

LEASE NO. GS-03B-12077

Standard Lease
GSA FORM L201C (June 2012)

This Lease is made and entered into between

One Penn Associates, L.P. (Lessor), whose principal place of business is **1617 John F Kennedy Boulevard, Suite 1190, Philadelphia, PA 19103-1844** 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

**1617 John F. Kennedy Boulevard
Philadelphia, PA 19103-1844**

and more fully described in Section 1 and Exhibit "A", 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.

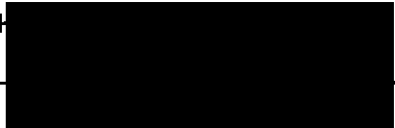

LEASE TERM

To Have and To Hold the said Premises with its appurtenances for the term beginning upon acceptance of the Premises as required by this Lease and continuing for a period of


Ten (10) Years, seven (7) 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.

| | |
|---|--|
| FOR THE | FC |
|  |  |
| Name: _____ | Name: <u>Ms. Carrie Vineberg</u> |
| Title: <u>Pres of General Partner</u> | Title: Lease Contracting Officer |
| Entity Name: <u>One Penn Associates, L.P.</u> | General Services Administration, Public Buildings Service |
| Date: <u>1/29/13</u> | Date: <u>1-31-2013</u> |

WITNESSED FOR THE LESSOR BY:



Name: _____

Title: MANAGER

Date: 1/29/13

The information collection requirements contained in this Solicitation/Contract, that are not required by the regulation, have been approved by the Office of Management and Budget pursuant to the Paperwork Reduction Act and assigned the OMB Control No. 3090-0163.

SECTION 1 THE PREMISES, RENT, AND OTHER TERMS

1.01 THE PREMISES (JUN 2012)

The Premises are described as follows:

- A. **Office and Related Space:** 42,942 rentable square feet (RSF), yielding 37,019 ANSI/BOMA Office Area (ABOA) square feet (SF) of office and related Space located on the full 6th and a portion of the 5th floor(s) 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 16 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)

The Government shall have the non-exclusive right to the use of Appurtenant Areas, and shall have the right to post Rules and Regulations Governing Conduct on Federal Property, Title 41, CFR, Part 102-74, Subpart C within such areas. The Government will coordinate with Lessor to ensure signage is consistent with Lessor's standards. Appurtenant to the Premises and included in the Lease are rights to use the following:

- A. **Parking:** One (1) parking space as depicted in the area highlighted on the plan attached hereto as Exhibit "B", reserved for the exclusive use of the Government. In addition, the Lessor shall provide such additional parking spaces as required by the applicable code of the local government entity having jurisdiction over the Property.
- B. **Antennas, Satellite Dishes, and Related Transmission Devices:** Space located on the roof of the Building sufficient in size for the installation and placement of the telecommunications equipment as such may be described herein, together with the right to access the roof and use of, all Building areas (e.g., chases, plenums) necessary for the use, operation and maintenance of such equipment at all times during the term of this Lease.

1.03 RENT AND OTHER CONSIDERATION (JUN 2012)

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

| | FIRM TERM ANNUAL RENT | NON-FIRM TERM ANNUAL RENT |
|---|--------------------------|------------------------------|
| SHELL RENT ¹ | \$530,333.70 | \$622,659.00 |
| TENANT IMPROVEMENTS RENT ² | \$ 343,354.55 | \$0.00 |
| OPERATING COSTS ³ | \$ 327,278.54 | \$ 327,278.54 |
| BUILDING SPECIFIC SECURITY ⁴ | \$ 10,877.21 | \$ 0.00 |
| PARKING ⁵ | INCLUDED IN SHELL | INCLUDED IN SHELL |
| TOTAL ANNUAL RENT | \$1,211,844.00 | \$949,937.54 |

¹Shell rent (Firm Term) calculation: \$12.35 per RSF multiplied by 42,942 RSF
²The Tenant Improvement Allowance of \$64,685.8 is amortized at a rate of 5 percent per annum over 7 years.
³Operating Costs rent calculation: \$7,621,409 per RSF multiplied by \$42,942 RSF
⁴Building Specific Security Costs of \$64,145.00 amortized at a rate of 5 percent per annum over 7 years, which equates to \$,2533 per rsf multiplied by 42,942 rsf.
⁵Parking costs are included in the shell rent

- B. Rent is subject to adjustment based upon a mutual on-site measurement of the Space upon acceptance, not to exceed 37,019 ABOA SF based upon the methodology outlined under the "Payment" clause of GSA Form 3517.
- 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. 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.
- E. 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.
- F. 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;

LESSOR MS GOVERNMENT: W

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.

G. SUB-PARAGRAPH INTENTIONALLY DELETED

1.04 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] |
| | ANNUAL RENT ANNUAL RATE PER SF |
| 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 ninety (90) 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(S) | NO. OF PAGES | EXHIBIT |
|---|--------------|---------|
| FLOOR PLAN(S) | 1 | A |
| PARKING PLAN(S) | 1 | B |
| AGENCY SPECIAL REQUIREMENTS: PROGRAM OF REQUIREMENTS | 16 | C |
| ADJACENCY DIAGRAM | 2 | |
| [REDACTED] DESIGN STANDARDS MANUAL | 24 | |
| SECURITY REQUIREMENTS | 3 | D |
| SECURITY UNIT PRICE LIST | 1 | |
| GSA FORM 3517B GENERAL CLAUSES | 46 | |
| GSA FORM 3518, REPRESENTATIONS AND CERTIFICATIONS | 10 | |
| RESTROOM RENOVATION PLAN AND RENDERING | 2 | E |
| TENANT RELOCATION PLAN | 1 | F |

1.08 TENANT IMPROVEMENT ALLOWANCE (AUG 2011)

The Tenant Improvement Allowance (TIA) for purposes of this Lease is \$54,8858 per ABOA SF. The TIA is the amount that the Lessor shall make available for the Government to be used for TIs. This amount is amortized in the rent over the Firm Term of this Lease at an annual interest rate of five (5) percent.

1.09 TENANT IMPROVEMENT RENTAL ADJUSTMENT (AUG 2011)

A. The Government, at its sole discretion, shall make all decisions as to the use of the TIA. The Government may use all or part of the TIA. The Government may return to the Lessor any unused portion of the TIA in exchange for a decrease in rent according to the agreed-upon amortization rate over the Firm Term.

B. The Government may elect to make lump sum payments for any or all work covered by the TIA. That part of the TIA 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 lump sum for any part or all of the remaining unpaid amortized balance of the TIA. If the Government elects to make a lump sum payment for the TIA after occupancy, the payment of the TIA 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 allowance identified above, the Government shall have the right to either:

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

1.10 TENANT IMPROVEMENT FEE SCHEDULE (JUN 2012)

For pricing TI costs, the following rates shall apply for the initial build-out of the Space.

| | INITIAL BUILD-OUT |
|--|-------------------|
| ARCHITECT/ENGINEER FEES (\$ PER ABOA SF) | \$2.00 |
| LESSOR'S PROJECT MANAGEMENT FEE (% OF TI CONSTRUCTION COSTS) | 3.0% |

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 6.827 percent. The Percentage of Occupancy is derived by dividing the total Government Space of 42,942 RSF by the total Building space of 629,007 RSF.

1.12 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 \$7.621409 per RSF (\$327,278.54/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 \$2.40 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:"

- \$5.00 per hour per zone subject to a maximum charge of \$125.00 per hour

1.16 24-HOUR HVAC REQUIREMENT (APR 2011)

The hourly overtime HVAC rate specified above shall not apply to any portion of the Premises that is required to have heating and cooling 24 hours per day. 24-hour HVAC is required by the Government for the server room (400 square feet) and LAN closets with a total HVAC load of approximately 4 tons or 48,000 BTU's (2-3 rooms are estimated depending on the layout at 80 square feet each) of the premises and such services shall be provided by the Lessor at no additional charge. The 24-hour HVAC for the server room may require space on the roof for condenser units, access to outside air riser in a high rise situation, or permission to add louvers to the perimeter wall of the tenant's space.

1.17 BUILDING IMPROVEMENTS (JUN 2012)

The Lessor shall complete the following additional Building improvements prior to acceptance of the Space:

- A. Ceilings throughout the offered space shall be renovated to meet the required ceiling heights for all areas specified in the Ceilings - Shell (JUN 2012) paragraph of this lease at no additional cost to the Government
- B. All restrooms within the offered space on the 6th floor as well as women's restroom on the 5th floor shall be upgraded as described in the attached Restroom Renovation plan and rendering labeled Exhibit "E". The restrooms shall meet all requirements of the lease paragraphs including 3.22 CEILINGS - Shell (JUN 2012), 3.29 WALL FINISHES - Shell (2012) and 3.39 RESTROOMS - Shell (JUN 2012). Any changes or substitutions to the restroom renovation plan and/or rendering must be submitted in writing to the Contracting Officer for prior approval.
- C. The current 6th floor tenants shall be relocated as described in the attached Relocation Plan labeled Exhibit "F", prior to the Government's issuance of Notice to Proceed with construction. After lease execution the Lessor shall provide to the Contracting Officer updates every two (2) weeks regarding the status of the tenant relocations.
- D. A unisex ABAAS compliant restroom shall be provided on both the 5th and 6th floors, at no additional cost to the Government, as highlighted in the floor plan incorporated into this lease, labeled Exhibit "A" and the restrooms shall meet all requirements of the lease paragraphs including 3.22 CEILINGS - Shell (JUN 2012), 3.29 WALL FINISHES - Shell (2012) and 3.39 RESTROOMS - Shell (JUN 2012).

1.18 HUBZONE SMALL BUSINESS CONCERNS ADDITIONAL PERFORMANCE REQUIREMENTS (MAR 2012)

If the Lessor is a qualified HUBZone small business concern (SBC) that did not waive the price evaluation preference then as required by 13 C.F.R. 126.700, the HUBZone SBC must spend at least 50% of the cost of the contract incurred for personnel on its own employees or employees of other qualified HUBZone SBC's and must meet the performance of the work requirements for subcontracting in 13 C.F.R. § 125.6(c). If the Lessor is a HUBZone joint venture, the aggregate of the qualified HUBZone SBC's to the joint venture, not each concern separately, must perform the applicable percentage of work required by this clause.