

**Supplemental Lease Agreement
Number One (1)**

Lease Number: GS-03B-09429 **Date:** 10-14-2010

The Wanamaker Building, 100 Penn Square East, Philadelphia, PA 19107

THIS AGREEMENT, made and entered into this date by and between Wanamaker Office Lease L.P.

whose address is 210 Rittenhouse Square, Suite 1900, Philadelphia, PA 19101

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

WHEREAS, the parties hereto desire to amend the above Lease; (i) to acquire additional square footage; (ii) increase the amount of the tenant improvement allowance; (iii) to revise the annual rental; (iv) increase the percentage of occupancy and to (v) outline a/e costs for the additional space.

NOW THEREFORE, these parties for the considerations hereinafter mentioned covenant and agree that the said Lease is amended, effective upon execution as follows:

- I. **Paragraph 1 of Standard Form 2 of the Lease shall be deleted in its entirety and the following shall be inserted in lieu thereof:**


"The Lessor hereby leases to the Government the following described premises: 32,621 ANSI/BOMA office area square feet (42,995 rentable square feet) of office and related space on part of the fifth floor as shown on the floor layout plan attached to this Supplemental Lease Agreement ("SLA") and labeled Exhibit A and six structured, reserved parking spaces at the building commercially known as The Wanamaker Building, 100 Penn Square East, Philadelphia, PA 19107-3396 to be used for such purposes as determined by the Government. The expansion space acquired by this SLA is identified on the attached floor layout plan labeled Exhibit B (shown as Expansion and Swing Space A).

Continued on next page

All other terms and conditions of the lease shall remain in force and effect.

IN WITNESS WHEREOF, the parties subscribed their names as of the above date.

Lessor, Wanamaker Office Lease, L.P., a Delaware Limited Partnership

By: 
By _____
(Signature)

VP _____
(Title)

In Pr _____
(Signature)

1501 21st Pkwy; Suite 600; Addison, TX 75001
(Address)

UNITED STATES OF AMERICA, GENERAL SERVICES ADMINISTRATION, Public Buildings Service/Real Estate Acquisition Branch/North Service Center.



Contracting Officer
(Official Title)

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II Paragraph 10 of the rider to the Lease is hereby deleted and the following Paragraph 10 is substituted in lieu thereof:

"10. The Government shall be entitled to use of on-site reserved parking spaces for a total of six (6) vehicles, as illustrated on the site plan, labeled Exhibit "C" and attached to this Supplemental Lease Agreement ("SLA"). The cost of these parking spaces is included in the shell rental and the shell rate is not subject to any parking rate increases. The Lessor shall provide the tenant agency with the appropriate number of access cards for the garage."

III. Paragraph 11 of the rider to the Lease is hereby deleted and the following Paragraph 11 is substituted in lieu thereof:

11. "In accordance with Paragraph 1.2 of Section 1 of this lease, the Government shall have the right to occupy a total of 5,377 RSF of "Swing space" located on the 5th floor. The swing space consists of the space being acquired by this SLA labeled Expansion and Swing Space A (3,991 RSF) on the floor plan attached to this SLA and a 1,386 RSF suite identified as Swing B on the floor plan attached to this SLA.. The Lessor will provide the space in "as-is" condition. The Government shall have the right to use this swing space free of any additional rental consideration, as follows:

- Swing A (expansion space)--- can be used prior to start of construction for that phase if needed
- Swing B until February 28, 2011."

IV. Paragraph 16 of the Rider to Lease GS-03B-09429 is hereby amended by deleting the paragraph beginning with "Years 1 through 5 . . ." and replacing it with the following:

Years 1 through 5:

A total annual rent of \$859,900.00, payable at the rate of \$71,658.33 per month in arrears consisting of:

Shell Rent: \$481,114.05 or \$11.19 per Rentable Square Foot (RSF)
Building Specific Security: \$10,318.80 or \$0.24 per rentable square foot
Amortized annual cost for Tenant Alteration Allowance*: \$95,018.95
Interest rate at which Tenant Alterations are amortized: 8%

Annual Cost of Services: \$273,448.20 or \$6.36 per Rentable Square Foot (RSF), plus accrued escalations, per Paragraph 4.3, "Operating Costs"

Parking: included in the shell rent; no additional cost

Years 6 through 10:

A total annual rent of \$945,890.00, plus accrued escalations, payable at the rate of \$78,824.16 per month in arrears, consisting of:

Shell Rent: \$567,104.05 or \$13.19 per Rentable Square Foot (RSF)
Building Specific Security: \$10,318.80 or \$0.24 per rentable square foot
Amortized annual cost for Tenant Improvement Allowance*: \$95,018.95
Annual Cost of Services: \$273,448.20 or \$6.36 per Rentable Square foot (RSF), plus accrued escalations per Paragraph 4.3, "Operating Costs"

Parking: included in the shell rent; no additional cost

*The rent shall be adjusted downward if the Government does not utilize the entire Tenant Improvement Allowance of \$652,420.00 or \$20.00 per ANSI/BOMA Office Area Square Foot, which is included in the rent, using the 8% amortization rate over the term of ten (10) years. The Government, at its election, may pay lump sum for Tenant Improvements. If this occurs, the rent shall be reduced proportionately using the 8% amortization rate.

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If the Government spends more than the allowance identified above, the Government reserves the right to 1) reduce the tenant improvement requirements, and 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."

The rental calculation is outlined in the Rent Spreadsheet attached to this SLA. "

V. Paragraph 17 of the Rider to Lease No. LPA09429 is hereby deleted and the following paragraph is substituted in lieu thereof:

"17. This lease may be renewed at the option of the Government, for a [REDACTED] year term and at the following rental:

Years 11 through 15:

Shell Rental: [REDACTED] per Rentable Square foot

Annual Cost of Services: [REDACTED] per Rentable Square foot, plus accrued escalations

commencing in the second year of the renewal term; the base index shall be the month prior to the commencement date of the renewal term; the base cost of services shall be \$6.36/RSF plus the operating cost escalations provided for in this lease through and including the first year of the renewal term provided notice be given in writing to the Lessor at least 90 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."

VI. Paragraph 12 to the rider of the lease is hereby deleted and the following Paragraph 12 is substituted in lieu thereof:

"12. The total percentage of space occupied by the Government under the terms of the lease is equal to 4.48194% percent of the total space available in the Lessor's building, and will be used as the basis for computing the Government's pro-rate 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 42,995 rentable square feet by the total building space of 959,924 rentable square feet."

VII. **A/E fees for additional space:** The parties agree that the design costs for the additional space is \$11,830.25 including 5% for reimbursables as outlined on the attached proposals from Space Design and Bala.. This amount is determined as follows: Bala (\$7,000); Space Design (\$4266.90) and \$563.35 in estimated reimbursables. The cost shall be deducted from the tenant improvement allowance. This cost includes all design fees including the mechanical, electrical and plumbing design as well as production of the construction drawings. If less than this amount is expended, than this amount shall be adjusted accordingly. The Lessor shall provide the Contracting Officer with invoices and back-up documentation for all reimbursables.

VIII. Paragraph 19 of the Rider to the Lease is hereby amended by deleting a portion of the section starting with the second paragraph on Page 7 of the lease. The sentence shall hereby state "The total reduction in shell rent related to the commission credit is [REDACTED] and shall be deducted from the first five (5) months of the rental payments". The remaining portion of the paragraph shall hereby be deleted starting with "as indicated in the following schedule."

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