

**FOURTH AMENDMENT TO DEED OF LEASE AGREEMENT
FOR IMPROVED REAL PROPERTY**

THIS FOURTH AMENDMENT TO DEED OF LEASE AGREEMENT FOR IMPROVED REAL PROPERTY (this “**Fourth Amendment**”) is dated as of December 24, 2020 (the “**Fourth Amendment Effective Date**”), by and between **DISTRICT OF COLUMBIA**, a municipal corporation, by and through its Department of General Services (the “**District**”) and **THE LAB SCHOOL OF WASHINGTON**, a District of Columbia non-profit corporation (“**Tenant**”). Tenant and the District are each referred to herein as a “**Party**” and collectively as “**Parties**”.

WITNESSETH:

WHEREAS, Tenant currently leases from the District premises located at 4470 Q Street NW in Washington, DC under that certain Deed of Lease Agreement for Improved Real Property dated January 30, 1998, and made effective April 30, 1998 (the “**Base Lease**”), as amended by that certain First Amendment to Deed of Lease Agreement For Improved Real Property dated January 5, 2010 (the “**First Amendment**”), that certain Second Amendment to Deed of Lease Agreement for Improved Real Property dated November 7, 2014 (the “**Second Amendment**”), and that Third Amendment to Deed of Lease Agreement For Improved Real Property dated November 26, 2018 (the “**Third Amendment**”; the Base Lease, as amended by the First Amendment, Second Amendment and the Third Amendment being referred to as the “**Original Lease**”; and the Original Lease as amended by this Fourth Amendment being referred to as the “**Lease**”); and

WHEREAS, the Parties desire to amend the Original Lease as set forth herein.

NOW, THEREFORE, in consideration of the mutual covenants set forth herein, and for 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 Fourth Amendment.

2. **Defined Terms.** Capitalized terms used but not defined herein shall have the meanings given to them in the Original Lease.

3. **Recaptured Premises.**

(a) The District shall have the right, upon not less than thirty (30) days prior written notice to Tenant, to remove from the Premises a portion of the unimproved Land (which may include surface lots), comprised of a minimum of 12,000 square feet and a maximum of 20,000 square feet (the “**Recaptured Premises**”), provided that the remaining Premises shall accommodate parking for a minimum of 15 cars and 3 buses. The Parties shall work in good faith to identify parking spaces for an additional 20 cars for Tenant’s use, at no cost to the District, provided that in no event shall such effort delay or impair Landlord’s ability to remove the Recaptured Premises from the Premises as set forth above. For the avoidance of doubt, the foregoing shall not require the District to identify any property owned by a third party, or make

any portion of the Recaptured Premises or any other real property owned or under the control of the District available to Tenant, for such 20 additional parking spaces, but may include the District consenting to Tenant performing work on the remaining Premises to create additional parking spaces. The Recaptured Premises and the remaining Premises shall each be identified in an amendment to the Lease.

(b) In connection with the District of Columbia's use of the Recaptured Premises, any and all fields, parking lots and playgrounds currently comprising a portion of the Premises and not constituting a portion of the Recaptured Premises (the "Fields") shall be made available by Tenant for use by the District of Columbia on a schedule and such other terms and conditions to be mutually agreed upon by the Parties and set forth in an amendment to the Lease.

4. **Lease Term Extension.** The Term of the Lease is hereby amended to extend the expiration date of December 31, 2023 by a fifteen (15) year period to December 31, 2038 (the period from January 1, 2024 through December 31, 2038 being the "**Fourth Amendment Extension Period**"). The Parties acknowledge and agree that the Fourth Amendment Extension Period constitutes an "Extension Period" under the Lease unless the context clearly requires otherwise (e.g., the Original Lease refers to a first, second or third Extension Period); provided however that in no event shall the Fourth Amendment Extension Period constitute an Extension Period for purposes of Section 4.D of Base Lease.

5. **Enrollment.** Tenant agrees to limit student enrollment to 90 students per school year during the Fourth Amendment Extension Period. Tenant shall provide to the District, on a quarterly basis throughout the Fourth Amendment Extension Period, a record, certified to be true by Tenant, detailing the date of enrollment and enrollment status (e.g., full-time, $\frac{3}{4}$ -time, half-time, visiting, etc.) for each student. Each such student shall be identifiable in a manner that protects each student's confidentiality and privacy. Tenant acknowledges and agrees that if student enrollment exceeds 90 students in any school year during the Fourth Amendment Extension Period, Landlord may increase the Annual Base Rent to reflect such increase.

6. **Amended Annual Base Rent.**

(a) The Annual Base Rent for the first year of the Fourth Amendment Extension Period shall be the Fair Market Value (as defined below) of the Premises, as determined by an appraisal as set forth below; provided however, that the appraisal shall (i) reflect (x) the use of the Premises as a school, and (y) the enrollment restrictions contained in Section 5 above; and (ii) include a valuation reflecting (x) both the current Premises and the current Premises less the Recaptured Premises, and (y) both the shared use of the Fields and Tenant's sole use of the Fields. The Parties acknowledge and agree that the Annual Base Rent to be paid at any time during the Fourth Amendment Extension Period shall (1) be based on the then Premises, (2) reflect whether or not the Fields are being shared (for the avoidance of doubt, if and when the Recaptured Premises has been removed from the Premises and the Fields are being shared by the District and Tenant, the then Annual Base Rent shall be adjusted to reflect the Fair Market Value rent therefor), and (3) proportionately reflect Tenant's actual enrollment numbers as compared to the Premises' enrollment capacity of 200 students (collectively, the "**Annual Rental Adjustments**"). Annual Base Rent shall be subject to a 2% annual increase during the Fourth Amendment Extension Period. "**Fair Market Value**" means the per square foot rental rate for the Premises, based on rental rates then being charged by landlords for similar properties used for similar purposes within

the District of Columbia, as adjusted (if at all) to reflect the Annual Rental Adjustments. In order to determine Fair Market Value, at least ninety (90) days prior to the commencement of the Fourth Amendment Extension Period, Tenant shall request the District's list of approved independent real estate appraisers. Tenant shall select and engage an independent real estate appraiser from such list within five (5) business days of receipt. Tenant's selected appraiser shall determine the Fair Market Value within forty-five (45) days after his or her appointment, and Tenant shall cause the appraiser to deliver the final written appraisal to Tenant and the District concurrently on or before such 45th day. The cost of the appraisal required under this Section shall be at the sole cost and expense of Tenant.

(b) The District acknowledges that Tenant shall be required to seek approval from the Board of Zoning Adjustment (the "BZA") to extend its authorized use of the Premises prior to August 31, 2023. Provided that Tenant has timely applied for such extension, Tenant shall be obligated to pay 50% of the Annual Base Rent and any Additional Rent due under the Lease to the District during any period after August 31, 2023 for which the BZA has not authorized Tenant to occupy the Premises. Notwithstanding the foregoing, Tenant shall otherwise be obligated to pay for any costs required to operate, maintain, repair and occupy the Premises as required under the Lease.

7. **Insurance.** Section 26 of the Base Lease is hereby deleted and replaced with the foregoing requirements.

A. GENERAL REQUIREMENTS. Tenant at its sole expense shall procure and maintain, during the entire Term, the types of insurance specified below. Tenant shall have its insurance broker or insurance company submit a Certificate of Insurance to the District of Columbia's Office of Risk Management ("ORM") giving evidence of the required coverage prior to the Fourth Amendment Effective Date. Certificates of Insurance must be signed by an authorized representative of the insurer(s) and be provided to, and accepted by, ORM. All insurance shall be written with financially responsible companies authorized to do business in the District of Columbia and have an A.M. Best Company rating of A- / VII or higher. Should the District allow Tenant to sublet then, prior to the effective date of the sublease, Tenant shall submit in writing the name of the subtenant to ORM. ORM will determine the insurance requirements applicable to the subtenant and promptly deliver such requirements in writing to Tenant and the District. Tenant must provide proof of the subtenant's required insurance prior to the effective date of the sublease.

All required policies shall contain a waiver of subrogation provision in favor of the Government of the District of Columbia. Tenant hereby waives, and releases the District and its officers, agents, invitees and employees (collectively, including the District, the "Indemnitees") of and from, any and all rights of recovery, claims, or causes of action, whether by subrogation or otherwise, against the Indemnitees for any liability, loss or damage that may occur to the Premises, any improvements on the Premises or Tenant's personal property (regardless of cause or origin, including the negligence of any of any Indemnitees), which loss or damage is insured against or is required to be insured against hereunder.

The Government of the District of Columbia shall be included in all policies required hereunder to be maintained by Tenant and its subtenants (except for workers'

compensation and professional liability insurance) as an additional insureds for claims against The Government of the District of Columbia relating to this Lease, with the understanding that any affirmative obligation imposed upon the insured Tenant or its subtenants (including without limitation the liability to pay premiums) shall be the sole obligation of Tenant or its subtenants, and not the additional insured. The additional insured status under Tenant's and its subtenants' Commercial General Liability insurance policies shall be effected using the ISO Additional Insured Endorsement form CG 20 11 or such other endorsement or combination of endorsements providing coverage at least as broad and approved by ORM in writing. All of Tenant's and its subtenants liability policies (except for workers' compensation and professional liability insurance) shall be endorsed using ISO form CG 20 01 04 13 or its equivalent so as to indicate that such policies provide primary coverage (without any right of contribution by any other insurance, reinsurance or self-insurance, including any deductible or retention, maintained by an Additional Insured) for all claims against the additional insured arising out of this Lease. These policies shall include a separation of insureds clause applicable to the additional insured.

If Tenant and/or its subtenants maintain broader coverage and/or higher limits than the minimums shown below, the District requires and shall be entitled to the broader coverage and/or the higher limits maintained by Tenant and/or subtenants.

1. Commercial General Liability Insurance ("CGL") - The policy shall be written on an ISO occurrence base form, CG 00 01 04 13 and provide limits of no less than the minimum required limits of:

- One Million Dollars (\$1,000,000) Per Occurrence
- Two Million Dollars (\$2,000,000) General Aggregate
- Two Million Dollars (\$2,000,000) Products/Completed Operations Aggregate
- One Million Dollars (\$1,000,000) Personal and Advertising Injury
- One Million Dollars (\$1,000,000) Damage to Premises Rented to You Limit (any one premises)
- Five Thousand Dollars (\$5,000) Medical Payments

The policy shall be provided inclusive of the following:

- The general aggregate set forth below shall apply on a per location basis;
- The coverage for bodily injury shall include coverage for death and mental anguish;
- Contractual liability coverage insuring the obligations assumed by Tenant under this Lease, including any indemnification obligations;
- Premises and operations coverage;
- Broad form property damage coverage, including vandalism and malicious mischief coverage;
- Independent contractors coverage;
- Liquor liability coverage, in the event Tenant hosts a function at the Premises or Building at which alcohol is served,
- An exception to the pollution exclusion for damage or injury arising out of heat, smoke, or fumes from a hostile fire;

- The separation of insureds provision shall not be amended to provide narrower coverage than that provided within the base policy form.

Tenant's commercial general liability insurance shall name The Government of the District of Columbia as additional insured on a primary and non-contributory basis including completed operations. The additional insured coverage for the General Liability policy shall be provided on Insurance Services Office (ISO) form CG 2011 or its equivalent.

2. Sexual/Physical Abuse & Molestation - Tenant shall provide evidence satisfactory to ORM that it carries \$1,000,000 per occurrence limits; \$2,000,000 aggregate of affirmative abuse and molestation liability coverage. Coverage should include physical abuse, such as sexual or other bodily harm and non-physical abuse, such as verbal, emotional or mental abuse; any actual, threatened or alleged act; errors, omission or misconduct. This insurance requirement will be considered met if the general liability insurance includes an affirmative sexual abuse and molestation endorsement for the required amounts. So called "silent" coverage under a commercial general liability or professional liability policy will not be acceptable.
3. Commercial Umbrella or Excess Liability - Tenant shall provide evidence satisfactory to ORM of commercial umbrella or excess liability insurance with minimum limits equal to the greater of (i) the limits set forth in Tenant's umbrella or excess liability policy or (ii) \$10,000,000 per occurrence and \$10,000,000 in the annual aggregate, following the form and in excess of all liability policies. Liability coverage under sections 1, 2, 3 and 8 must be scheduled under the umbrella and/or excess policy. The insurance required under this paragraph shall be written in a form that annually reinstates all required limits. Coverage shall be primary to any insurance, self-insurance or reinsurance maintained by the District and the "other insurance" provision must be amended in accordance with this requirement and principles of vertical exhaustion.
4. Commercial Property Insurance - Tenant shall carry special form property insurance written on a replacement cost value covering 100% of the replacement cost of all leased property increased to include any leasehold improvements installed by or on behalf of Tenant at Tenant's cost and expense in the Premises/leasehold improvements, with an agreed amount endorsement:

The policy or policies must include coverage for:

- Perils covered in an Insurance Services Organization ("ISO") Special Form (CP 10 30 10 00), or its equivalent.
- Certified and non-certified acts of terrorism
- Hail, wind, windstorm, named storm, earth movement and flood
- Back-up of sewers and drains and seepage of underground water mains.
- Mold including resulting loss
- Boiler and machinery coverage that shall apply to all mechanical and electrical equipment, or any other objects typically insured under a boiler and machinery insurance policy, against direct physical damage, time element, and extra expense.

If coverage is provided under a separate boiler & machinery policy, a Joint Loss Agreement is required.

- Loss to the undamaged portion of the building (Coverage A), the cost of demolishing the undamaged portion of the building (Coverage B), the increased cost of reconstruction or repairs to comply with current ordinances or laws (Coverage C) and the Business Interruption loss during the additional time required for making the changes to the building or structures in coverages A, B and C (Coverage D).
- Business income covering loss of income in an amount sufficient to cover the greater of the estimated period of reconstruction plus a 90 day extended period of indemnity or three (3) years.

5. Builder's Risk Insurance - At all times during the period between the commencement of construction of any Capital Improvements and/or Long Term Material Alterations until completion thereof (as evidenced by a valid certificate of occupancy), Tenant shall purchase and maintain, from an insurance company or insurance companies lawfully authorized to issue insurance in the jurisdiction where the building is located, property insurance written on a builder's risk "all-risk" completed value or equivalent policy form and sufficient to cover the total value of the entire Capital Improvements and/or Long Term Material Alterations on a replacement cost basis. The District, Tenant and Tenant's contractors, must be covered as insureds as their interest may appear. This insurance shall include the interest of mortgagees as loss payees. The Builder's Risk shall provide coverage for direct physical loss or damage, and shall not exclude the risks of fire, explosion, theft, vandalism, malicious mischief, collapse, earthquake, flood or windstorm. The insurance shall also provide coverage for ensuing loss or resulting damage from error, omission, or deficiency in construction methods, design, specifications, workmanship, or materials. Sub-limits are allowed if ORM provides prior approval.

If the Builder's Risk policy is subject to a deductible or self-insured retention, the deductible or self-insured retention shall not exceed \$25,000 and Tenant is responsible for all loss not covered because of such deductible or retention.

The Builder's Risk policy shall include coverage for materials while in transit to the Building or located at an off-site storage location in amount equivalent to or greater than the greatest value ever in transit or located at the off-site storage location.

The Builder's Risk policy shall include soft costs insurance to reimburse the District and/or Tenant for the costs due to the delay of completion of Capital Improvements and/or Long Term Material Alterations, arising out of physical loss or damage covered by the required property insurance: including construction loan fees; leasing and marketing expenses; additional fees, including those of architects, engineers, consultants, attorneys and accountants, needed for the completion of the construction, repairs, or reconstruction; and carrying costs such as property taxes, building permits, additional interest on loans, realty taxes, and insurance premiums over and above normal expenses

- B. **PRIMARY AND NONCONTRIBUTORY INSURANCE.** The insurance required herein shall be primary to and will not seek contribution from any other insurance, reinsurance or self-insurance including any deductible or retention, maintained by the Government of the District of Columbia.
- C. **DURATION.** Tenant shall carry all required insurance until the expiration or earlier termination of this Lease and shall carry listed coverages for ten years for construction projects under this Lease and otherwise for two years.
- D. **LIABILITY.** These are the required minimum insurance requirements established by the District of Columbia. However, the required minimum insurance requirements provided above will not in any way limit Tenant's liability under this Lease.
- E. **TENANT'S PROPERTY.** Tenant and subtenants are solely responsible for any loss or damage to their personal property, including but not limited to tools and equipment, scaffolding and temporary structures, rented machinery, or owned and leased equipment. A waiver of subrogation shall apply in favor of the District of Columbia.
- F. **MEASURE OF PAYMENT.** The District shall not make any separate measure or payment for the cost of insurance and bonds.
- G. **NOTIFICATION.** Tenant shall ensure that all policies provide that the District shall be given thirty (30) days prior written notice in the event of coverage and / or limit changes or if the policy is canceled prior to the expiration date shown on the certificate. Tenant shall provide the District with ten (10) days prior written notice in the event of non-payment of premium. Tenant will also provide ORM with an updated Certificate of Insurance should its insurance coverages renew during the contract.
- H. **CERTIFICATES OF INSURANCE.** Tenant shall submit certificates of insurance giving evidence of the required coverage as specified in this section prior to the Fourth Amendment Effective Date. Certificates of insurance must reference the corresponding Lease information. Evidence of insurance shall be submitted to:

The Government of the District of Columbia

**And mailed to the attention of:
The Office of Risk Management
One Judiciary Square
441 4th Street, NW, Suite 800 South
Washington, DC 20001
(202) 727-8600
Attn: Jane Waters
jane.waters@dc.gov**

ORM may request and Tenant shall promptly deliver updated certificates of insurance, endorsements indicating the required coverages, and/or certified copies of the insurance policies. If the insurance initially obtained by Tenant expires prior to the expiration or

earlier termination of this Lease, renewal certificates of insurance and additional insured and other endorsements shall be furnished to ORM prior to the date of expiration of all such initial insurance. For all coverage required to be maintained after expiration or earlier termination, an additional certificate of insurance evidencing such coverage shall be submitted to ORM on an annual basis as the coverage is renewed (or replaced).

- I. DISCLOSURE OF INFORMATION. Tenant agrees that the District may disclose the name and contact information of its insurers to any third party which presents a claim against the District for any damages or claims resulting from or arising out of this Lease.
- J. CARRIER RATINGS. All Tenant's and its subtenants' insurance required in connection with this Lease shall be written by insurance companies with an A.M. Best Insurance Guide rating of at least A- VII (or the equivalent by any other rating agency) and licensed in the District of Columbia.
- K. Tenant shall not conduct or permit to be conducted any activity, or place or permit to be placed any equipment or other item in or about the Premises or the Building, which will in any way increase the rate of property insurance or other insurance on the Building. If any increase in the rate of property or other insurance is due to any activity, equipment or other item of Tenant, then (whether or not the District has consented to such activity, equipment or other item) Tenant shall pay as additional rent due hereunder the amount of such increase. The statement of any applicable insurance company or insurance rating organization (or other organization exercising similar functions in connection with the prevention of fire or the correction of hazardous conditions) that an increase is due to any such activity, equipment or other item shall be conclusive evidence thereof.

8. **Alterations; Capital Alterations; Work Requirements; Rent Credit.**

(a) **Alterations.** Notwithstanding any provision of the Base Lease, including, without limitation Section 8 of the Base Lease, the provisions of this Section 7 shall apply to any work performed by Tenant on, in or to the Premises. Tenant shall not make or cause to be made any non-movable alterations, additions, renovations, improvements or installations in, on or affixed to the Premises (an "**Alteration**") without Landlord's prior written consent, which consent shall not be unreasonably withheld, conditioned or delayed; provided however that Tenant may make or cause to be made any Alteration without Landlord's consent if such Alteration is to the interior of any Building and is cosmetic in nature, including without limitation, painting and floor coverings, and such Alteration does not: (i) materially alter, impair or modify the structure or base building systems of such Building or other portion of the Premises; (ii) materially modify the floor area, square footage, total volume or height of such Building or other portion of the Premises; (iii) materially modify the basic character or function of such Building or other portion of the Premises; (iv) materially modify the external appearance of such Building or other portion of the Premises; or (v) cost in excess of One Million Dollars (\$1,000,000.00) individually or in the aggregate in any 12 month period. The Parties agree that the definition of "Alteration" set forth in the Base Lease is hereby replaced by the definition set forth above in this Section 7(a).

(b) **Capital Alterations Requirements.** Prior to the performance of any Alteration which constitutes a capital improvement or capital expenditure under generally accepted

accounting principles (a “**Capital Alteration**”), Tenant shall deliver to the District: (i) detailed plans and specifications, to be prepared by Tenant’s architect and provided to the District in one (1) set of blue line plans and a CAD disk; and (ii) Tenant’s material sample board. Such plans and specifications and material sample board shall be subject to the District’s written approval, which shall not be unreasonably withheld, conditioned or delayed. Capital Alterations shall be performed in accordance with the plans and specifications and material sample board approved by the District.

In addition, prior to the performance of any Capital Alteration, Tenant shall submit to the District: (i) a detailed scope of work (“**Scope**”); (ii) a schedule (“**Schedule**”); and (iii) a budget (“**Budget**”), which Scope, Schedule and Budget shall be subject to the District’s written approval, which shall not be unreasonably withheld, conditioned or delayed. Tenant may not modify any approved Scope, Schedule or Budget without the District’s prior written approval, which shall not be unreasonably withheld, conditioned or delayed. Tenant shall perform and complete the Capital Alterations in accordance with the timelines and dates set forth in the Schedule. Subject to force majeure and any actual delays caused by the District (in its capacity as landlord under the Lease) or its agents, employees or contractors, if Tenant, based on the Schedule: (i) fails to timely commence Capital Alterations; (ii) fails to diligently pursue completion of Capital Alterations; or (iii) fails to complete Capital Alterations, then Tenant shall be deemed to be in default under the Lease.

(c) Completion of Capital Alterations. Within sixty (60) days after the close-out of all construction contracts for any Capital Alterations and the payment of all costs for such work, the following items must be submitted to Landlord by or on behalf of Tenant, which collectively shall evidence “**Completion**” of such Capital Alterations:

1. A notice from Tenant, or its general contractor, certifying in writing to Landlord that one hundred percent (100%) of such Capital Alterations has been completed as specified in the plans and specifications approved by the District;
2. An affidavit of Tenant’s chief financial officer stating the total Construction Costs (as defined below);
3. Final and unconditional releases of liens executed by all applicable suppliers, materialmen, contractors and subcontractors, or sufficient bonds to cover the same;
4. An affidavit (a) listing the names of all contractors, subcontractors, suppliers and materialmen who provided or supplied, labor, services, goods and materials to the Premises, and (b) stating that all listed contractors, subcontractors, suppliers and materialmen have been paid in full for the labor, services, goods and materials provided or supplied to the Premises as of the date of the affidavit;
5. A certificate of occupancy for the Premises or the applicable portion thereof, if applicable; and

6. A reproducible copy of any “as built” drawings of such work as well as copies of all permits, approvals and other documents issued by any governmental authority in connection with such work.

(d) Work Requirements. All work performed by Tenant in the Premises, including without limitation Alterations, shall be performed: (i) promptly and once commenced diligently pursued to timely Completion pursuant to the Schedule; (ii) in a good and workmanlike manner, with new materials; (iii) by duly qualified, insured and licensed and bonded (if required by Laws) contractors and subcontractors; and (iv) lien free and in accordance with all Laws.

(e) Rent Credit. In the event that Tenant makes or causes to be made any Capital Alterations to the Premises during the remaining portion of the Third Amendment Extension Period or the Fourth Amendment Extension Period, Tenant shall be entitled to apply an amount equal to Tenant’s Construction Costs (as defined below) for such Capital Alterations (the “**Fourth Amendment Extension Period Rent Credit**”), on a dollar-for-dollar basis, against each installment of Annual Base Rent, as the same becomes due and payable, until the entire Fourth Amendment Extension Period Rent Credit has been so applied; provided that the maximum amount of such Fourth Amendment Extension Period Rent Credit has been approved in writing by the District, in its reasonable discretion, prior to Tenant undertaking the applicable Capital Alterations to the Premises that would give rise to the Fourth Amendment Extension Period Rent Credit; and provided further that on the date that Tenant submits the Declaration of Rent Abatement (as defined below) following completion of the applicable Capital Alterations, Tenant: (i) is not then in default under the Lease; and (ii) has incurred, individually or in the aggregate during any consecutive five-year period, at least \$500,000 in Construction Costs for such Capital Alterations. The Fourth Amendment Extension Period Rent Credit shall be set forth on a Declaration of Rent Credit, in the form attached hereto as Exhibit A, which shall be delivered by Tenant to the District to be executed by the Parties, and which shall be accompanied by a final accounting of the Construction Costs (the “**Declaration of Rent Abatement**”). In no event shall any amount be due or payable by the District to Tenant in connection with the Fourth Amendment Extension Period Rent Credit, including in the event the entire Fourth Amendment Extension Period Rent Credit is not fully applied against Annual Base Rent during the Fourth Amendment Extension Period. “**Construction Costs**” means the actual construction costs incurred by Tenant in performing Capital Alterations pursuant and subject to the Lease, including both hard and soft costs, but excluding (i) the costs of purchasing and installing any movable personal property, goods, inventory, furniture, equipment, trade fixtures (including, without limitation, curtains, and exterior signs) belonging to Tenant that are not permanently affixed to the Premises; and (ii) the cost to repair any damage to the Premises caused by Tenant or Tenant’s employees, agents, students, licensees, invitees, contractors or subcontractors.

9. Termination of Extension and Termination Rights. The parties hereby agree that Section 3 (option to extend), Section 30 (Landlord’s Option to Terminate), and Section 31 (Tenant’s Option to Terminate) of the Base Lease are hereby deleted.

10. Cooperation. Tenant and the District, at no cost to the District, shall cooperate with each other in any proceedings before any District agency, including the BZA, needed to effectuate the intent of the Lease, including to ensure that the use of the Premises and the Recaptured Premises will be in compliance with District zoning and other laws and regulations.

11. **Notices.** Notwithstanding any provision contained in the Original Lease, whenever any demand, request, approval, consent or notice (each, a “**Notice**”) shall, or may, be given by one Party to the other under the Lease, such Notice shall be in writing and addressed to the applicable Party at its respective address as set forth below and sent to such Party by: (a) hand delivery, (b) a nationally recognized overnight express carrier, or (c) e-mail, so long as such e-mail delivery is followed by such Notice being sent by the next business day by a method set forth in the foregoing clauses (a) or (b). The date that the Notice is received shall be deemed to be: (i) the date of hand delivery (with receipt therefor) in the case of hand delivery; (ii) the next business day after the Notice was sent in the case delivery by overnight carrier; or (iii) the date of e-mail delivery so long as the subsequent Notice delivery requirement set forth in the foregoing clause (c) is satisfied. If delivery of a Notice is refused, the Parties agree that such Notice shall be deemed to be successfully delivered on the date of such refusal. Either Party may, at any time, change its Notice mailing or e-mail address by giving the other Party Notice in accordance with the requirements above, stating the change and setting forth the new mailing or e-mail address. Any Notice shall be addressed to each respective Party as follows (or to such other mailing or e-mail address as may be subsequently indicated in writing by one Party giving Notice to the other, as set forth above):

If 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

e-mail address: keith.anderson@dc.gov

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

e-mail address: xavier.beltran@dc.gov

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

Government of the District of Columbia
Office of the Attorney General for the District of Columbia
400 6th Street NW
Washington, D.C. 20001
Attention: Deputy Attorney General, Commercial Division

e-mail address: david.fisher@dc.gov

If to Tenant:

The Lab School of Washington
4759 Reservoir Road, N.W.
Washington, DC 20007
Attention: Head of School

e-mail address: Kimberly.Wargo@labschool.org

with a copy to:

The Lab School of Washington
4759 Reservoir Road, N.W.
Washington, DC 20007
Attention: Chief Financial Officer

e-mail address: Laurelle.McCready@labschool.org

12. **Counterparts.** This Fourth Amendment may be executed in several counterparts (including electronically) each of which shall constitute an original, but both of which together shall constitute one and the same instrument. Execution and delivery of this Fourth Amendment by facsimile signature (including without limitation by an e-mailed .pdf document) shall be sufficient for all purposes, and shall be binding on the Parties hereto.

13. **Binding; Choice of Law.** This Fourth Amendment shall be (a) binding upon and inure to the benefit of the Parties hereto and their respective representatives, successors and permitted assigns, and (b) governed by, and construed in accordance with, the laws of the District of Columbia, without regard to conflicts of law provisions.

14. **Miscellaneous.** The Parties, intending to be bound, acknowledge and agree that: (a) the Lease contains and embodies the entire agreement of the Parties with respect to the matters set forth herein, and supersedes and revokes any and all negotiations, arrangements, letters of intent, representations, inducements or other agreements, oral or in writing with respect to such matters; (b) no representations, inducements or agreements, oral or in writing, between the Parties with respect to such matters, unless contained in the Lease, shall be of any force or effect; and (c) in the event of any conflict between any terms of this Fourth Amendment and those of the Original Lease, the terms of this Fourth Amendment shall control.

15. **Absence of Interest.** Tenant represents and warrants that no officer, agent, employee, elected official or representative of the District of Columbia, including of the Council of the District of Columbia, has received any payment or other consideration for the making of the Lease, and that no such person has any interest, direct or indirect, in the Lease, or the proceeds thereof or related thereto.

16. **Broker.** Tenant acknowledges and agrees that Tenant shall pay any commission or fee due to Tenant's broker, if any, relating to the Lease pursuant to a separate written agreement. In addition to any other indemnity provided under the Lease, Tenant shall indemnify the District and defend, save and hold the District and all of its officers, agents and servants harmless from

and against any and all claims, liabilities, or demands for payment made by Tenant's broker or agent, or any broker or agent claiming through Tenant, with respect to the Lease.

17. **Authority.** By executing this Fourth Amendment, Tenant represents to the District that: (i) it is authorized to enter into, execute and deliver this First Amendment and perform its obligations hereunder; (ii) this Fourth Amendment is effective and enforceable against Tenant in accordance with its terms; (iii) the person signing on behalf Tenant is duly authorized to execute this Fourth Amendment and thereby bind Tenant; (iv) no other signatures or approvals are necessary in order to make all of the representations of Tenant contained in this Section true and correct in all material respects; (v) Tenant is in good standing in the District of Columbia and shall remain so for the term of the Lease; and (vi) Tenant is in compliance with all District of Columbia laws and regulations applicable to Tenant, including but not limited to laws and regulations pertaining to the District of Columbia Office of Tax and Revenue and the District of Columbia Department of Employment Services, and shall remain so for the term of the Lease.

18. **Severability.** Each provision of the Lease shall be valid and enforceable to the fullest extent permitted by law. If any provision of the Lease 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 the Lease 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.

19. **No Partnership; No Third Party Beneficiaries.** Nothing contained in the Lease shall be deemed or construed to create a partnership or joint venture of or between Tenant and the District, or to create any other relationship between the Parties hereto other than that of landlord and tenant. Nothing contained in the Lease shall be deemed or construed to create any third party beneficiaries. The only entities that the Parties intend to be benefitted by the Lease are Tenant and the District.

20. **Not a Contract for Goods or Services.** The Lease is not intended to be, nor shall it be deemed or construed to be a contract for goods or services. Nothing contained in the Lease, and no future action or inaction by the District under the Lease, shall be deemed or construed to mean that the District has contracted with Tenant to perform any activity at the premises or the property that is not ancillary to the conveyance of an interest in real property. Tenant expressly acknowledges that the District is prohibited by law from entering into contracts for goods and services without following the procedures set forth in the Procurement Practices Reform Act of 2010, D.C. Official Code § 2-351.01, *et seq.*, as may be amended from time to time, or any other applicable procurement authority.

21. **Anti-Deficiency Limitations.** The provisions of this Section hereby supersede any section set forth in the Original Lease relating to the District's anti-deficiency limitations:

(a) Whether expressly or impliedly qualified or limited in any Section of the Lease, the obligations of the District to fulfill any financial obligation pursuant to the Lease or any subsequent agreement entered into pursuant to the Lease to which the District is a party (an "**Other Agreement**"; and together with the Lease, any "**Applicable Agreement**"), or referenced in any Applicable Agreement, are and shall remain subject to the provisions of: (a)

the federal Anti-Deficiency Act, 31 U.S.C. §§ 1341-1351 and 1511-1519 (2004), and D.C. Official Code §§ 1-206.03(e) and 47-105 (2012 Repl.); (b) the District of Columbia Anti-Deficiency Act, D.C. Official Code §§ 47-355.01 et seq. (2012 Repl. and 2014 Supp.) ((a) and (b) collectively, the “**Anti-Deficiency Acts**”); and (c) § 446 of the District of Columbia Home Rule Act, D.C. Official Code § 1-204.46 (2012 Repl.), as each may be amended from time to time and each to the extent applicable to any Applicable Agreement. Pursuant to the Anti-Deficiency Acts, nothing in the Lease 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 under any Applicable Agreement shall not arise or obtain in advance of the lawful availability of appropriated funds for the applicable fiscal year as approved by Congress and the District of Columbia (references in this Section to “District of Columbia” shall mean the District of Columbia as a sovereign entity, and not as a Party to the Lease). During the term of the Lease, the District of Columbia agency authorized and delegated by the Mayor of the District of Columbia to administer the Lease shall, for each corresponding District of Columbia fiscal period, include in the then-current services funding level package a request sufficient to fund the District’s known financial obligations under the Lease for such fiscal period. Tenant 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 of Columbia or Congress to pay any financial obligation under any Applicable Agreement for any period after the District of Columbia fiscal year for which appropriations have been made, and in the event appropriated funds for such purposes are not otherwise lawfully available, the District shall not be liable to make any payment under such Applicable Agreement 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 or the District of Columbia shall have any personal liability in connection with a breach of the provisions of this Section or in the event of a default by the District under any Applicable Agreement.

(d) No Applicable Agreement shall constitute an indebtedness of the District of Columbia nor shall it constitute an obligation for which the District of Columbia is obligated to levy or pledge any form of taxation or for which the District of Columbia has levied or pledged any form of taxation. No Agent of the District is authorized to obligate or expend any amount under any Applicable Agreement unless such amount has been appropriated by Act of Congress and is lawfully available.

[SIGNATURE PAGES FOLLOW]

IN WITNESS WHEREOF, the Parties intending to be legally bound hereby have executed this Fourth Amendment as of the Fourth Amendment Effective Date.

TENANT:

THE LAB SCHOOL OF WASHINGTON,
a District of Columbia non-profit corporation

By: 
Name: Kim Wargo
Title: Head of School

[LAST SIGNATURE PAGE FOLLOWS]

DISTRICT:

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

eSigned via SeamlessDocs.com

Key: 1f2f068c9d45afcb4d8d35f20ca8b3db

By: _____
Keith A. Anderson, Director

The Form of this Fourth Amendment approved as to Legal Sufficiency for the District of Columbia by:
The Office of the General Counsel for the Department of General Services

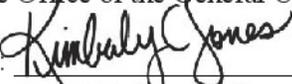
By:  _____
Assistant General Counsel

EXHIBIT A

FORM OF DECLARATION OF RENT ABATEMENT

DECLARATION OF RENT ABATEMENT

THIS DECLARATION OF RENT ABATEMENT (this “**Declaration**”) is: (i) entered into pursuant to that certain Deed of Lease Agreement for Improved Real Property dated January 30, 1998 between _____, a(n) _____ (“**Tenant**”), and the DISTRICT OF COLUMBIA, a municipal corporation, acting by and through its Department of General Services (“**Landlord**”; and such lease, as amended, the “**Lease**”); and (ii) made effective as of _____, 20__ (the “**Declaration Effective Date**”).

Capitalized terms used, but not defined, herein shall have the meanings ascribed to them in the Lease. Landlord and Tenant do hereby agree and confirm that:

- (a) The date of Completion of the Capital Alterations is _____, 20____;
- (b) The final accounting of the Construction Costs for the Capital Alterations is set forth in “Schedule 1”, attached hereto and made a part hereof; and
- (c) The Fourth Amendment Extension Period Rent Credit is in the total amount of \$_____.

[SIGNATURE PAGES AND SCHEDULE FOLLOW]

EXECUTION VERSION

IN WITNESS WHEREOF, Landlord and Tenant have caused their respective duly authorized representative to execute and deliver this Declaration to be effective as of the Declaration Effective Date.

LANDLORD:

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

By: _____
Name: _____
Title: _____

Approved as to Legal Sufficiency for the District of Columbia by:
The Office of the General Counsel for the Department of General Services

By: _____
[Senior/Assistant] General Counsel

[LAST SIGNATURE PAGE AND SCHEDULE FOLLOW]

EXECUTION VERSION

TENANT:

_____,
a(n) _____

By: _____

Name: _____

Title: _____

[SCHEDULE FOLLOWS]

SCHEDULE 1

(To Declaration of Rent Abatement)

**FINAL ACCOUNTING OF THE CONSTRUCTION COSTS
FOR CAPITAL ALTERATIONS**

(Attach)