

U.S. GOVERNMENT
LEASE FOR REAL PROPERTY

DATE OF LEASE

9/9/10

LEASE NO.

GS-03B-09474

THIS LEASE, made and entered into this date by and between CURTIS PARTNERS, LP

whose address is 600 CHESTNUT ST STE 1027
PHILADELPHIA, PA 19106-3304

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:

21,939 Rentable Square Feet yielding approximately 17,954 ANSI/BOMA Office Area square feet and related space located on the Sixth (6th) Floor, at the Curtis Center, 170 South Independence Mall West, Philadelphia, PA 19106-3323 together with two (2) structured and reserved parking spaces as depicted on attached floor plans (Exhibit A, paragraph 7.E).

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 11) through (see Lease Rider Paragraph 11), 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:

CURTIS PARTNERS, LP
600 CHESTNUT ST STE 1027
PHILADELPHIA, PA 19106-3304

4. This paragraph has been deleted and is reserved for future use.

5. This lease may be renewed at the option of the Government, for the following terms and at the following rentals:

One (1) renewal option for an [REDACTED] plus accrued operating cost escalations provided notice be given in writing to the Lessor at least one hundred and twenty (120) 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. New paint and new carpeting shall be provided for the 14,766 ANSI/BOMA Office Area Square Feet previously occupied under GSA Lease No. GS-03B-08310.

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

C. Build-out in accordance with standards set forth in SFO No. 8PA2036 dated 10/05/2009 and the Government's design intent drawings. Government space plans shall be developed subsequent to award. All tenant alterations to be completed by the lease effective date identified in Lease Rider Paragraph 12.

D. In accordance with Paragraph 2.6 of the Lease, "Broker Commission and Commission Credit", the Lessor and Jones Lang LaSalle (the Broker) have agreed to a cooperating lease commission of [REDACTED] based on Aggregate Lease Value over the firm term. The total amount of this commission is [REDACTED] (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 [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, i.e., [REDACTED] (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.

The Lessor shall pay the Broker no additional commissions associated with this lease transaction. To fully capture the Commission Credit, offset against shell rate component in the first three (3) months' rental payments will occur as follows:

First (1st) Month's Rental Payment of \$43,362.59 (which includes \$29,727.25 Shell) minus [REDACTED] Commission Credit (1/3) equals [REDACTED].

Second (2nd) Month's Rental Payment of \$43,362.59 (which includes \$29,727.25 Shell) minus [REDACTED] Commission Credit (1/3) equals [REDACTED].

Third (3rd) Month's Rental Payment of \$43,362.59 (which includes \$29,727.25 Shell) minus [REDACTED] Commission Credit (1/3) equals [REDACTED].

After three (3) months, the full Commission Credit is captured and regular monthly payments of \$43,362.59 will ensue.

7. The following are attached and made a part hereof:
- A. Rider to Lease No. GS-03B-09474 (3 pages)
 - B. Solicitation for Offers # 8PA2036 dated August 12, 2009 and Amendment Nos. 1 and 2 (55 pages)
 - C. GSA Form 3517, "General Clauses" version dated 06/08 (33 pages)
 - D. GSA Form 3518, "Representations and Certifications" version dated 01/07 (7 pages)
 - E. Floor Plan(s) Exhibit A (3 pages + cover)

This lease contains 103 pages

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

LESSOR
CURTIS

BY _____

Thomas D. Carey, Director
(Printed Name and Title)

IN PRESENCE

[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
(Address)

UNITED STATES

GENERAL SERVICES ADMINISTRATION, PUBLIC BUILDINGS SERVICE

BY _____

Contracting Officer
(Official title)

STANDARD FORM NO. 1
AUGUST 2000

RIDER TO LEASE GS-03B-09474

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 2.48% 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 21,939 Rentable Square Feet by the total building space of 885,786 Rentable Square Feet.
10. For purposes of determining the base rate for future adjustments to the operating cost, the Government agrees that the base rate of \$7.56 per ANSI/BOMA Office Area (ABOA) square foot, is acceptable. This figure includes the Government's pro-rata share of operating costs.
11. 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.
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 sixty (60) working 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: \$520,351.02 per year

Shell Rent: \$347,554.69 per year or \$19.36 per ANSI/BOMA Office Area Square Foot (ABOA)

Amortized annual cost for Tenant Improvement Allowance*: \$27,865.01 per year

Interest rate at which Tenant Alterations are amortized: eight percent (8%)

Amortized annual cost for Building-Specific Security: \$9,172.32 per year

INITIALS:


Lessor

&


Government

RIDER TO LEASE GS-03B-09474

Annual Cost of Services: \$135,759.00 per year or \$7.56 per ANSI/BOMA Office Area Square Foot (ABOA), plus accrued escalations per SFO Paragraph 4.3, "Operating Costs"

Years 6 through 10:

Total Annual Rent: \$542,291.15 per year

Shell Rent: \$369,494.82 per year or \$20.58 per ANSI/BOMA Office Area Square Foot (ABOA)

Amortized annual cost for Tenant Improvement Allowance*: \$27,865.01 per year

Interest rate at which Tenant Alterations are amortized: eight percent (8%)



Amortized annual cost for Building-Specific Security: \$9,172.32 per year

Annual Cost of Services: \$135,759.00 per year or \$7.56 per ANSI/BOMA Office Area Square Foot (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 \$191,389.64 or \$10.66 per ANSI/BOMA Office Area Square Foot, which is included in the rent, using the 8% 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 8% 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 SFO Paragraph 3.4, "GSA Forms and Pricing Information" and SFO Paragraph 5.3, "Tenant Improvements Pricing Requirements" of the Lease, the Lessor's Tenant Improvement Fees are established as follows:
- (1) General Conditions charged by the Lessor's General Contractor for Tenant Improvements requested by the Government is two percent (2%) of Total Subcontractors' costs.
 - (2) General Contractor's fee charged by the Lessor for Tenant Improvements requested by the Government is one percent (1%) of Total Subcontractors' costs.
 - (3) Architectural/Engineering fees charged by the Lessor for Tenant Improvements are \$2.00 per ABOA for the 3,188 ABOA not previously occupied under GSA Lease No. GS-03B-08310.
 - (4) Project Management fees charged by the Lessor for Tenant Improvements requested by the Government is one percent (1%) of Total Tenant Improvement Construction Costs.
14. In accordance with SFO Paragraph 4.6, "Overtime Usage", of the lease, the additional cost to the Government for overtime use of Government leased space is \$160.00 per hour.

INITIALS:  & 
Lessor & Government

RIDER TO LEASE GS-03B-09474

15. 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 \$7.56 per ANSI/BOMA Office Area square foot.
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"

INITIALS:  & 
Lessor Government