



UNITED STATES  
CIVILIAN BOARD OF CONTRACT APPEALS

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GRANTED: February 19, 2026

CBCA 8555

GIP INDIANAPOLIS, LLC,

Appellant,

v.

GENERAL SERVICES ADMINISTRATION,

Respondent.

Diana Parks and Hadeel N. Masseoud of Curran Legal Services Group, Inc., Marietta, GA, counsel for Appellant.

Jennifer S. Scott, Office of General Counsel, General Services Administration, Washington, DC, counsel for Respondent.

Before Board Judges **ZISCHKAU** and **NEWSOM**.

**ZISCHKAU**, Board Judge.

Appellant, GIP Indianapolis, LLC (GIP), appeals the decision of respondent, General Services Administration (GSA), denying GIP's claim for reimbursement of amounts withheld from rent payments. GIP elected disposition of this appeal under the accelerated procedure in Board Rule 53, 48 CFR 6101.53 (2024), and the parties agreed to resolve the appeal on the written record under Board Rule 19. GSA argues that it properly recalculated the monthly rent payments based on an analysis of the annual consumer price index (CPI) and the timing of the calculations for the base operating rent. GIP argues that GSA's recalculation ignores the plain terms of the bilateral lease amendments which specified the

actual amount of the base operating rent. We agree with GIP and conclude that GSA must reimburse GIP for the amount of the rent it withheld plus applicable interest.

### Background

The parties submitted into the record a joint statement of stipulated facts (JSSF), which forms the basis for our findings in this matter.

GIP and GSA entered into lease number GS 05B-LIN17060/GS-05B17060 (the lease) concerning the property located on Lakeside Boulevard in Indianapolis, Indiana, on August 1, 2002. JSSF ¶ 1. Paragraph 12 of the base lease states that operating cost adjustments would be computed based on a base rate of \$3.10 per rentable square foot (RSF). *Id.* ¶ 2. Section 3.4 of the Solicitation for Offers (SFO), which was made a part of the lease, governs the calculation of adjusted rent for changes in operating costs, stating that:

The amount of adjustment will be determined by multiplying the base rate by the percent of change in the Cost of Living Index. The percent change will be computed by comparing the index figure published in the month of the lease commencement date with the index figure published in the month which begins each successive 12-month period.

*Id.* ¶ 3. Section 3.5 states that “[t]he base for the operating costs adjustment will be established during negotiations based upon [American National Standards Institute (ANSI)/Building Owners and Managers Association (BOMA)] Office Area square feet.” *Id.* ¶ 4. The original ten-year lease was extended through various lease amendments. Lease amendment 14 was executed on September 26, 2018, reflecting a reduction in leased space and amending paragraph 12 of the lease, stating:

Paragraph 12 of the lease is hereby amended by deleting the existing text in its entirety and replacing it with the following in lieu thereof:

12. For the purposes of computing future operating cost adjustments in accordance with the section entitled ‘OPERATING COSTS, (SEP 2000),’ it is mutually agreed that effective November 1, 2018, the base rent from which future adjustments shall be made is \$5.50 per rentable square foot. No operating cost adjustment shall be made on November 1, 2018; the next time an operating cost adjustment shall be completed is on November 1, 2019.

*Id.* ¶ 5.

Lease amendment 17, which was executed on January 23, 2023, slightly reduced the RSF; specified adjusted operating costs of \$366,168.15; specified adjusted annual rent of \$1,104,976.15; and specified an operating cost base of \$5.50 per RSF by stating:

OPERATING COST BASE FOR PURPOSES OF ADJUSTMENT REMAINS \$5.50 per RSF. THE OPERATING COST BASE WILL CONTINUE TO BE ADJUSTED IN ACCORDANCE WITH SFO PARAGRAPH 3.4 OPERATING COSTS (SEP 2000) OF THE LEASE.

JSSF ¶ 6.

Lease amendment 18, which was executed on August 31, 2023, specified adjusted operating costs of \$366,168.15, and specified an operating cost base of \$5.50 per RSF by stating:

OPERATING COST BASE FOR PURPOSES OF ADJUSTMENT REMAINS \$5.50 per RSF. THE OPERATING COST BASE WILL CONTINUE TO BE ADJUSTED IN ACCORDANCE WITH PARAGRAPH 3.4 OPERATING COSTS (SEP 2000) OF THE LEASE.

OPERATING COSTS CITED IN THE TABLE ABOVE REFLECT ADJUSTMENT AS OF August 1, 2022.

JSSF ¶ 7.

Lease amendment 19 was executed on July 26, 2024, and specified adjusted operating costs of \$378,826.24, from July 26 to October 31, 2024, and \$378,826.24, from November 1, 2024, to October 31, 2029, and further stated that:

OPERATING COST BASE FOR PURPOSES OF ADJUSTMENT REMAINS \$5.50 PER RSF. THE OPERATING COST BASE WILL CONTINUE TO BE ADJUSTED IN ACCORDANCE WITH PARAGRAPH 3.4 OPERATING COSTS (SEP 2000) OF THE LEASE.

OPERATING COSTS CITED IN THE TABLE ABOVE REFLECT ADJUSTMENT AS OF August 1, 2023.

JSSF ¶ 8. GIP received rent payments from GSA during the time period of lease amendments 17, 18, and 19, based on the adjusted operating costs specified in those lease amendments.

GSA issued a demand letter in October 2024, which notified GIP of an overpayment and which attempted to collect a debt in the amount of \$63,671.57. JSSF ¶ 9. The demand letter states: “PER [lease amendment] 14 Paragraph B (10) effective 11/1/18 there was to be a new operating cost and will not be adjusted till 11/1/19. GSA processed the 2018 CPI and subsequent CPI adjustments using the wrong index.” *Id.* GSA’s demand letter further stated that “[t]he payment office may initiate procedures, in accordance with applicable statutory and regulatory requirements, to offset the debt against any payments otherwise due to you.” *Id.* ¶ 10. On November 1, 2024, GIP disputed the debt. *Id.* ¶ 11. On November 18, 2024, GSA verified the debt according to its interpretation of the lease. *Id.* ¶ 12. On December 31, 2024, GSA issued a “Final Notice” attempting to collect the debt. *Id.* ¶ 13.

The 2025 annual rent, reflecting adjusted operating costs, under lease amendment 19 is \$1,264,417.12, which separates out to \$105,372.59 per month. JSSF ¶ 14. GIP received rental payments in the amount of \$49,535.69, \$81,978.04, and \$104,737.16 for March, April, and May 2025, respectively. *Id.* ¶ 15. On June 3, 2025, GIP submitted a claim to the GSA contracting officer seeking recovery of GSA’s unilateral withholding from rent in the amount of \$83,397.82, plus legal fees. *Id.* ¶ 16. The contracting officer issued a final decision denying GIP’s claim on July 28, 2025. *Id.* ¶ 17. In the final decision, the contracting officer stated as follows:

[B]ased on GSA’s re-review of rent payments from November 1, 2018, through projected August 1, 2025, rent payment, the total overpayment was \$94,023.43. . . . Of this amount, partial rent withholds from March and April 2025 rent totaled \$76,630.28. The rent was still being slightly overpaid while GSA is paused in its recovery efforts and rent May-July 2025 has been overpaying monthly in the amount of \$665.15. Therefore, a final withhold of \$18,723.46 will be applied to the August 2025 rent.

*Id.* ¶ 18.

GIP filed a notice of appeal with the Board on August 15, 2025, and, in its notice, elected the accelerated procedure. The parties dispute the basis of GSA’s withholding from rental payments made to GIP. JSSF ¶ 19.

### Discussion

GSA claims that the adjusted operating costs included in lease amendments 17, 18, and 19 are incorrect due to two separate computation errors made by the GSA personnel who prepared those lease amendments. As a result of those errors, GSA states that it mistakenly overpaid adjusted operating costs to GIP as part of monthly rent payments starting in August

2019. The first error, according to GSA, was that its personnel incorrectly used the 2002 CPI from the original lease rather than the 2018 CPI called for by lease amendment 14. The second error made by GSA was that it used the month of August, rather than November, for applying operating cost escalations to each subsequent lease option year even though, according to GSA, lease amendment 14 changed the base month to November. GSA states that, as of October 2024, the miscalculations resulted in overpayments of \$63,671.57. GSA further indicates that, after October 2024, overpayments continued, resulting in additional overpayments of \$30,351.86 through August 2025. GSA states that the total mistaken overpayments equal \$94,023.43. GSA does not assert any misconduct on the part of GIP. Rather, GSA asserts that it made calculation errors on multiple occasions which caused it to include incorrect adjusted operating cost rent amounts in lease amendments 17, 18, and 19.

GIP argues that the plain language of the lease agreement and amendments entitle it to recover the deductions that GSA made to its rent payments because bilateral lease amendments 17, 18, and 19 establish the precise amount of the operating cost adjustments and total rent payments agreed to by the parties as calculated by GSA. GIP states that GSA may not now challenge the amounts bilaterally and expressly agreed to in the lease amendments or unilaterally reform those agreements.

Contract interpretation begins with the plain language of the agreement, and where the terms are clear and unambiguous, “they must be given their plain and ordinary meaning, and we may not resort to extrinsic evidence to interpret them.” *Coast Federal Bank, FSB v. United States*, 323 F.3d 1035, 1038 (Fed. Cir. 2003) (en banc) (citing *McAbee Construction, Inc. v. United States*, 97 F.3d 1431, 1435 (Fed. Cir. 1996)). The parties have requested a decision on the written record under Board Rule 19. This is especially appropriate because the material facts have been stipulated and the interpretation of contract modifications, including lease amendments, is a question of law. *See CESC Mall, LLC v. General Services Administration*, CBCA 7359, et al., 22-1 BCA ¶ 38,226, at 185,651 (citing *Varilease Technology Group, Inc. v. United States*, 289 F.3d 795, 798 (Fed. Cir. 2002)).

We agree with GIP that lease amendments 17, 18, and 19 unambiguously establish both the operating cost rent and the operating cost base and therefore control the parties’ rent obligations for the relevant lease periods. Each amendment restates the \$5.50 per RSF operating cost base established in lease amendment 14 and sets a specific, fixed operating cost base for the applicable lease period. For example, lease amendment 17 specified adjusted operating costs of \$366,168.15; specified adjusted annual rent of \$1,104,976.15; and specified an operating cost base of \$5.50 per RSF. We have carefully considered GSA’s argument that it incorrectly calculated these operating rent components which were incorporated into the lease amendments it prepared. However, given that both parties signed these lease amendments, GSA cannot unilaterally undo the agreements into which it and GIP

entered. Because GSA and GIP executed bilateral modifications fixing future rent in definite dollar amounts, those agreements supersede any prior methodology or assumptions used to derive those figures. *See Amertex Enterprises, Ltd. v. United States*, No. 90-684C, et al., 1995 WL 925961 (Fed. Cl. Dec. 15, 1995), *aff'd*, 108 F.3d 1392 (Fed. Cir. 1997) (table); *Williams Building Co. v. Department of State*, CBCA 6650, et al., 23-1 BCA ¶ 38,328, at 186,124-25, *aff'd*, No. 2023-2337, 2025 WL 2057994 (Fed. Cir. July 23, 2025). Even if lease amendment 14 originally modified the base lease escalation methodology, its terms cannot override the later, more specific bilateral lease amendments 17, 18, and 19 that expressly established operating cost rent. Because the plain and unambiguous terms of lease amendments 17, 18, and 19 control, we enforce those amendments as written.

### Decision

We **GRANT** the appeal. GIP is entitled to recover the amounts that GSA wrongly withheld, plus applicable interest under the Contract Disputes Act (CDA), 41 U.S.C. § 7109 (2018), running from June 3, 2025.

*Jonathan D. Zischkau*  
JONATHAN D. ZISCHKAU  
Board Judge

I concur:

*Elizabeth W. Newsom*  
ELIZABETH W. NEWSOM  
Board Judge