

<p>GENERAL SERVICES ADMINISTRATION PUBLIC BUILDING SERVICES</p> <p>SUPPLEMENTAL LEASE AGREEMENT</p>	<p>SUPPLEMENTAL AGREEMENT No. 1</p> <p>Page 1 of 4</p>	<p>DATE</p> <p>11.3.09</p>
<p>ADDRESS OF PREMISE Liberty at Hunters Green II Suite # 200 11841 Newgate Boulevard Hagerstown, MD 21740-8894</p>	<p>TO LEASE NO. GS-03B-08305</p> <p>ACT Number</p>	
<p>THIS AGREEMENT, made and entered into this date by and between Liberty Property Limited Partnership</p> <p>whose address is 500 Chesterfield Pkwy Malvern, PA 19355-8707</p> <p>hereinafter called the Lessor, and the UNITED STATES OF AMERICA, hereinafter called the Government:</p> <p>WHEREAS, the parties hereto desire to amend the above Lease. To accept the space, establish the lease term, establish the rental rate, and clarify additional items.</p> <p>NOW THEREFORE, these parties for the considerations hereinafter mentioned covenant and agree that the said Lease is amended, effective October 19, 2009, as follows:</p> <p>IN WITNESS WHEREOF, the parties subscribed their names as of the above date. To interpret any additional requirements:</p> <p>A. Paragraph 1 of the Lease is hereby deleted in its entirety and replaced with the following:</p> <p>"The Lessor hereby leases to the Government the following described premises:</p> <ul style="list-style-type: none"> <li>* A total of 409,140 rentable square foot (RSF) of warehouse, office, and related space, which yields 368,352 ANNEBORNE Office Area square feet (OASQ) of space on the first floor at Liberty at Hunters Green II, Suite # 200, 11841 Newgate Boulevard, Hagerstown, MD 21740-8894, to be used for such purposes as determined by the General Services Administration.</li> <li>* Included in the rent at an additional cost to the government are 25 surface parking spaces for exclusive use of the Government employees and patrons.</li> <li>* The common area factor for the leased premises occupied by the Government is established as 1.004835 (see "Common Area Factor" paragraph of the lease).</li> <li>* The leased premises occupied by the Government for real estate tax adjustments is established as 63.05% (see also "Percentage Occupancy" paragraph of the lease)."</li> </ul> <p>All other terms and conditions of the lease shall remain in force and effect.</p>		
<p>IN WITNESS WHEREOF, the parties subscribed their names as of the above date.</p>		
<p>BY: _____ (Signature)</p>	<p>_____ J.B. Senior Vice President (Official Title)</p>	
<p>UNITED STATES OF AMERICA General Services Administration, PHS, North Branch - Pittsburgh Section</p>		
<p>BY: _____ (Signature)</p>	<p>_____ Contracting Officer (Official Title)</p>	

**SUPPLEMENTAL LEASE AGREEMENT**  
No. 1

Page 2 of 4

**TO LEASE NO.**  
**GS-038-08305**

B. Paragraph 2 of the Lease is hereby deleted in its entirety and replaced with the following:

"2. TO HAVE AND TO HOLD the said premises with their appurtenances for the term beginning on October 18, 2009 through October 18, 2012, subject to termination and renewal rights as may be hereinafter set forth."

C. Paragraph 3 of the Lease is hereby deleted in its entirety and replaced with the following:

"3. The Government shall pay the Lessor annual rent of \$2,742,031.22 at the rate of \$228,502.68 per month in arrears for years 1 through 10. This rental rate will be adjusted when the tenant improvement change orders have been completed and accepted. See paragraph 15 for further clarification. Rent for a lesser period shall be pro-rated. Payment shall be made electronically and shall be made payable to: Liberty Property Limited Partnership, 500 Chesterfield Parkway, Malvern, PA 19368-8707."

D. Paragraph 15 is hereby deleted in its entirety and replaced with the following:

"15. 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, 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.

Upon acceptance of the leased premises by the Government, the same shall be measured and rental shall be paid, in accordance with Paragraph 3.7 of the lease, "ANSIBOMA Office Area Square Feet" and Paragraph 27 General Classes, GSA Form 3517, "Payment" at the approximate rate of \$6.9757 per ANSIBOMA Office Area square feet per year from years 1 through 10. Details are as follows:

**Years 1 through 10:**

Shell Rent: \$2,869,729.68/year or approximately \$3.19 per ANSIBOMA Office Area Square Foot (BOAF),

Amortized annual cost per BOAF for Tenant Alteration Allowance: \$178,862.32/year or approximately \$0.4268 per BOAF,

Interest rate at which Tenant Alterations are amortized: 2.2%

Annual Cost of Services: \$502,240.00/year or approximately \$1.26 per BOAF,

(Subject to escalations in accordance with terms more particularly set forth in Paragraph 3.4 of the Lease)

Total Annual Rent: \$2,742,031.22 (or \$228,502.68/month)

Initials:

ALK & AL  
Lessor      Gov't

**SUPPLEMENTAL LEASE AGREEMENT**

No. 1

Page 3 of 4

**TO LEASE NO.**  
**GS-03B-05305**

\*The rent is adjusted downward since the Government did not utilize the entire Tenant Improvement Allowance of ~~\$2,658,237.23~~ or \$4.65 per ANSB/DOMA Office Area Square Foot, using the 9.8% amortization rate over the firm term of (ten (10) years. The parties heroby agree that the actual amount of tenant improvements spent was \$1,700,622.23 or approximately \$0.4267 per BOAF. The cost of the construction and installation of improvements to the leased premises above the base building shell includes but is not limited to, the following: the cost of all alterations outlined in the construction drawings; the preparation of the construction drawings; and construction administration. The approximate rate of \$0.4267 per BOAF for Tenant Improvements reflects the total TI cost of \$1,700,622.23 fully amortized at an interest rate of 9.0% over the firm of the Lease term, from October 19, 2009 to October 14, 2019. The Government may use the remaining Tenant Improvement Allowance to fund tenant improvement change orders. The rent shall be adjusted when these changes have been inspected and accepted.

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.

The \$1,700,622.23 tenant improvement cost breakdown is as follows:

Division 1	\$ 248,883.00
Division 2	\$ 10,680.00
Division 3	\$ 7,410.00
Division 4	\$ -
Division 5	\$ 21,956.67
Division 6	\$ 14,348.00
Division 7	\$ 7,200.00
Division 8	\$ 37,834.00
Division 9	\$ 121,502.00
Division 10	\$ 13,562.00
Division 11	\$ 4,581.00
Division 12	\$ 28,138.00
Division 13	\$ -
Division 14	\$ -
Division 15	\$ 710,589.00
Division 16	\$ 728,819.00
Sub Total	\$ 4,368,379.67
GC OH & P	\$ 268,704.37
Lessor's Fee (on direct work) at 10%	\$ 138,537.88
<b>Grand Total</b>	<b>\$ 4,775,621.92</b>

Initials:

Lessor

T.B.

&

Gov't

**SUPPLEMENTAL LEASE AGREEMENT**  
No. 1

Page 4 of 4

**TO LEASE NO.**  
**GS-43B-09305**

E. Lighting shall be maintained throughout the life of the lease at a uniform light level of 30 foot candles in an open warehouse layout (without crates or other items). Once the agency has completed moving items in the warehouse, occupancy sensitive lights shall be installed and adjusted within fifteen (15) calendar days. This will be coordinated with the agency. Installation and adjustment shall be performed at no additional cost to the Government.

F. The Government has the right to use all of the dock doors in the warehouse space. The Lessor shall maintain and repair these dock doors and associated equipment as needed throughout the life of the lease at no additional cost to the Government.

G. The generator shall be properly maintained and serviced throughout the life of the lease in accordance with the lease terms, at no additional cost to the Government.

Initials

MM  
Lessor *rb.*

AL  
Gov't