

U.S. GOVERNMENT
LEASE FOR REAL PROPERTY

DATE OF LEASE

May 24, 2010

LEASE NO.

GS-03B-09460

THIS LEASE, made and entered into this date by and between Forty Seven Hundred LP and IMD Forty Seven Hundred, LLC

whose address is:

101 Richardson Street
Brooklyn, NY 11211-1344

and whose interest in the property hereinafter described is that of

hereinafter called the Lessor, and the UNITED STATES OF AMERICA, hereinafter called the Government:

WITNESSETH: The parties hereto for the consideration hereinafter mentioned, covenant and agree as follows:

1. The Lessor hereby leases to the Government the following described premises:

8,057 Rentable Square Feet yielding 7,130 ANSI/BOMA Office Area square feet and related space located on the First Floor, at the Philadelphia Design and Distribution Center at 4700 Wissahickon Avenue, Philadelphia, PA 19144-4248 together with three reserved surface parking spaces, as depicted on Exhibit A (attached), to be used for such purposes as determined by the General Services Administration.

2. TO HAVE AND TO HOLD the said premises with their appurtenances for the term beginning on

See Lease Rider Paragraph 13 through See Lease Rider Paragraph 13, subject to termination and renewal rights as may be hereinafter set forth.

3. The Government shall pay the Lessor annual rent of \$ See Lease Rider Paragraph 13 at the rate of See Lease Rider Paragraph 13 per month in arrears. Rent for a lesser period shall be prorated. Rent checks shall be made payable to: Forty Seven Hundred LP, 101 Richardson Street, Brooklyn, NY 11211-1344.

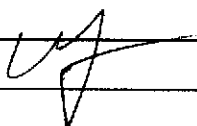
The Government may terminate this lease in whole or in part effective at any time after the third full year of occupancy by giving at least 90 days notice in writing to the Lessor and no rental shall accrue after the effective date of termination. Said notice shall be computed commencing with the day after the date of mailing.

5. This lease may be renewed at the option of the Government, for the following terms and at the following rentals:

One two year period at the annual rental of \$119,071.00, plus accrued operating cost escalations (\$11.50 per ABOA square foot per shell rent and \$5.20 per ABOA square foot per operating rent plus accrued operating cost escalations) provided notice be given in writing to the Lessor at least 180 days before the end of the original lease term; all other terms and conditions of this lease shall remain the same during any renewal term. Said notice shall be computed commencing with the day after the date of mailing.

Continued on Page 2

Lessor



Government



Page

1

of

66

6. The Lessor shall furnish to the Government, as part of the rental consideration, the following:

A. All services, utilities, maintenance, operations, and other considerations as set forth in this lease.

7. The following are attached and made a part hereof:

A. Rider to Lease GS-03B-09460

B. Solicitation for Offers # 9PA2191

C. GSA Form 3517, "General Clauses"

D. GSA Form 3518, "Representations and Certifications"

E. Floor Plan Exhibit A

The area was intentionally left blank

IN WITNESS WHEREOF, the parties hereto have hereunto subscribed their names as of the date first above written.

LESSOR Forty Seven Hundred LP and IMD Forty Seven Hundred, LLC

BY

(Signature)

(Signature)

IN PRESENCE OF:

(Signature)

(Address)

UNITED STATES OF AMERICA

GENERAL SERVICES ADMINISTRATION, PUBLIC BUILDINGS SERVICE

BY

(Signature)

Contracting Officer

(Official title)

STANDARD FORM 2
AUGUST 2009 EDITION

Lessor

Government

Page

2

of

66

8. In no event shall the lessor enter into negotiations concerning the space leased with representatives of Federal agencies other than Contracting Officers and their designated representatives of the General Services Administration.

9. The total percentage of space occupied by the Government under the terms of the lease is equal to 3.5% percent of the total space available in the lessor's building, and will be used as the basis for computing the Government's pro-rata share of real estate taxes, as defined in the Annual Real Estate Tax Escalation Clause. The percentage of occupancy is derived by dividing the total Government space of 8,057 rentable square feet by the total building space of 228,000 rentable square feet.


10. Common Area Factor

The Common Area Factor of this building for this Government lease that is applied to the ANSI/BOMA Office Area square feet (ABOA) to determine the rentable square feet is 1.130014025 (8,057 RSF/7,130 ABOA SF).

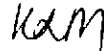
11. For purposes of determining the base rate for future adjustments to the operating cost, the Government agrees that the base rate of \$5.20 per ANSI/BOMA Office Area (ABOA) square foot, is acceptable. This figure includes the Government's pro-rata share of operating costs.

12. Notwithstanding any other provision of this agreement requiring the Government to give notice to exercise any option contained herein for extension of the lease for additional space in the facility, or for purchase of the facility, the lessor shall notify the Contracting Officer, in writing, at least thirty (30) calendar days and no more than sixty (60) calendar days prior to the time the option must be exercised. In the event the lessor fails to notify the Government, as required by this paragraph, the Government shall have the right to exercise the option at anytime prior to the expiration of the lease. If GSA exercises the option to renew the lease, said rental will be based on the amount of operating cost adjustments accrued up to date of renewal and calculation on the basis of the new adjusted base rate for services and utilities.

Lessor



Government



Page

3

of

66

RIDER TO LEASE GS-03B-09460

13. Lessor shall complete the building shell as defined in the lease and complete all alterations, improvements, and repairs required by this lease, and deliver the leased premises ready for occupancy by the Government within 90 calendar days from the date of notice to proceed with the construction of the tenant improvements. When Lessor has completed all such alterations, improvements, and repairs, Lessor shall promptly notify the Contracting Officer, who shall promptly cause the same to be inspected.

Upon the date of completion of such alterations, improvements, and repairs and inspection and acceptance by the Government, the term of this lease shall commence and shall continue for five consecutive calendar years. The commencement date shall be more particularly set forth by a Supplemental Lease Agreement.

Upon acceptance of the leased premises by the Government, the same shall be measured and rental shall be paid, in accordance with Paragraph 4.1 of the lease, "Measurement of Space" and Paragraph 27 General Clauses, GSA Form 3517, "Payment" at the rate of:

Years 1 through 3:

Total Rent: \$32.32 per ANSI/BOMA Office Area Square Foot (ABOA).

Shell Rent: \$13.56 per ANSI/BOMA Office Area Square Foot (ABOA),

Amortized annual cost for Tenant Improvement Allowance*: \$13.56 per ANSI/BOMA Office Area Square Foot (ABOA),

Interest rate at which Tenant Alterations are amortized: 0%

Annual Cost of Services: \$5.20 per ANSI/BOMA Office Area Square Foot (ABOA), plus accrued escalations per Paragraph {Paragraph Number}, "Operating Costs"

Lessor  Government 

Page 4 of 66

Years 4 and 5:

Total Rent: \$18.76 per ANSI/BOMA Office Area Square Foot (ABOA).

Shell Rent: \$13.56 per ANSI/BOMA Office Area Square Foot (ABOA),

Annual Cost of Services: \$5.20 per ANSI/BOMA Office Area Square Foot (ABOA), plus accrued escalations per Paragraph {Paragraph Number}, "Operating Costs"

*The rent shall be adjusted downward if the Government does not utilize the entire Tenant Improvement Allowance of \$290,048.40 or \$40.68 per ANSI/BOMA Office Area Square Foot, which is included in the rent, using the 0% amortization rate over the firm term of three years. The Government, at its election, may pay lump sum for Tenant Improvements.

If the Government spends more than the allowance identified above, the Government reserves the right to 1) reduce the Tenant Improvement requirements, 2) pay lump sum for the overage upon completion and acceptance of the improvements, or 3) increase the rent according to the negotiated amortization rate over the firm term of the lease.

14. In accordance with Paragraph 3.4, "GSA Forms and Pricing Information" of the Lease, the overhead and profit charged by the Lessor for Tenant Improvements requested by the Government is 3% of Total Construction costs.

15. In accordance with Paragraph 4.6, "Overtime Usage", of the lease, the additional cost to the Government for overtime use of Government leased space is \$25.00 per hour.

16. In accordance with Paragraph 4.4, "Adjustment for Vacant Premises", of the lease, if the Government fails to occupy any portion of the lease premises or vacates the premises in whole or in part prior to expiration of the terms of the lease, the rental rate for the vacated portion of the space will be reduced by \$2.66 per ANSI/BOMA Office Area square foot.

Lessor W Government WLM

Page 5 of 66

RIDER TO LEASE GS-03B-09460

17. It is understood and agreed that the Government retains title to all removable property covered by this agreement and may remove same if so desired. In the event such are not removed by the Government at the end of this lease term, or any extension thereof, title shall vest in the Lessor and all right of restoration waived.

18. Definitions:

- A. Where the word "Offeror" appears it shall be considered "Lessor"
- B. Where the word "should" appears it shall be considered to be "shall"
- C. Where the word(s) "Solicitation" or "Solicitation for Offers" appears it shall be considered to be "Lease"

Lessor



Government



Page

6

of

66