

Bldg #: PA0861

STANDARD FORM 2
FEBRUARY 1965 EDITION
GENERAL SERVICES
ADMINISTRATION
FPR (41 CFR) 1-16.601

U.S. GOVERNMENT
LEASE FOR REAL PROPERTY

DATE OF LEASE August 4, 2009

LEASE NO.
GS-03B-09042

THIS LEASE, made and entered into this date by and between

Linlo Properties III, LP

whose address is 1013 Mumma Road
Suite 100
Lemoyne, PA 17043

and whose interest in the property hereinafter described is that of owner

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:

Approximately 3,454 ANSI/BOMA Office Area square feet, or 3,885 rentable square feet of office and related space on third (3rd) floor of The Vista Plaza, 1215 Manor Drive, Mechanicsburg, PA, 17055. In addition to the foregoing, Lessor shall provide an additional 473 rentable square feet of free space within the Government's suite at no cost to the Government (the "free space"), such that the shell rent, operating costs and tenant improvement allowance shall not be attributable to the free space.

to be used for as may be determined by the General Services Administration (GSA)

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

See Rider Paragraph 13 through See 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 Rider Paragraph 13 at the rate of \$ See Rider Paragraph 13 per See Rider Paragraph 13 in arrears.

Rent for a lesser period shall be prorated. Rent checks shall be made payable to: Linlo Properties III, LP, 1013 Mumma Road, Suite, 100, Lemoyne, PA 17043.

4. The Government may terminate this lease at any time after the fifth (5th) 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:

Not Applicable

provided notice be given in writing to the Lessor at least days before the end of the original lease term or any renewal 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.

SCANNED

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-09042
- B. Solicitation for Offers (SFO) #8PA2100
- C. SFO Amendment No 1
- D. General Clauses (GSA Form 3517)
- E. Representations and Certifications (GSA Form 3518)
- F. Floorplan - 3/17/08

8. The following changes were made in this lease prior to its execution:

NOT APPLICABLE

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

LESSOR, LINLO PROPERTIES III LP

BY Lowell R. Carter, Member 08/07/09
(Signature) (Signature)

IN PRESENCE OF: Linlo Management C, LLC, Gen. Pt.

Linda L. Peller
(Signature)

1013 MUMMA RD #100

LEMOYNE PA 17043
(Address)

UNITED STATES OF AMERICA GENERAL SERVICES ADMINISTRATION (GSA), Public Buildings Service (PBS)

BY Donna J. Kiniry
(Signature)

Contracting Officer
(Official title)

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9. 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.

10. The total percentage of space occupied by the Government under the terms of the lease is equal to 9.7125% 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 3,885 rentable square feet by the total building space of 40,000 rentable square feet.

11. 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 1.1247828 (3,885 RSF/3,454 ABOA SF).

12. For purposes of determining the base rate for future adjustments to the operating cost, the Government agrees that the base rate quoted on the "Lessor's Annual Cost Statement", (GSA Form 1217) dated, July 14, 2009, which is \$3.81 per ANSI/BOMA Office Area (ABOA) square foot, is acceptable. This figure includes the Government's pro-rata share of operating costs. The Government retains the right to inspect and review the Lessor's records to verify the costs listed on the GSA Form 1217 and/or to require a certified audit report. The basis for annual operating costs escalations will be the revised U.S. All Cities Average Consumer Price Index for Wage Earners and Clerical Workers.

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 120 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 10 consecutive calendar years. The

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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 5:

Shell Rent: \$50,505.00 per year or \$14.62 per ANSI/BOMA Office Area Square Foot (ABOA),

Amortized annual cost per ABOA for Tenant Improvement

Allowance*: \$27,704.63 per year or approximately \$7.14 per ANSI/BOMA Office Area Square Foot (ABOA)

Interest rate at which Tenant Alterations are amortized: 5%

Annual Cost of Services: \$13,170.15 per year or \$3.81 per ANSI/BOMA Office Area Square Foot (ABOA), plus accrued escalations per Paragraph 3.4, "Operating Costs"

Years 6 through 10:

Shell Rent: \$50,505.00 per year or \$14.62 per ANSI/BOMA Office Area Square Foot (ABOA),

Annual Cost of Services: \$13,170.15 per year or \$3.81 per ANSI/BOMA Office Area Square Foot (ABOA), plus accrued escalations per Paragraph 3.4, "Operating Costs"

*The rent shall be adjusted downward if the Government does not utilize the entire Tenant Improvement Allowance of \$122,340.68 or \$35.42 per ANSI/BOMA Office Area Square Foot, which is included in the rent, using the

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5% amortization rate over the firm term of 5 years. The Government, at its election, may pay lump sum for Tenant Improvements. If this occurs, the rent shall be reduced proportionately using the 5% amortization rate.

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.

All rights, responsibilities, and obligations that bind the Lessor and Government under this lease agreement, including the General Clauses, and any other attachments hereto, shall pertain to the entire space under lease, including the free space, except that the Tenant Improvement Allowance shall not apply to the free space nor shall the Government be required to pay shell rent or operating costs attributable to the free space.

14. In accordance with Paragraph 1.9, "Tenant Improvements Included in Offer" of the Lease, the overhead and profit charged by the Lessor for Tenant Improvements requested by the Government is 0% of Total Construction costs.

15. In accordance with Paragraph 7.3, "Overtime Usage", of the lease, the additional cost to the Government for overtime use of Government leased space is \$3.00 per hour.

16. In accordance with Paragraph 3.11, "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 \$3.81 per ANSI/BOMA Office Area square foot.

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:

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- 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"

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