

U.S. GOVERNMENT
LEASE FOR REAL PROPERTY

DATE OF LEASE

5/22/2017

LEASE NO.

GS-03B-09453

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

KOP Kline Plaza LLC

whose address is C/O Brixmor Property Group
420 Lexington Avenue, 7th Floor
New York, NY 10170-0002

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 total of 4,692 Rentable Square Feet (RSF) (yielding approximately 4,425 ANSI BOMA Office Area Square Feet (ABOA)) located on the 1st floor, of the building known as Kline Village, located at 101 South 25th Street, Harrisburg, PA, 17104-2103 to be used for office and related purposes, together with one (1) reserved parking space, as depicted on Exhibits A and B (attached).

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

See Lease Rider Paragraph 12 through See Lease Rider Paragraph 12, 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 12 at the rate of See Lease Rider Paragraph 12 per month in arrears. Rent for a lesser period shall be prorated. Rent checks shall be made payable to:

KOP Kline Plaza LLC
C/O Brixmor Property Group
P.O Box 74329
Cleveland, OH 44195-4329

4. The Government may terminate this lease in whole or in part effective at any time after the fifth (5th) full year of occupancy by giving at least ninety (90) calendar 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:

~~{Number of Options} {Option Term} year period(s) at the annual rental of \$ _____ (\$ _____ per ABOA square foot), plus accrued operating cost escalations 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.~~

SFO NO. 8PA2058 / LEASE NO. GS-03B-09453

INITIALS:

 & 
LESSOR

GOV'T

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 the Broker have agreed to a cooperating lease commission of [redacted] of the firm term value of this lease. The total amount of the commission is [redacted]. The Lessor shall pay the Broker no additional commissions associated with this lease transaction. In accordance with the "Broker Commission and Commission Credit" paragraph, the Broker has agreed to forego [redacted] of the commission that it is entitled to receive in connection with this lease transaction ("Commission Credit"). The Commission Credit is [redacted]. The Lessor agrees to pay the Commission less the Commission Credit to the Broker in accordance with the "Broker Commission and Commission Credit" paragraph in the SFO attached to and forming a part of this lease.

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 (1st) month of the rental payments and continue as indicated in this schedule for adjusted Monthly Rent:

First (1st) Month's Shell Rental Payment of \$6,633.81 minus prorated Commission Credit of [redacted] equals [redacted] adjusted First (1st) Month's Shell Rent.*

Second (2nd) Month's Shell Rental Payment of \$6,633.81 minus prorated Commission Credit of [redacted] equals [redacted] adjusted Second (2nd) Month's Shell Rent.*

Third (3rd) Month's Shell Rental Payment of \$6,633.81 minus prorated Commission Credit of [redacted] equals [redacted] adjusted Third (3rd) Month's Shell Rent.*

Fourth Month's Rental Payment shall commence in full.

*subject to adjustment upon determination of actual TI expenditure

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

- A. Rider to Lease GS-03B-09453
- B. Solicitation for Offers # 8PA2058,
- C. Amendments #1 & 2 to SFO #8PA2058
- D. GSA Form 3517B, "General Clauses"
- E. GSA Form 3518, "Representations and Certifications"
- F. Exhibit A: Floor Plan
- G. Exhibit B: Site and Reserved Parking Plan
- H. Exhibit C: Exterior Rendering
- I. Small Business Subcontracting Plan

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

N/A

This lease contains 110 pages

IN WITNESS WHEREOF, the undersigned have hereunto set their names as of the date first above written.

LESSOR

BY

[Redacted signature area]

(Signature)

IN PRESENCE

[Redacted area]

Brixmor Property Group
One Fayette St., Suite 300, Conshohocken, PA 19428
(Address)

UNITED STATES ADMINISTRATION, PUBLIC BUILDINGS SERVICE

BY

[Redacted signature area]

Contracting Officer
(Official title)

STANDARD FORM 2

RIDER TO LEASE GS-03B-09453

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 2.1299% 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 4,692 rentable square feet by the total building space of 220,288 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 per \$4.43 per ANSI/BOMA Office Area Square Foot, is acceptable. This figure includes the Government's pro-rata share of operating costs.

12. 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, subject to any permitting delays which are not caused by Lessor (in which case such ninety (90) day period shall be extended on a day-for-day basis equal to the number of days of any such delay. 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 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 General Clauses, GSA Form 3517, "Payment" at the rate of:

Years 1 through 5:

The total annual rent of \$149,009.35 breaks down as follows:

Lessor AK Government MS

RIDER TO LEASE GS-03B-09453

Shell Rent: \$79,605.75 per year

Amortized annual cost for Building Specific Security: \$3,503.76 per year

Amortized annual cost for Tenant Improvement Allowance*:
\$46,297.09 per year

Interest rate at which BSS and Tenant Alterations are amortized: 8.0%

Annual Cost of Services: \$19,602.75 per year, plus accrued escalations per Paragraph 4.3, "Operating Costs."

Years 6 through 10:

The total annual rent of \$99,208.50 breaks down as follows:

Shell Rent: \$79,605.75 per year

Annual Cost of Services: \$19,602.75 per year, plus accrued escalations per Paragraph 4.3, "Operating Costs."

*The rent shall be adjusted downward if the Government does not utilize the entire Tenant Improvement Allowance of \$190,275.00 or \$43.00 per ANSI/BOMA Office Area Square Foot, which is included in the rent, using the 8.0% amortization rate over the firm term of five (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 8.0% 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.

13. In accordance with Paragraph 3.2, "Tenant Improvements Included In Offer" and Paragraph 5.1, "Tenant Improvement Pricing Requirements" of the Lease, the Lessor's Tenant Improvement Fees are established as follows:

Lessor  Government 

RIDER TO LEASE GS-03B-09453

a) Architectural/Engineering (A/E) fees charged by the Lessor for initial Tenant Improvements are \$6,500.00

b) Project Management fees charged by the Lessor for Tenant Improvements requested by the Government is 5.0% of Total Tenant Improvement Construction Costs (not to be applied against A/E fees).

14. In accordance with Paragraph 4.6, "Overtime Usage", of the lease, the additional cost to the Government for overtime HVAC services is \$25.00 per hour.

15. In accordance with Paragraph 4.4, "Adjustment for Vacant Premises", of the lease, if the Government fails to occupy the entire leased premises or vacates the premises in whole prior to expiration of the terms of the lease, the rental rate for the vacated portion of the space will be reduced by \$1.00 per ANSI/BOMA Office Area square foot.

16. The Government shall be entitled to use of one on-site reserved parking space, as illustrated on the site plan labeled "Exhibit B -Reserved Parking Plan", attached hereto and made a part hereof. During the term of the lease the Government shall have the right to request up to five (5) additional reserved parking spaces. The cost of these parking spaces is included in the shell rental rate and the shell rate is not subject to any parking rate increases.

17. In accordance with Paragraph 3.7, "Green Lease Submittals", of the lease, the Lessor and Government acknowledge that 101 South 25th Street does not have a current Energy Star rating. However, as part of Lessor renovation, new energy efficient lighting and energy efficient HVAC systems will be installed within the lease premises.

18. Lessor shall be responsible for the renovation of base building systems and shell items to ensure that they meet all qualifications described within the

lease. The Lessor's proposed renovation includes an exterior renovation of the offered space, which entails installation of windows spanning the front of the offered suite, as well as installation of glass double doors, which shall serve as the only entrance to the suite on the building's frontage. The front façade of the offered suite will be replaced with new stone, marble, brick, or other permanent materials acceptable to the GSA Contracting Officer. The proposed exterior renovation shall be substantially similar in design to the attached rendering shown in "Exhibit C - Exterior Renovation Rendering".

Lessor *AV* Government *BP*

RIDER TO LEASE GS-03B-09453

19. 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"

Lessor *OK* Government *[Signature]*