

LEASE NO. GS-03B-12018

Succeeding/Superseding Lease
GSA FORM L202 (October 2012)

This Lease is made and entered into between

Independence Center Realty, LP

(Lessor), whose principal place of business is 701 Market Street Philadelphia, PA 19106-1538 and whose interest in the Property described herein is that of Fee Owner, and

The United States of America

(Government), acting by and through the designated representative of the General Services Administration (GSA), upon the terms and conditions set forth herein.

Witnesseth: The parties hereto, for the consideration hereinafter mentioned, covenant and agree as follows:

Lessor hereby leases to the Government the Premises described herein, being all or a portion of the Property located at

**Mellon Independence Center
701 Market Street
Philadelphia, PA 16106-1538**

and more fully described in Section 1 together with rights to the use of parking and other areas as set forth herein, to be used for such purposes as determined by GSA.

LEASE TERM

To Have and To Hold the said Premises with its appurtenances for the term beginning either upon April 19, 2014 or upon acceptance of the Premises as required by this Lease, whichever is later, and continuing for a period of

10 Years, 4 Years Firm,

subject to termination and renewal rights as may be hereinafter set forth. The commencement date of this Lease, along with any applicable termination and renewal rights, shall be more specifically set forth in a Lease Amendment upon substantial completion and acceptance of the Space by the Government.

In Witness Whereof, the parties to this Lease evidence their agreement to all terms and conditions set forth herein by their signatures below, to be effective as of the date of delivery of the fully executed Lease to the Lessor.

[Redacted Signature]

V.P.

[Redacted Signature]

Independence Center Realty, LP
Independence Center Realty L.P.
By: **ICR-I, Inc., its general partner**
By: **Mark P. Merlini, its vice president**
701 Market Street, Philadelphia, PA 19106

Rachel Warren
Lease Contracting Officer
General Services Administration, Public Buildings Service
Date: 11/20/12

WITNESSED FOR THE LESSOR BY:

[Redacted Signature]

Title: Administrative Assistant
Date: 11/26/2012

LESSOR: *[Signature]* GOVERNMENT: *[Signature]*

SECTION 1 THE PREMISES, RENT, AND OTHER TERMS

1.01 THE PREMISES (SUCCEEDING) (JUN 2012)

Unless otherwise noted, the Government accepts the Premises and tenant improvements in their existing condition, except where specifications or standards are contained elsewhere in this Lease. These standards include security improvements, Fire Protection and Life Safety requirements, ABAAS compliance, as well as compliance with all local codes and ordinances. Such acceptance by the Government of existing Premises shall not relieve Lessor of continuing obligations for cleaning, janitorial, maintenance, repair, etc. as set forth in the Lease paragraphs and attached General Clauses.

The Premises are described as follows:

A. Office and Related Space: 13,450.40 rentable square feet (RSF), yielding 11,696 ANSI/BOMA Office Area (ABOA) square feet (SF) of office and related Space located on the 5th floor of the Building, as depicted on the floor plan(s) attached hereto as Exhibit A.

B. Common Area Factor: The Common Area Factor (CAF) is established as 1.15 percent. This factor, which represents the conversion from ABOA to rentable square feet, rounded to the nearest whole percentage, shall be used for purposes of rental adjustments in accordance with the Payment Clause of the General Clauses.

1.02 EXPRESS-APPURTENANT RIGHTS (JUN 2012) INTENTIONALLY DELETED

1.03 RENT AND OTHER CONSIDERATIONS (SEP 2012)

A. The Government shall pay the Lessor annual rent, payable in monthly installments in arrears, at the following rates:

	04/19/2014-04/18/2018	04/19/2018-04/18/20124
	Annual Rent	Annual Rent
Shell Rent	\$170,008.00	\$196,908.79
Operating Costs	\$125,892.00	\$125,892.00
Building Specific Security	\$1,895.68	NA
Total Annual Rent	\$297,795.68	\$322,800.79

¹Shell rent (Firm Term) calculation: \$12.64 per RSF multiplied by 13,450.40 RSF

²Operating Costs rent calculation: \$9.36 per RSF multiplied by 13,450.40 RSF

³Rates can be rounded.

⁴Building Specific Amortized Capital (BSAC) of \$6,597.00 are amortized at a rate of 7 percent per annum over 4 years

C. Rent is subject to adjustment based upon the final Tenant Improvement (TI) cost to be amortized in the rental rate, as agreed upon by the parties subsequent to the Lease Award Date.

D. Rent is subject to adjustment based on the final Building Specific Amortized Capital (BSAC) cost to be amortized in the rental rate, as agreed upon by the parties subsequent to the Lease Award Date.

E. If the Government occupies the Premises for less than a full calendar month, then rent shall be prorated based on the actual number of days of occupancy for that month.

F. Rent shall be paid to Lessor by electronic funds transfer in accordance with the provisions of the General Clauses. Rent shall be payable to the Payee designated in the Lessor's Central Contractor Registration (CCR). If the payee is different from the Lessor, both payee and Lessor must be registered in CCR.

G. Lessor shall provide to the Government, in exchange for the payment of rental and other specified consideration, the following:

1. The leasehold interest in the Property described in the paragraph entitled "The Premises."

2. All costs, expenses and fees to perform the work required for acceptance of the Premises in accordance with this Lease, including all costs for labor, materials, and equipment, professional fees, contractor fees, attorney fees, permit fees, inspection fees, and similar such fees, and all related expenses;

3. Performance or satisfaction of all other obligations set forth in this Lease; and all services, utilities, and maintenance required for the proper operation of the Property, the Building, and the Premises in accordance with the terms of the Lease, including, but not limited to, all inspections, modifications, repairs, replacements, and improvements required to be made thereto to meet the requirements of this Lease.

1.04 ~~BROKER COMMISSION AND COMMISSION CREDIT (JUN 2012)~~ INTENTIONALLY DELETED

1.05 TERMINATION RIGHTS (AUG 2011)

The Government may terminate this Lease, in whole or in part, at any time effective after the Firm Term of this Lease, by providing not less than 90 days' prior written notice to the Lessor. The effective date of the termination shall be the day following the expiration of the required notice period or the termination date set forth in the notice, whichever is later. No rental shall accrue after the effective date of termination.

1.06 RENEWAL RIGHTS (AUG 2011)

This Lease may be renewed at the option of the Government for a term of [REDACTED] at the following rental rate(s):

[REDACTED]	
[REDACTED]	
SHELL RENTAL RATE	[REDACTED]
OPERATING COSTS	OPERATING COST BASIS SHALL CONTINUE FROM [REDACTED] OF EXISTING LEASE TERM. OPTION TERM IS SUBJECT TO CONTINUING ANNUAL ADJUSTMENTS.

provided notice is given to the Lessor at least 180 days before the end of the original Lease term, all other terms and conditions of this Lease, as same may have been amended, shall remain in force and effect during any renewal term.

1.07 DOCUMENTS INCORPORATED IN THE LEASE (JUN 2012)

The following documents are attached to and made part of the Lease:

DOCUMENT NAME	NO. OF PAGES	EXHIBIT
FLOOR PLAN	1	A
SECURITY REQUIREMENTS	4	B
SECURITY UNIT PRICE LIST	1	C
GSA FORM 3517B GENERAL CLAUSES	46	D
GSA FORM 3518, REPRESENTATIONS AND CERTIFICATIONS	10	E
AMENDMENTS TO RLP No. 1	1	F

1.08 TENANT IMPROVEMENT RENTAL ADJUSTMENT (SUCCEEDING) (SEPT 2011)

The Government may elect to make lump sum payments for any or all work covered by the Tenant Improvement (TI) scope. That portion of the rental payments attributable to amortization of the TIs shall be reduced accordingly. At any time after occupancy and during the firm term of the Lease, the Government, at its sole discretion, may elect to pay lump sum for any part or all of the remaining unpaid amortized balance of the TIs. If the Government elects to make a lump sum payment for the TIs after occupancy, the payment by the Government will result in a decrease in the rent according to the amortization rate over the remaining Firm Term of the Lease.

1.09 BUILDING SPECIFIC AMORTIZED CAPITAL (SEP 2012)

For purposes of this Lease, the Building Specific Amortized Capital (BSAC) is \$.16 per ABOA SF. The Lessor will make the total BSAC amount available to the Government, which will use the funds for security related improvements. This amount is amortized in the rent over the Firm Term of this lease at an annual interest rate of 7 percent.

1.10 BUILDING SPECIFIC AMORTIZED CAPITAL RENTAL ADJUSTMENT (SEP 2012)

A. The Government, at its sole discretion, shall make all decisions about the use of the Building Specific Amortized Capital (BSAC). The Government may use all or part of the BSAC. The Government may return to the lessor any unused portion of the BSAC in exchange for a decrease in rent (where applicable) according to the agreed-upon amortization rate over the Firm Term.

B. The Government may elect to make lump-sum payments for any work covered by the BSAC. The part of the BSAC amortized in the rent shall be reduced accordingly. At any time after occupancy and during the Firm Term of the Lease, the Government, at its sole discretion, may elect to pay a lump sum for any part or all of the remaining unpaid amortized balance of the BSAC. If the Government elects to make a lump-sum payment for the BSAC after occupancy, the payment of the BSAC by the Government will result in a decrease in the rent according to the amortization rate over the Firm Term of the Lease.

C. If it is anticipated that the Government will spend more than the BSAC identified above, the Government shall have the right to either:

1. Reduce the security countermeasure requirements;

2. Pay a lump sum for the amount overage upon substantial completion in accordance with the "Acceptance of Space and Certificate of Occupancy" paragraph; or
3. Negotiate an increase in the rent.

1.11 PERCENTAGE OF OCCUPANCY FOR TAX ADJUSTMENT (JUN 2012)

As of the Lease Award Date, the Government's Percentage of Occupancy, as defined in the "Real Estate Tax Adjustment" paragraph of this Lease is 2.25 percent. The Percentage of Occupancy is derived by dividing the total Government Space of 13,450.40 RSF by the total Building space of 595,172 RSF.

1.12 ESTABLISHMENT OF TAX BASE (JUN 2012) INTENTIONALLY DELETED

1.13 OPERATING COST BASE (AUG 2011)

The parties agree that for the purpose of applying the paragraph titled "Operating Costs Adjustment" that the Lessor's base rate for operating costs shall be \$9.36 per RSF (\$125,892/annum).

1.14 RATE FOR ADJUSTMENT FOR VACANT LEASED PREMISES (JUN 2012)

In accordance with the paragraph entitled "Adjustment for Vacant Premises" if the Government fails to occupy or vacates the entire or any portion of the leased Premises prior to expiration of the term of the Lease, the operating costs paid by the Government as part of the rent shall be reduced by \$2.50 per ABOA SF of Space vacated by the Government.

1.15 HOURLY OVERTIME HVAC RATES (AUG 2011)

The following rates shall apply in the application of the paragraph titled "Overtime HVAC Usage:"

- \$55.00 per hour for the entire Space.

1.16 24-HOUR HVAC REQUIREMENT (APR 2011) INTENTIONALLY DELETED

1.17 BUILDING IMPROVEMENTS (SEP 2012) INTENTIONALLY DELETED