

STANDARD FORM (SF-2) FEBRUARY 1965 EDITION GENERAL SERVICES ADMINISTRATION FPR (41CFR) 1-16.601	U.S. GOVERNMENT LEASE FOR REAL PROPERTY
DATE OF LEASE: <u>1/5/11</u>	LEASE NO: <u>GS-O4B-61019</u>

THIS LEASE, made and entered into this date by and between SL Winston Salem, LLC

Whose address is: 601 West 26th Street, Suite 1260
New York, NY 10001-1101

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 considerations hereinafter mentioned, covenant and agree as follows:

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

A total of 90,280 rentable square feet (RSF) of office and related space, which yields 78,618 ANSI/BOMA Office Area square feet (ABOASF) and 5 reserved surface parking spaces in the Wachovia Center located at 100 North Main Street, Winston Salem, North Carolina 10001-1101.

2. TO HAVE AND TO HOLD the said premises with their appurtenances for the ten (10) years, eight (8) years firm, subject to termination and renewal rights as may be hereinafter set forth. The Lessor shall deliver the premises to the Government substantially complete no later than one hundred (100) calendar days subsequent to the Government's Notice to Proceed.

3. The Government shall pay the lessor annual rent for the entire term, monthly, in arrears, as follows:

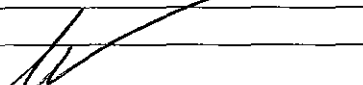
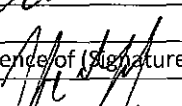
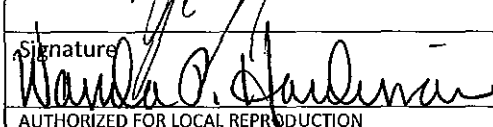
TERM	SHELL RENT	OPERATING RENT	TENANT IMPROVEMENT	ANNUAL RENT	PRSF RATE	PUSF RATE
5/1/2011-4/30/2017	\$1,185,996.35	\$416,190.80	\$548,282.45	\$2,150,469.60	\$23.82	\$27.35
5/1/2017-4/30/2021	\$1,479,689.20	\$416,190.80	\$0.00	\$1,895,880.00	\$21.00	\$24.12

The rental rate is subject to the Government's measurement of plans submitted by the Lessor or a mutual on-site measurement of the space and will be based on the rate, per BOMA rentable square feet (PRSF) as noted above, in accordance with Clause 23 (PAYMENT), GSA Form 3517, General Clauses. The lease contract and the amount of rent will be adjusted accordingly. Rent for a lesser period shall be prorated. Rent checks shall be made payable to:

SL Winston Salem
601 West 26th Street, Suite 1260
New York, NY 10001-1101


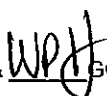
4. The DUNS number for this leasing entity is 829503064.

5. The Government may terminate this lease in whole or in part at any time after the eighth lease year by giving at least one hundred fifty (150) 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.

LESSOR	
Signature 	Name of Signer <u>Mark Karasick</u>
ADDRESS <u>601 W. 26th St. NY NY 10001</u>	
In the Presence of (Signature) 	Name of Signer <u>Josef Goldberger</u>
UNITED STATES OF AMERICA	
Signature 	Name of Signer <u>Wanda P. Hardiman</u>
AUTHORIZED FOR LOCAL REPRODUCTION Previous edition is not usable	OFFICIAL TITLE OF SIGNER: <u>Contracting Officer</u>
STANDARD FORM 2 (REV. 12/2006) PRESCRIBED BY GSA - FPR (41 CFR) 1-16.60	

6. The Following are attached and made a part hereof:
 - a. Solicitation for Offers ONC2063 dated 8/26/2010 (Pages 1-52, PLUS Special Space Requirements)
 - b. GSA Form 3517 entitled GENERAL CLAUSES (Rev. 11/05) (Pages 1-2)
 - c. GSA Form 3518 entitled REPRESENTATIONS AND CERTIFICATIONS (Rev. 1/07) (Pages 1-7)
 - d. Exhibit A – Base Plans
 - e. Security Requirements- Unified Facilities Criteria (UFC)
7. Lessor Shall furnish to the Government, as part of rental consideration, the following:
 - a. Those facilities, services, utilities, and maintenance in accordance with Solicitation for Offers ONC2063.
 - b. All labor, materials, equipment, design, professional fees, permit fees, inspection fees, utilities, construction drawings (including, without limitation, plans and specifications), construction costs and services and all other similar costs and expenses associated with making the space, common areas, and related facilities ready for occupancy in accordance with the requirements of this lease stated in Solicitation for Offers ONC2063 and the design intent drawings.
 - c. Build out shall be in accordance with Solicitation for Offers ONC2063 and Government approved design intent drawings.
 - d. Deviations to the approved space layouts furnished by GSA to the Lessor subsequent to award will not be permitted unless prior written authorization is obtained from the GSA Contracting Officer.
 - e. Lessor shall provide 5 reserved surface parking spaces at no additional cost to the Government, in accordance with SFO ONC2063.
8. The rental set forth in Paragraph 3 of this Lease Agreement is based upon the Lessor providing a tenant improvement allowance of \$2,679,933.53 to be amortized through the rent over 72 Months at the rate of 7.0%. Pursuant to this calculation, the portion of the annual rent amortized as annual tenant improvement rental is \$548,282.45 per annum or \$45,690.20 per month. In accordance with Solicitation for Offers ONC2063 paragraph 3.3, *Tenant Improvements Rental Adjustment*, the actual cost of Tenant Improvements shall be reconciled and rent adjusted accordingly.
9. In accordance with Solicitation for Offers ONC2063 paragraph 4.1, *Measurement of Space*, the common area factor is established as 1.14834 (90,280 RSF / 78,618 USF).
10. In accordance with Solicitation for Offers ONC2063 paragraph 4.2, *Tax Adjustment*, the percentage of Government occupancy is established as 50.00%.
11. In accordance with Solicitation for Offers ONC2063 paragraph 4.3, *Operating Costs*, the escalation base is established as \$4.61 per rentable square foot per annum.
12. In accordance with Solicitation for Offers ONC2063 paragraph 4.4, *Adjustment for Vacant Premises*, the adjustment is established as \$0.00 per ABOA for vacant space (rental reduction).
13. In accordance with Solicitation for Offers ONC2063 paragraph 4.6, *Overtime Usage*, the rate for overtime usage is established as \$35.00 per hour per floor beyond the *Normal Hours* (Solicitation for Offers ONC2063 paragraph 4.5) of operation of 6:00 AM to 6:00 PM. Areas requiring 24/7 HVAC will be provided at no additional cost to the Government.
14. Cleaning services requiring access to the Government's leased space shall be performed in accordance with Solicitation for Offers ONC2063 paragraph 4.8, *Janitorial Services*.
15. "This lease, upon execution, contains the entire agreement of the parties and no prior written or oral agreement, expressed or implied, shall be admissible to contradict the provisions of this lease. Wherever there is conflict between the SF-2 and the Solicitation for Offers ONC2063, the SF-2 shall take precedence."
16. 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.

-LAST ITEM-

INITIALS:  LESSOR &  GOV'T

STANDARD FORM 2 (REV. 12/2006) CONTINUATION