

U.S. GOVERNMENT  
LEASE FOR REAL PROPERTY

DATE OF LEASE February 15, 2011

LEASE NO.  
GS-03B-09437

BLDG. NO.  
PA0883

THIS LEASE, made and entered into this date by and between 330 INNOVATION PARK PARTNERS, L.P.

whose address is 600 GRANT ST STE 1400  
PITTSBURGH, PA 15219-2703

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:

5,526 Rentable Square Feet (RSF) yielding approximately 4,784 ANSI/BOMA Office Area (ABOA) square feet and related space located on the second (2<sup>nd</sup>) floor (as shown on the attached floor plate labeled Exhibit "A"), at 330 Innovation Boulevard, State College, PA 16803-6611, together with nine (9) on-site reserved surface parking spaces and twenty (20) additional parking spaces for employees and visitors. Three (3) additional on-site reserved parking spaces can be provided, as necessary, during the lease term.

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:

330 INNOVATION PARK PARTNERS, L.P.  
600 GRANT ST STE 1400  
PITTSBURGH, PA 15219-2703

4. ~~The Government may terminate this lease in whole or in part at any time after the \_\_\_\_\_ full year of occupancy by giving at least ninety (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:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Provided notice be given in writing to the Lessor at least ninety (90) 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:

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

B. The Lessor and Jones Lang LaSalle (the Broker) have agreed to a cooperating lease commission of \_\_\_\_\_ based on Aggregate Lease Value over the firm term. The total amount of this commission is \_\_\_\_\_ (Gross Commission). For the benefit of the Government, and in accordance with terms of the GSA National Broker Contract, the Broker has agreed to forego \_\_\_\_\_ of the commission that it is entitled to receive in connection with this lease transaction (Commission Credit). The Commission Credit is \_\_\_\_\_. The Lessor agrees to pay the Commission less the Commission Credit, i.e., \_\_\_\_\_ (Net Commission), to the Broker in two (2) installments, fifty percent (50%) upon receipt of invoice following lease execution, and the remaining fifty percent (50%) upon receipt of invoice following beneficial occupancy.

Notwithstanding Paragraph 3 of this Standard Form 2, the shell rental payments due and owing under this lease shall be reduced to fully recapture this Commission Credit. The reduction in shell rent shall commence with the first month of the rental payments and continue as indicated in this schedule for adjustment monthly rent:

Fourth (4<sup>th</sup>) Month's Rental Payment of \$13,856.89 (which includes \$8,132.43 Shell) minus [REDACTED] Commission Credit (1/3) equals [REDACTED]\*.

Fifth (5<sup>th</sup>) Month's Rental Payment of \$13,856.89 (which includes \$8,132.43 Shell) minus [REDACTED] Commission Credit (1/3) equals [REDACTED]\*.

Sixth (6<sup>th</sup>) Month's Rental Payment of \$13,856.89 (which includes \$8,132.43 Shell) minus [REDACTED] Commission Credit (1/3) equals [REDACTED]\*.

After three (3) months, the full Commission Credit is captured and regular monthly payments of \$13,856.89 will ensue.

\*Subject to adjustment upon determination of actual TI expenditure

7. The following are attached and made a part hereof:
- A. Rider to Lease No. GS-03B-09437 (2 pages)
  - B. Solicitation for Offers # 9PA2015 dated August 5, 2010 (93 pages)
  - C. SFO Amendment No. 1 dated December 3, 2010 (1 page)
  - D. GSA Form 3517, "General Clauses" version dated 06/08 (33 pages)
  - E. GSA Form 3518, "Representations and Certifications" version dated 01/07 (7 pages)
  - F. Exhibit A (Floor Plate - 2<sup>nd</sup> Floor) - (1 page + cover)
  - G. Exhibit B (Site Plan with parking location and narrative) - (2 pages + cover)
8. The following changes were made in this lease prior to its execution:
- A. The following paragraphs were deleted in their entirety:  
1.1, 1.4, 1.7, 1.10, 2.3, 3.1, and 3.4.
  - B. The following paragraphs were deleted in part and/or amended:  
3.5A and 3.6A.

This lease contains 141 pages.

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

LESSOR  
330 INNOVATION PARK PARTNERS, L.P.

BY \_\_\_\_\_

JACK R. NORRIS PRESIDENT OF G.P.  
(Printed Name and Title)

IN PRESENCE OF \_\_\_\_\_

600 Grant St, suite 1400, Pittsburgh, PA 15219  
(Address)

UNITED STATES OF AMERICA GENERAL SERVICES ADMINISTRATION, PUBLIC BUILDINGS SERVICE

BY \_\_\_\_\_

Contracting Officer  
(Official title)

RIDER TO LEASE GS-03B-09437

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 9.07% 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 5,526 Rentable Square Feet by the total building space of 60,923 Rentable Square Feet.
11. For purposes of determining the base rate for future adjustments to the operating cost, the Government agrees that the base rate of \$7.66 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 any time 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 ninety (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, repairs and inspection, and acceptance by the Government, the term of this lease shall commence and shall continue for ten (10) 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 of the General Clauses, GSA Form 3517, "Payment" at the rate of:

**Years 1 through 5:**

**Total Annual Rent:** \$166,282.73 per year

**Free Rent\*\*\*:** three (3) months during base year (aggregate value of \$41,570.67)

**Shell Rent:** \$97,589.16 per year

**Amortized annual cost for Tenant Improvement Allowance\*:** \$30,322.38 per year

**Interest rate at which Tenant Alterations are amortized:** six and three-quarters percent (6.75%)

**Amortized annual cost for Building-Specific Security\*\*:** \$1,725.75 per year

**Annual Cost of Services:** \$36,645.44 per year or \$7.66 per ABOA, plus accrued escalations per SFO Paragraph 4.3, "Operating Costs"

INITIALS:  &   
Lessor Government

**Years 6 through 10:**

**Total Annual Rent:** \$172,913.93 per year

**Shell Rent:** \$104,220.36 per year

**Amortized annual cost for Tenant Improvement Allowance\*:** \$30,322.38 per year

**Interest rate at which Tenant Alterations are amortized:** six and three-quarters percent (6.75%)

**Amortized annual cost for Building-Specific Security\*\*:** \$1,725.75 per year

**Annual Cost of Services:** \$36,645.44 per year or \$7.66 per ABOA, plus accrued escalations per SFO Paragraph 4.3, "Operating Costs"

\*The rent shall be adjusted downward if the Government does not utilize the entire Tenant Improvement Allowance of \$220,064.00 or \$46.00 per ANSI/BOMA Office Area Square Foot, which is included in the rent, using the 6.75% amortization rate over the firm 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 6.75% 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.

\*\*Building-Specific Security costs are amortized at six and three-quarters percent (6.75%) over fifteen (15) years. Should the Government not exercise the first renewal option, then it shall not be obligated to pay to Lessor the unamortized portion of the outstanding Building-Specific Security costs as of the end of the initial lease term of ten (10) years firm.

\*\*\*In accordance with the lease negotiations, the Lessor has offered free rent to the Government for the first three (3) months of the lease. Therefore, the first three (3) months of the lease shall be provided at no cost to the Government.

14. In accordance with SFO Paragraph 3.4, "GSA Forms and Pricing Information", and SFO Paragraph 5.2, "Tenant Improvements Pricing Requirements" of the Lease, the overhead and profit charged by the Lessor for Tenant Improvements requested by the Government is zero percent (0%) of Total Construction costs.
15. In accordance with SFO Paragraph 4.6, "Overtime Usage", of the lease, the additional cost to the Government for overtime HVAC services is \$25.00 per hour.
16. In accordance with SFO 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 \$5.00 per ANSI/BOMA Office Area (ABOA) square foot.
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"

INITIALS:

  
Lessor

&

  
Government