

Tax Escalation Clause

It is mutually understood and agreed that the rent herein reserved is based in part upon the payment by the lessor of general real estate taxes upon the land and the building appurtenant thereto in the sum of \$ \* per annum. It, therefore, is agreed that there shall be a readjustment of the rent hereby reserved in each year of ~~the term~~ hereby demised on the following basis:

**renewal options**

**renewal options**

In the event that the amount of the general real estate taxes levied on said land and building for any tax year or part thereof within the ~~term~~ hereby demised shall be levied at a rate greater than \$ \* per annum, then after the lessor has paid such taxes the Government shall pay the lessor upon demand, accompanied by satisfactory proof as to correctness of the claim as additional rent due hereunder a sum equal to such excess; or in the event that the amount of general real estate taxes levied on said land and building for any tax year or part thereof within the ~~term~~ hereby demised shall be levied at a rate less than \$ \* per annum, the rent due hereunder shall be decreased by the amount of such decrease, it being understood that said readjustment of rent shall be made in each year of the ~~term~~ **renewal options** hereby demised, ~~including the option of lease renewal options~~. The lessor shall furnish the Government copies of all notices which may affect the valuation of said land and building for general real estate tax purposes or which may affect the levy or assessment of general real estate taxes thereon. Such copies shall be delivered or mailed within three days from the receipt thereof by the lessor to the Assistant Postmaster General, Bureau of Facilities, Post Office Department, Washington 25, D. C., or to such other officer as he may in writing direct. The Government may contest the amount of validity of any valuation for general real estate tax purposes or of any levy or assessment of any general real estate taxes by appropriate legal proceedings either in the name of the Government or the name of the lessor or in the names of both. The lessor upon reasonable notice and request by the Government shall join in any such proceeding, but the lessor shall not be subject to any liability for the payment of any liabilities, costs or expenses in connection with any proceeding brought by the Government and the Government hereby covenants to indemnify and save harmless the lessor from any such liabilities, costs or expenses. The lessor shall cooperate with the Government in any such contest or proceeding and execute any documents or pleadings required for such purpose provided the lessor shall reasonably be satisfied that the facts and data set forth in such documents or pleadings are accurate.

\*The amount to be applicable in this space is the amount of real estate taxes assessed and paid during the first full assessment year of the prime lease term.