

U.S. GOVERNMENT  
LEASE FOR REAL PROPERTY

DATE OF LEASE

LEASE NO.

GS-03B-09432

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

**CEG IV Livingston Holdings, LLC  
c/o Merion Commercial Realty, Inc.**

whose address is **223 Wilmington West Chester Pike  
Suite 105  
Chadds Ford, PA 19317-9007**

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:

A minimum of 2,300 to a maximum of 2,650 ANSI/BOMA Office Area square feet located on the first floor of 225 Wilmington West Chester Pike, Chadds Ford, 19317, to be used for such purposes as made be determined by the Federal Government.

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: CEG IV Livingston Holdings, LLC, c/o Merion Commercial Realty, Inc., 223 Wilmington West Chester Pike, Suite 106, Chadds Ford, PA, 19317.

4. The Government may terminate this lease at any time by giving at least See Rider Paragraph 13 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:~~

~~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.~~

6. The Lessor shall furnish to the Government, as part of the rental consideration, the following: all services, utilities, maintenance, operations, alterations, and other considerations as set forth in this lease.

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

- A) Solicitation For Offers 8PA2192, dated September 9, 2009, Pages 1 - 45
- B) Rider to Lease GS-03B-09432, Paragraphs 8 - 17
- C) GSA Form 3517B, "General Clauses" dated November 2005
- D) GSA Form 3518 "Representations and Certifications" dated January 2007

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

LESSOR

BY \_\_\_\_\_  
(Signature) \_\_\_\_\_ (Signature)

IN PRESENCE

223 Wilmington West Chester Pike  
Suite 106  
C. Haddis Ford, PA 19317  
(Address)

UNITED STATES ADMINISTRATION

BY \_\_\_\_\_ Contracting Officer  
(Official title)

STANDARD  
FEBRUARY

**RIDER TO LEASE GS-03B-09432**

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 5.8% 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.

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 1.144186047 (2,706 RSF/2,365 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 \$4.58 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.

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 60 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, with the Government having the right to terminate the lease at any time after the fifth full year upon 60 days written notice. No rental shall accrue after the effective date of termination. The commencement date shall be defined more particularly set forth by Supplemental Lease Agreement.

Lessor



Government



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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 following rates and terms:

**Years 1-5:**

Shell Rent	\$26.85
Annual Cost of Services, plus accrued escalations per Paragraph 4.3, "Operating Costs"	\$4.58
<u>Amortized Annual Cost for Tenant Improvement Allowance*</u>	<u>\$5.46</u>
<b>Total Rate per ANSI/BOMA Office Area (ABOA) square foot</b>	<b>\$36.89</b>

**Years 6-10:**

Shell Rent	\$29.74
Annual Cost of Services, plus accrued escalations per Paragraph 4.3, "Operating Costs"	\$4.58
<u>Amortized Annual Cost for Tenant Improvement Allowance*</u>	<u>\$0.00</u>
<b>Total Rate per ANSI/BOMA Office Area (ABOA) square foot</b>	<b>\$34.32</b>

The Tenant Improvement Allowance is \$92,140.40. The annual amortized cost of the Tenant Improvement Allowance is \$5.46 per ANSI/BOMA square foot.

\* The rent shall be adjusted downward if the Government does not utilize the entire Tenant Improvement Allowance of \$92,140.40 or \$5.46 per ANSI/BOMA Office Area Square Foot, which is included in the rent. The Government, at its election, may pay lump sum for Tenant Improvements, and the rent shall be reduced proportionately.

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 4.6, "Overtime Usage", of the lease, the additional cost to the Government for overtime use of Government leased space is \$15.00 per hour.

15. 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 \$3.00 per ANSI/BOMA Office Area square foot.

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16. 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.

17. 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"

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