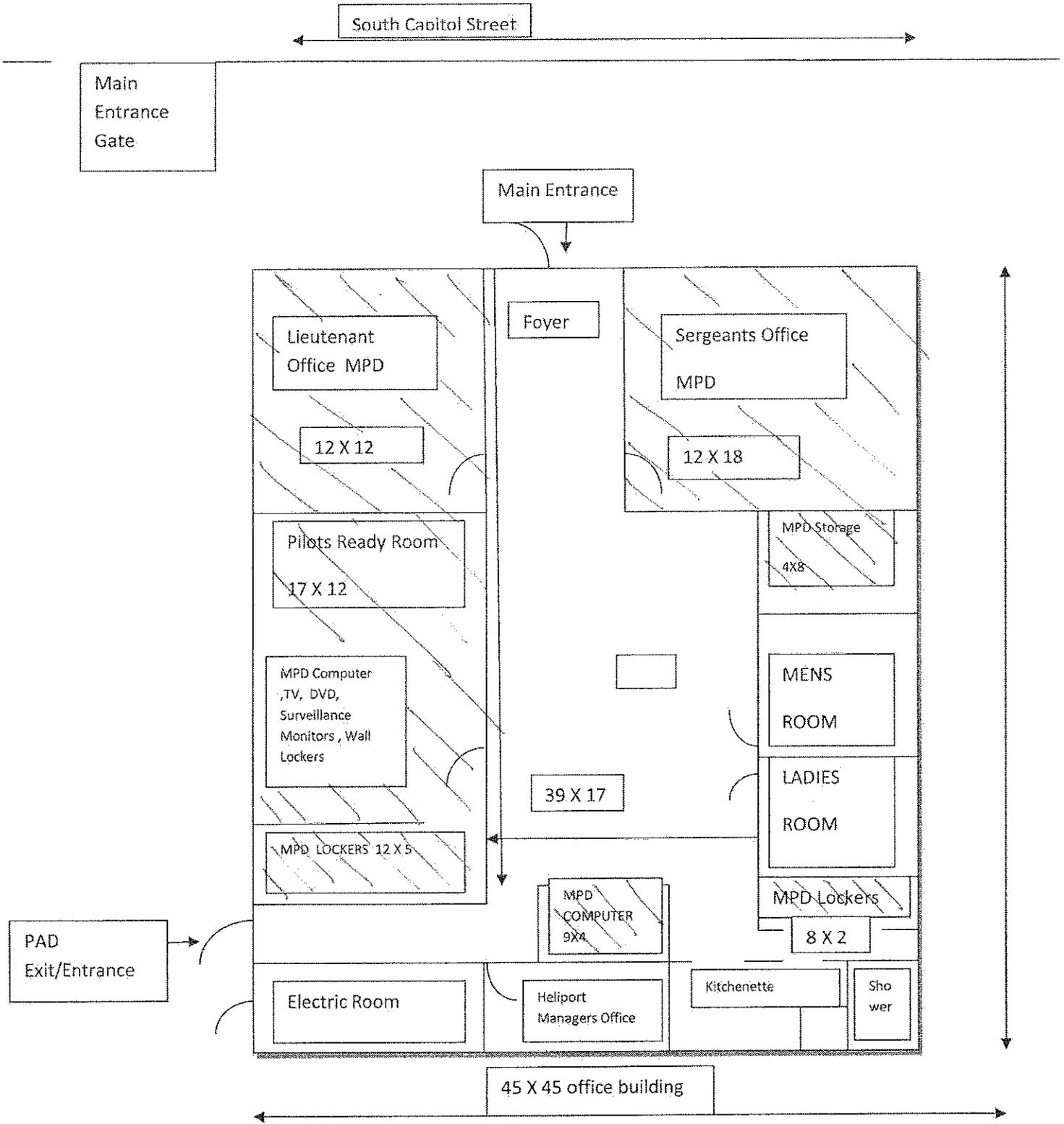


EXHIBIT C

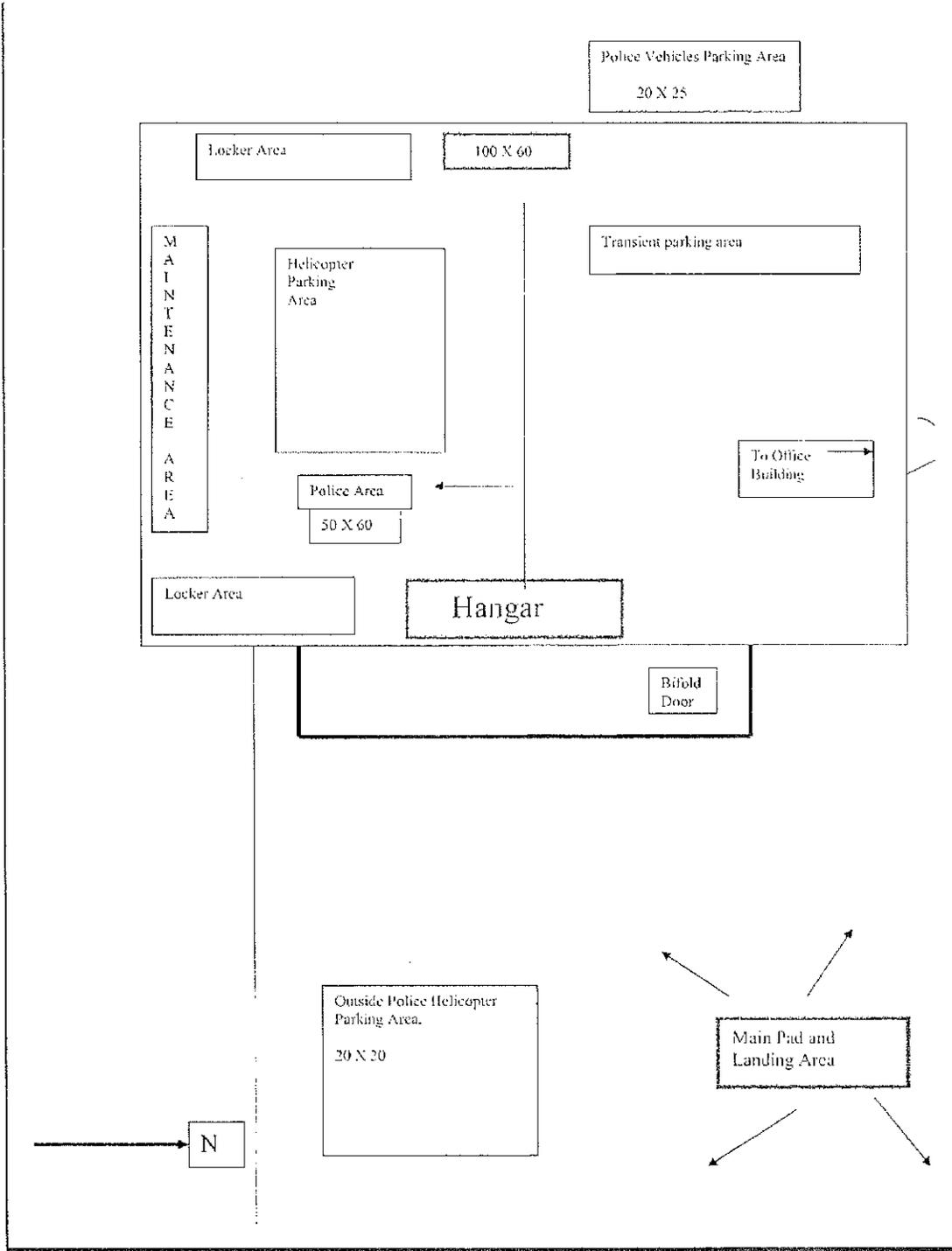


EXHIBIT D

FORM SUBORDINATION AND NON-DISTURBANCE AGREEMENT

Loan No.

**SUBORDINATION, NON-DISTURBANCE
AND ATTORNMENT AGREEMENT**

**THIS SUBORDINATION, NON-DISTURBANCE AND ATTORNMENT
AGREEMENT** (this "Agreement"), made this ___ day of _____, 20 ____,
by and among

_____, a
District of Columbia _____ ("Sublessor"), the
_____, ("Sublessee")
and _____, a _____ corporation
("Lender").

WHEREAS, Sublessor and Sublessee have entered into that certain Lease Agreement dated _____, 2006 (the "Lease"), whereby Sublessee agreed to lease from Sublessor certain premises located in Washington, D.C. and more fully described on Exhibit A hereto and incorporated herein (the "Leased Premises"); and

WHEREAS, Lender has agreed to grant a loan to Sublessor (the "Loan") which Loan is to be secured by a deed of trust or mortgage on certain real property, including the Leased Premises (the "Mortgage"), by an assignment of Sublessor's interest in all leases, rents, profits and contracts for such property (the "Assignment of Leases") and other documents executed or to be executed in connection therewith; and

WHEREAS, Sublessee has requested that Lender agree not to disturb Sublessee's possessory rights in the Leased Premises if Lender should foreclose its Mortgage provided that Sublessee is not in default under the Lease and further provided that Sublessee attorns to Lender or the purchaser at any foreclosure sale or to any party who takes a deed in lieu of foreclosure; and

WHEREAS, Lender is willing so to agree on the terms and conditions hereafter provided.

NOW THEREFORE, in consideration of the mutual promises herein contained, to induce Lender to make the Loan and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Sublessor, Sublessee and Lender covenant and agree as follows:

1. The Lease and Sublessee's leasehold estate created thereby, including all rights under the Lease, shall be and are completely and unconditionally subject and subordinate to the lien of the Mortgage and to all the terms, conditions and provisions thereof, to all advances made to or to be made thereunder, to any renewals, extensions, modifications or replacements thereof, and to any subsequent mortgage with which the Mortgage may be spread and/or consolidated.
2. Sublessee agrees that it will attorn to and recognize any purchaser at a foreclosure sale under the Mortgage, any person or entity who acquires the real property of which the Leased Premises form a part by deed in lieu of foreclosure, and the successors and assigns of such purchaser, as its Sublessor for the unexpired balance (and any extensions, if exercised) of the term of the Lease upon the same terms and conditions set forth in the Lease.
3. In the event that it should become necessary to foreclose the Mortgage, Lender will not disturb Sublessee's possession under the Lease so long as Sublessee is not in default (beyond applicable notice and cure periods) under any of the terms, covenants, or conditions of the Lease.
4. In the event that Lender or any other party shall succeed to the interest of Sublessor under the Lease, or otherwise becomes entitled to and takes possession of the Property, Lender, or any subsequent owner, shall not be:
 - A. Liable for any act or omission of any prior sublessor (including Sublessor), excepting successor sublessor's obligation to correct any conditions that existed as of the date of attornment and violate successor sublessor's obligations as sublessor under the Lease; or
 - B. Subject to any offsets or defenses which Sublessee might have against any prior sublessor (including Sublessor); or
 - C. Bound by any rent or additional rent which Sublessee might have paid for later than the current month to any prior sublessor (including Sublessor); or
 - D. Bound by any previous amendment, modification, financial settlement or termination of the Lease made without Lender's written consent.
5. Sublessee shall not pay an installment of rent or any part thereof more than thirty (30) days prior to the due date of such installment.
6. Sublessee agrees not to enter into any amendment, modification, termination or financial settlement to the Lease without first obtaining written consent thereto from Lender. Any amendment, modification, termination or financial settlement to the Lease entered into without Lender's written consent shall be null and void.

- 7. Sublessee agrees to give Lender a copy of any notice of default served upon the Sublessor, provided that prior to such notice Sublessee has been notified in writing (by way of Notice of Assignment of Leases or otherwise) of the address of such Lender. This Agreement shall constitute notice to Sublessee of Lender's address as set forth below. Lender shall have all cure rights provided to Sublessor under the Lease.
- 8. After such time as Lender provides notice to Sublessee that the rentals under the Lease should be paid to Lender (as evidenced by appropriate documentation, such as the Assignment of Leases), Sublessee shall pay to Lender, or in accordance with the directions of Lender, all rentals and other monies due and to become due to Sublessor under the Lease, and Sublessor hereby expressly authorizes Sublessee to make such payments to Lender and hereby releases and discharges Sublessee of and from any liability to Sublessor on account of any such payments.
- 9. This Agreement shall inure to the benefit of and shall be binding upon Sublessee, Sublessor and Lender, and their respective heirs, personal representatives, successors and assigns provided that the interest of Sublessee under this Agreement may not be transferred or assigned without Lender's written consent. This Agreement shall be governed by and construed according to the laws of Washington, D.C.
- 10. No modification, amendment, waiver or release of any provision of this Agreement or any right, obligation, claim or cause of action arising thereunder shall be valid or binding for any purpose whatsoever unless in writing and duly executed by the party against whom the same is sought to be asserted.
- 11. Sublessee has not relied upon any representation (either oral or in writing) of Lender in executing the Lease, or this Agreement and prior to attornment to Lender, Sublessee shall look only to Sublessor to fulfill the terms, covenants and conditions of the Lease.
- 12. Nothing contained in this Agreement shall in any way impair or affect the lien created by the Mortgage.

IN WITNESS WHEREOF, the parties hereto cause this Agreement to be duly executed the day and year first above written.

SUBLESSOR:

By: _____

Name:

Title:

SUBLESSEE:

By: _____

Name: _____

Title: _____

Approved as to Legal Sufficiency:

Assistant Attorney General for the District of Columbia

Date: _____

LENDER:

(A _____)

By: _____

Its: _____

STATE OF _____)
) ss
COUNTY OF _____)

On the _____ day of _____, 200____, before me, a notary public in and for the State and County aforesaid, personally appeared _____, who acknowledged himself/herself to be the _____ of _____, a _____, and that he/she as such officer, being authorized to do, executed the foregoing instrument for the purposes therein contained by signing the name of the authorized agent of the _____ by himself/herself as such _____.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

Notary Public
My Commission Expires: _____

STATE OF _____)
) ss
COUNTY OF _____)

On the _____ day of _____, 200____, before me, a notary public in and for the State and County aforesaid, personally appeared _____, who acknowledged himself/herself to be the _____ of _____, a _____, and that he/she as such officer, being authorized to do, executed the foregoing instrument for the purposes therein contained by signing the name of the authorized agent of the _____ by himself/herself as such _____.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

Notary Public
My Commission Expires: _____

STATE OF _____)
) ss
COUNTY OF _____)

On the _____ day of _____, 200____, before me, a notary public in and for the State and County aforesaid, personally appeared _____, who acknowledged himself/herself to be the _____ of _____, a _____, and that he/she as such officer, being authorized to do, executed the foregoing instrument for the purposes therein contained by signing the name of the authorized agent of the _____ by himself/herself as such _____.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

Notary Public
My Commission Expires: _____

**EXHIBIT A TO THE SUBORDINATION AND NON-DISTURBANCE
AGREEMENT**

[Legal Description]

Original Lot 4 in Square South of Square 708; being the South 184.79-foot front on South Capitol Street of said square, extending East between parallel lines to the high water mark of "bulkhead line" of the Anacostia River.

EXHIBIT E
[Property Tax Statement]

FROM : GLENWOOD_FBGL_SD_CRP... HELIPORT PHONE NO. : 202 484 6515

Sep. 26 2011 03:09PM P2

*** Government of the District of Columbia
Office of the Chief Financial Officer
Office of Tax and Revenue

REAL PROPERTY TAX BILL
OFFICE OF TAX AND REVENUE
P.O. BOX 98095 - WASHINGTON, DC 20090-0095

Notice Number: 0433961110816 Tax Year 2011 is October 1, 2010 thru September 30, 2011 Class 002

Square	Suffix	Lot	Property Address	Mrtg. No.	Assessment	Tax Rate/\$100	Annual Tax	
0708	S	0004	1724 SOUTH CAPITOL ST SE	0196	15,731,870	1.65	265,039.69	
			DESCRIPTION	TAX	PENALTY	INTEREST	PAYMENT	TOTAL
			2011 Second Half	142,519.80				142,519.80
							Total	142,519.80

Additional Information

- TO PAY YOUR TAX IN PERSON, YOU MUST PAY YOUR TAX BILL AT ANY WELLS FARGO BANK IN WASHINGTON, D.C.
- 30% OF YOUR TAX YEAR 2011 REAL PROPERTY TAX IS USED TO PAY THE GENERAL OBLIGATION BONDS DEBT SERVICE REQUIREMENT.
- FOR CLASS 002 (RESIDUAL ASSESSMENT VALUE ABOVE \$3 MILLION) 1.65.
- YOUR MORTGAGE COMPANY HAS REQUESTED YOUR TAX BILL, IF THEY ARE NOT RESPONSIBLE, SEE REVERSE SIDE.

TAXPAYER'S RECORD
SEE REVERSE SIDE FOR IMPORTANT INFORMATION
FP-177 (REV. 08/11)

Payment Due By:	Sep 15, 2011	Amount Due:	142,519.80
Payment Due By:	Oct 15, 2011	Amount Due:	158,909.56
Payment Due By:	Nov 14, 2011	Amount Due:	161,047.37

PLEASE DETACH HERE AND RETURN THIS PORTION WITH YOUR PAYMENT

Square	Suffix	Lot	Property Address	Mrtg. No.	Assessment	Tax Rate/\$100	Annual Tax
0708	S	0004	1724 SOUTH CAPITOL ST SE	0196	15,731,870	1.65	265,039.69

Notice Number: 0433961110816
DCN #: 112322804

Amount Enclosed: \$

For Official Use Only:

PAYMENT DUE BY: Sep 15, 2011 AMOUNT DUE: 142,519.80

080577 L2DC024
STEUART INVESTMENT COMPANY
5454 WISCONSIN AVE STE 1600
CHEVY CHASE, MD 20815-6905

5 0708 S 0004 112322804 0014251980

FROM : GLENMOUNT_FBO_SQ_CRP... HELIPORT PHONE NO.: 202 464 8615

Sep. 13 2011 10:55AM F2

GOVERNMENT OF THE DISTRICT OF COLUMBIA
OFFICE OF THE CHIEF FINANCIAL OFFICER

REAL PROPERTY TAX BILL
OFFICE OF TAX AND REVENUE
P.O. BOX 9695
Washington DC 20045-6095

ACCOUNT	SUFFIX	LOT	PROPERTY ADDRESS	MORTGAGE NO.	PARCEL ASSESSMENT	TAX RATE PER \$100	TOTAL TAX FOR YEAR
0708	S	0004	1724 SOUTH CAPITOL ST	N/A	N/A	N/A	3,146.37

THIS IS THE CAPITOL RIVERFRONT BUSINESS IMPROVEMENT TAX BILL.

STEWART INVESTMENT COMPANY
5454 WISCONSIN AVE STE 1600
CHEVY CHASE, MD 20815-6906

Amount Enclosed:

For Official Use Only:

PAYMENT DUE BY: October 01, 2011	AMOUNT DUE: 1,573.19
----------------------------------	----------------------

4 0708 S 0004 121A60383 0000157319

PLEASE DETACH HERE AND RETURN THIS PORTION WITH YOUR PAYMENT

GOVERNMENT OF THE DISTRICT OF COLUMBIA
OFFICE OF THE CHIEF FINANCIAL OFFICER

REAL PROPERTY TAX BILL
OFFICE OF TAX AND REVENUE

ACCOUNT	SUFFIX	LOT	PROPERTY ADDRESS	MORTGAGE NO.	PARCEL ASSESSMENT	TAX RATE PER \$100	TOTAL TAX FOR YEAR
0708	S	0004	1724 SOUTH CAPITOL ST	N/A	N/A	N/A	3,146.37

DESCRIPTION	TAX	PENALTY	INTEREST	TOTAL
VISIT WWW.CAPITOLRIVERFRONT.ORG TO LEARN ABOUT THE BID TAX OR CALL 202-465-7093. DO NOT COMBINE BID TAX AND REAL PROPERTY TAX PAYMENTS ON ONE CHECK.				
Tax Due	1,573.19			1,573.19
Credit				0.00
Outstanding				0.00
DO NOT COMBINE MULTIPLE BILL PAYMENTS INTO ONE CHECK. SUBMIT THE CORRESPONDING TAX BILL WITH EACH CHECK. EFFECTIVE JANUARY 1, 2003 THE FINE FOR DISHONORED CHECKS INCREASED TO \$65.00.				

TAXPAYER'S RECORD SEE REVERSE SIDE FOR IMPORTANT INFORMATION FD-177 (REV. 2/99)	PAYMENT DUE BY: October 01, 2011	AMOUNT DUE: 1,573.19
	IF PAID AFTER: October 01, 2011	PAYMENT DUE BY: November 01, 2011 AMOUNT DUE: 1,734.10
	IF PAID AFTER: November 01, 2011	PAYMENT DUE BY: December 01, 2011 AMOUNT DUE: 1,777.70