

This SECOND AMENDMENT TO LEASE AGREEMENT ("Second Amendment") amends that certain Lease Agreement by and between F.R.O. L.L.C. VII, a Maryland limited liability company ("Landlord") and the Wake County Board of Education, a body corporate of Wake County, North Carolina ("Tenant"), executed by Landlord on February 6, 2006 and by Tenant on February 13, 2006, as amended by an Amendment to Lease executed by Tenant on August 1, 2008 and by Landlord on August 31, 2008 (the "Lease").

1. Exercise of Renewal Option. This Second Amendment shall constitute notice of the exercise by Tenant of the first one-year renewal option provided for in Section 2.3 of the Lease. By its execution below, Landlord acknowledges timely receipt of notice of renewal thereunder. Accordingly, subject to Section 2 below, the Rent for the period July 1, 2016 to June 30, 2017 will be Five Hundred Eight Thousand Four Hundred Seventy-Three and Six One-Hundredths Dollars (\$508,473.06) per annum (or \$9.69/ft.) (based upon 102% of the prior Lease Year's Rent of Four Hundred Ninety-Eight Thousand Five Hundred Three Dollars (\$498,503.00) per annum or \$9.50/ft.).

2. Extension. Notwithstanding the provisions of Section 1 above, if, not later than March 15, 2016, Tenant notifies Landlord in writing that Tenant has obtained the approval of the Wake County Board of Commissioners and the North Carolina Local Government Commission (together, the "Other Governmental Authorities") to the terms of this Section 2, then the provisions of this Section 2 shall apply and the provisions of Section 1 above shall be of no force and effect, and the Lease shall be amended to add a new Section 8.14 as follows:

"Section 8.14

Tenant shall have the option by notice to Landlord on or before March 15, 2016 to extend the initial Term of the Lease for the ten (10)-year period from July 1, 2016 to June 30, 2026 (the "Ten-Year Period"). Rent for the Ten-Year Period, if this election is made, shall be Four Hundred Ninety-Eight Thousand Five Hundred Three Dollars (\$498,503.00) per Lease Year (based on \$9.50/ft. per annum for the first five (5) years of the Ten-Year Period (*i.e.*, from July 1, 2016 to June 30, 2021)) and Five Hundred Twenty-Four Thousand Seven Hundred Forty Dollars (\$524,740.00) per Lease Year (based on \$10.00/ft. per annum for the second five (5) years of the Ten-Year Period (*i.e.* from July 1, 2021 to June 30, 2026)) payable in each case on a triple net basis and annually in advance on July 15th of each Lease Year during the Ten-Year Period, commencing July 15, 2016. In the event this option is exercised, the Tenant shall continue to enjoy Renewal Options as provided in Section 2.3 of the Lease, commencing, however on July 1, 2026 (instead of July 1, 2016) and extending until June 30, 2031 if all five one (1)-year renewal periods are exercised by Tenant; subject in each case to not less than six (6) months written notice prior to the expiration of the applicable Term to Landlord of Tenant's intent to exercise one or more remaining renewal periods in

each case, and in each case, Rent for each Lease Year in a renewal period to be at one hundred two percent (102%) of the prior Lease Year's Rent."

The obligations of Landlord under this Section 2 are contingent in their entirety on Landlord's obtaining consent of its lender, which Landlord will promptly and in good faith request. Tenant will promptly and in good faith seek consent of the Other Governmental Authorities to the terms of this Section 2 as well.

3. Alterations. The first sentence of Section 5.4 of the Lease is amended and restated in its entirety as follows:

"Section 5.4

Tenant may make any non-structural alterations, changes, improvements or additions to the Leased Premises without Landlord's consent, provided the same are performed in a manner that does not give rise to liens or encumbrances and is in compliance with all applicable legal requirements, requirements of applicable insurance carriers and do not constitute waste. Without limiting the generality of the foregoing, roof and window repairs and replacements shall not be considered structural, and Landlord will not unreasonably withhold its consent to structural alterations if permission to make the same by Tenant is sought by Tenant in writing in advance of each case."

4. Landlord's Address. In confirmation of Landlord's previous notification of its change of address as provided to Tenant, the first paragraph of Section 1.1.1. of the Lease is amended and restated in its entirety as follows:

"Section 1.1.1. LANDLORD'S ADDRESS: FRO LLC, VII
c/o James Hastings, CPA
305 Piping Rock Drive
Silver Spring, MD 20905"

5. Ratification. Except as otherwise provided herein, the Lease is ratified and confirmed. Capitalized terms used but not defined herein shall have the meanings given them in the Lease.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, Landlord and Tenant have executed this Second Amendment under seal as of the Second Amendment effective date.

LANDLORD:

F.R.O., L.L.C. VII,
a Maryland limited liability company

By: FRO Wisconsin Associates, LLC
a Delaware limited liability company, its managing
member

By: 5225 Wisconsin Associates, L.P.
a District of Columbia limited partnership, its sole
member

By: FRO Enterprises LLC,
a Delaware limited liability company, its
managing general partner

By: _____
Beth Ourisman Glassman
Managing Member

TENANT:

ATTEST:

WAKE COUNTY BOARD OF EDUCATION

By: _____
James G. Merrill, Secretary

By: _____
, Chair