

U.S. GOVERNMENT  
LEASE FOR REAL PROPERTY

DATE OF LEASE

September 14, 2010

LEASE NO. GS-02B-23754

BLDG NO. NY7506ZZ

THIS LEASE, made and entered into this date by and between 123 William LLC  
whose address is  
c/o AM Property Holding Corp II  
352 7<sup>th</sup> Avenue  
New York, NY 10001

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 to be used for office and related purposes:

Thirty one thousand nine hundred seventy three (31,973) rentable square feet of office space consisting of twenty seven thousand one hundred sixty six (27,166) ANSI/BOMA Office Area square feet comprising the third and part of the fourth floor at the building known and designated as 123 William Street, New York, NY 10038 in accordance with the attached floor plan labeled Exhibit 'A', attached hereto and made a part hereof.

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

\_\_\_\_\_ through \_\_\_\_\_, subject to termination and  
~~renewal rights as may be hereinafter set forth.~~ SEE PARAGRAPH 10 OF THE RIDER.

3. The Government shall pay the Lessor annual rent of \$ \_\_\_\_\_

at the rate of \$ \_\_\_\_\_ per \_\_\_\_\_ in arrears.

~~Rent for a lesser period shall be prorated. Rent checks shall be made payable to:~~ SEE PARAGRAPH 14 OF THE RIDER.

~~4. The Government may terminate this lease at any time after the fifth (5) year by giving at least ninety (90) 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:

~~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.~~

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6. The Lessor shall furnish to the Government, as part of the rental consideration, the following:

A. General building requirements in accordance with the following sections of this Lease:

1. Summary, Section 1.0;
2. Award Factors and Price Evaluation, Section 2.0;
3. How To Offer And Submittal Requirements 3.0;
4. Utilities, Services, And Lease Administration, Section 4.0;
5. Design, Construction, And Other Post Award Activities, Section 5.0;
6. General Architecture, Section 6.0;
7. Architectural Finishes, Section 7.0;
8. Mechanical, Electrical, Plumbing, Section 8.0;
9. Fire Protection, Life Safety, And Environmental Issues, Section 9.0;
10. Lease Security Standards, Section 10.0;
11. Special Requirements, Sections 11 through 13;
12. Attachments A through E to Special Requirements.

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

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

ed their names as of the date first above written.

(Signature)

IN PRESENCE OF

(Address)

Stamford, CT 06905

UNITED STATES OF AMERICA GENERAL SERVICES ADMINISTRATION

BY

Contracting Officer

(Official title)

STANDARD FORM NO. 24  
FEBRUARY 1965 EDITION

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**RIDER TO LEASE NO. GS-02B-23754**

9. The following are attached hereto and made a part hereof:
- a. Lease Rider, containing Paragraphs 9 through 44;
  - b. Section 1.0, Summary, Paragraphs 1.1 through 1.12;
  - c. Section 2.0, Award Factors, Paragraphs 2.1 through 2.5;
  - d. Section 3.0, How To Offer And Submittal Requirements, Paragraphs 3.1 through 3.7;
  - e. Section 4.0, Utilities, Services, And Lease Administration, Paragraphs 4.1 through 4.15;
  - f. Section 5.0, Design, Construction, And Other Post Award Activities, Paragraphs 5.1 through 5.15;
  - g. Section 6.0, General Architecture, Paragraphs 6.1 through 6.11;
  - h. Section 7.0, Architectural Finishes, Paragraphs 7.1 through 7.15;
  - i. Section 8.0, Mechanical, Electrical, Plumbing, Paragraphs 8.1 through 8.19;
  - j. Section 9.0, Fire Protection, Life Safety, And Environmental Issues, Paragraphs 9.1 through 9.12;
  - k. Section 10.0, Lease Security Standards, Paragraphs 10.1 through 10.19;
  - l. Section 11.0, Downtown FO, Special Requirements, Paragraphs 11.1 through 11.5 ;
  - m. Section 12.0, Manhattan [REDACTED], Special Requirements, Paragraphs 12.1 through 12.5;
  - n. Section 13.0, Downtown FO and Manhattan [REDACTED], Unique Requirements, Paragraphs 13.1 through 13.11;
  - o. Attachments A through E to Special Requirements;
  - p. General Clauses, GSA Form 3517B, Paragraphs 1 through 48;
  - q. Representations and Certifications, GSA Form 3518, Paragraphs 1 through 9; and
  - r. Exhibit "A" floorplan highlighting the demised premises.
10. The term of this Lease shall commence upon Substantial Completion of all alterations specified in this Lease and on the Design Intent Drawings (DIDs) to be approved by the Government and shall run for a period of ten (10) years thereafter. The commencement date of the Lease shall be more particularly set forth by a Supplemental Lease Agreement executed by both the Lessor and the Government.
11. The Lessor agrees to proceed with due diligence to provide all labor and materials necessary to perform all alterations and installations in accordance with this rider, Sections 1 through 13 of this Lease, its attachments, the DIDs to be approved by the Government and the Government's electrical and data drawings and specifications (also known as the "SmithGroup Drawings") to be provided by the Government and to deliver the space ready for occupancy in accordance with Paragraph 5.11 of this Lease.
12. The space leased to the Government must contain the required ANSI/BOMA office area square feet specified in Paragraph 1 of the SF2 of this Lease. In no event shall the Government pay for more than 27,166 ANSI/BOMA office area square feet.

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The Government has inspected and measured the space, and agreed that if the space is constructed in accordance with the approved drawings it will meet the ANSI/BOMA measurement standards set forth in the Lease and shall not be re-measured or recalculated during the term of this Lease or the Lease extensions.

13. The Lessor agrees to contribute a Tenant Improvement (TI) Allowance of \$1,520,481.00 towards the cost of TI. Such contribution has been included as part of the rental consideration set forth in Paragraph No. 14 below. The Lessor's contribution toward the TI cost will be amortized over one hundred twenty (120) months compounded at an interest rate of 0% per annum for a total tenant improvement rental of \$152,191.48 per annum or \$4.76 per rentable square foot/ 5.60 per ANSI/BOMA office area square foot. In the event the TI cost is less than \$1,520,481.00, only the actual TI cost shall be amortized into the annual rent in the same manner as set forth above and the rental rate set forth in Paragraph No. 14 below shall be reduced accordingly. Such rental reduction, if applicable, will be memorialized in a Supplemental Lease Agreement. The Government will reserve the right at any time to reimburse the Lessor with lump sum payments to buy down any or all portions of the tenant improvement cost.

14. The Government shall pay the Lessor a total annual rental of \$52.37 per rentable square foot for a total of \$1,674,426.00 per annum at the rate of \$139,535.50 per month paid in arrears. Annual rental includes \$4.76 per rentable sq. ft. (\$152,191.48 per annum) for the amortization of the Lessor's contribution to the TI cost. This annual rental shall be subject to adjustment as set forth in Paragraph 13 above and shall be subject to CPI and tax adjustment pursuant to Paragraphs 18 and 19 of the Rider to the Lease and as set forth in Paragraphs 4.2 and 4.3 of Section 4.0.


Rent for a lesser period shall be prorated. Rent payments shall be made in accordance with Paragraph 23 of the General Clauses.

15. As part of the annual base rental set forth in paragraph No. 14 above and at no additional cost to the Government, the Lessor hereby agrees to provide and install any Building Shell improvements and modifications required in order to comply with the requirements of paragraph 1.11 and other paragraphs where Building Shell is specifically designated in the Lease.

Such improvements shall not be considered to be part of the TI cost.


16. All services, maintenance and utility costs, as specified in Section 4.0 of this Lease, are included in the rental consideration and shall be provided by the Lessor in accordance with the specifications in this lease at no additional cost to the Government.

17. Overtime utilities will be charged at \$150.00 per hour in accordance with paragraph 4.6 of the Lease, except for LAN rooms requiring 24 hour HVAC service (Data Communication Room, wiring closets).

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All electricity and associated heating and air conditioning to be provided to the LAN rooms within the Government's leased premises during all hours of operation shall be provided at no additional cost to the Government. Hours of operation are continuous twenty-four hours per day, 365 days per year.

18. For the purposes of the Real Estate tax adjustment, in accordance with Section 4.0, paragraph 4.2 of the lease, the Government will occupy 7.47% of the rentable area of the building. The Block and Lot number for this building are: Block 78, Lot 4.
19. For the purposes of the Operating Cost Escalation, in accordance with Section 4.0, paragraph 4.3 of the Lease, the base cost of services shall be \$337,954.61 per annum or \$10.57 per rentable square feet or \$12.45 per ANSI/BOMA office area square feet.
20. For the purposes of Adjustment for Vacant Premises, in accordance with Paragraph 4.4 of the Lease, the rent shall be reduced by \$1.93 rentable square feet or \$2.27 per ANSI/BOMA office area square feet.
21. The Lessor shall be solely responsible for the technical accuracy of the construction documents to be developed by the Lessor from the approved DIDs and the construction of the leased premises as required by this Lease, including but not limited to, HVAC requirements, lighting placement, plumbing and fire/life safety requirements.
22. The Lessor will provide and install 10 lbs. ABC multipurpose fire extinguishers throughout the leased premises at such locations that the maximum traveled distance from any point to an extinguisher is fifty (50) feet. A sign should be placed above the extinguisher so its location is apparent from a distance. The Lessor shall insure that the leased premises comply with all applicable fire and life safety provisions.
23. Pursuant to Section 4.0, paragraph 4.8 "Janitorial Services", cleaning services requiring access to the Government's leased space shall be accomplished during the Government's working hours of 7:15 a.m. to 5:00 p.m., Monday through Friday, in accordance with the specifications set forth in this Lease.
24. Lessor shall make all reasonable efforts to perform any alterations, maintenance and/or repair work outside the demised premises in such a manner as to minimize disruption or disturbance to the Government's operations. Lessor agrees to complete such work in a manner that does not cause any safety hazards.
25. Wherever the words "Offeror" or "Successful Offeror" appear in this Lease, they shall be deemed to mean "Lessor"; wherever the words "Solicitation", "Solicitation for Offers", or "SFO" appear in this Lease, they shall be deemed to mean "this Lease"; wherever the words "space offered for lease" appear in this Lease, they shall be deemed to mean "leased premises", "premises" or "Premises", and wherever the word "Lessee" is used herein it shall be deemed to mean the "Government".

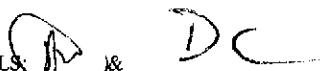
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26. If any term or provision of this Lease or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Lease, or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby and each term and provision of this Lease shall be valid and be enforced to the fullest extent permitted by law.
27. Each employee of the Lessor and/or its contractor(s) employed in connection with the operation of the building shall be (1) a citizen of the United States of America; (2) an alien who has been lawfully admitted for permanent residence as evidenced by Alien Registration Receipt Card, Form I-151; or (3) an alien who presents other evidence from the Immigration and Naturalization Service that employment will not affect his/her immigration status.
28. If, during the term of this Lease including extensions, title to this property is transferred to another party either by sale, foreclosure, condemnation or other transaction, the Lessor shall promptly notify the Contracting Officer of said transfer. The following information shall accompany this notification:
- a) a certified copy of the deed transferring title to the property from the owner to the new owner;
  - b) a letter from the new owner assuming, approving, and agreeing to be bound by the terms of this Lease;
  - c) a letter from the Lessor waiving all rights under this Lease against the Government up to the effective date of the transfer, provided that the Government is current on rent and all other obligations under this Lease. Lessor acknowledges that the Government pays rent one month in arrears;
  - d) the new owner's taxpayer identification number or Social Security number;
  - e) the new owner's full legal name. If a corporation, indicate the state of incorporation. If a partnership, list all partners fully. If a limited partnership, list all general partners and identify under the laws of which state the limited partnership is created. If a realty trust, give names of all trustees and the recording date of the trust.

The foregoing information must be received by the fifteenth day of the month in which the transfer of title will be effected. The rent for that month, adjusted in accordance with the effective date of the transfer will be processed to the Lessor. Initial rental payment to the new owner will be processed on the first day of the second month following the transfer of title.

If the notification of transfer and related information is not received until the sixteenth day of the month (or later), in which the transfer of title will be effected, the full contract rental for that month will be forwarded to the Lessor.

In this instance, it will be the responsibility of both the Lessor and the new owner to submit, in conjunction with other requested information, a letter of agreement

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regarding disposition of the monthly rent with respect to the effective date of transfer. In any instance, failure to submit the documentation required for transfer of title will result in a stop payment of rent until such time as all documentation is received by the Contracting Officer.

29. The Lessor shall not be reimbursed for any services not provided for in the Lease including, but not limited to, repairs and alterations, nor will any rental be paid for occupancy in whole or in part except for the Lease term specified in this Lease, unless approved in advance and in writing by an authorized official of the General Services Administration (GSA) or otherwise herein provided.
30. All questions pertaining to this Lease contract shall be submitted in writing to the GSA Contracting Officer. The Government occupant is not authorized to administer this lease contract, and GSA assumes no responsibility for any costs incurred by the Lessor except as provided by the terms of the Lease contract or authorized in writing by the GSA Contracting Officer. In no event shall the Lessor enter into negotiations concerning the space leased or to be leased with representatives of Federal agencies other than the officers or employees of GSA or personnel authorized by the Contracting Officer.
31. The Lessor shall provide the name and telephone number of a designated representative that can be contacted to correct deficiencies. The Lessor shall immediately advise the Government of any change in the name, address, and telephone number of the successor within 24 hours.
32. The Lessor shall ensure that adequate signage is provided as appropriate. The Government shall have the right to approve the subject sign(s) and its placement in the Building.
33. The Government may require the Lessor to install an antenna or satellite dish. The Government shall fund the installation of the equipment and obtain all the required permits should the Government elect to install the equipment. Refer to Attachment C to Special Requirements Sections of the Lease for detailed information on equipment and its installation.
34. The Lessor must be registered in the Central Contractor Registration (CCR) System. The CCR is a centrally located, searchable database which assists in the development, maintenance, and provision of sources for future procurements. The Lessor shall register via the internet at <http://www.ccr.gov>. To remain active, the Lessor is required to update or renew its registration annually.
35. The Government, and its cost and expense, shall obtain and maintain all necessary permits, licenses and Governmental approvals requisite to the conduct of the Government's business at the demised premises.

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36. The Government, at its expense, shall promptly comply with all present and future laws, orders and regulations of all federal, state, municipal and local governments, departments, commissions and boards and any direction of any public officer pursuant to law, and any orders, rules and regulations of the New York Board of Fire Underwriters or any similar body applicable to the Government (collectively, "Applicable Laws"), which shall impose any violation, order or duty upon Lessor or the Government with respect to the demised premises arising out of the Government's use or manner of use thereof, or with respect to the Building if arising out of the Government's use or manner of use of the demised premises or the Building.
37. The Government shall not place any load, heavy article or insulation (such as safes, vaults, filing systems, libraries or other heavy duty furniture or equipment) upon any floor of the demised premises exceeding the floor load per square foot area which it was designed to carry and which is allowed by law. Lessor reserves the right to prescribe the weight and position of all such heavy articles or installations, and the same shall be placed and maintained at the Government's expense, in settings sufficient, in Lessor's judgment, to absorb and prevent vibration, noise and annoyance.
38. Throughout the term, the Government may not make any alterations, additional or improvements (collectively, "Alterations") in and to the demised premises, other than normal painting, carpeting, wall coverings and office decorations, without first obtaining Lessor's consent in each instance. Lessor's consent shall not be unreasonably withheld if any Alteration, in Lessor's determination: (i) has no adverse effect on the building's structure or systems including, without limitation, the building's mechanical, electrical, plumbing, HVAC, fire protection or elevator systems and curtain wall; (ii) is not visible from the exterior of the demised premises; (iii) does not result in a violation of, or require a change in, the building's certificate of occupancy; (iv) does not affect any area of the building outside of the demised premises; (v) does not affect the gross area of the demised premises other than to a de minimis extent; and (vi) does not, in Lessor's judgment, adversely affect the character or value of the building. Before undertaking any Alteration of any kind whatsoever, the Government shall submit to Lessor a statement of work proposed to be done, an estimate of the cost thereof and plans and specifications therefore. No Alterations shall be commenced unless Lessor shall first have approved such plans, specifications and cost estimate. The Government's contractors and engineers for all Alterations shall be subject to Lessor's prior approval. All expenses and cost incidental to any Alteration shall be borne by the Government.
39. The Government shall permit Lessor and/or any of Lessor's agents to enter the demised premises at all times without notice in the event of an emergency and after giving a 24-hour advance notice during business hours in other cases, for the purposes of inspecting the same and, upon reasonable notice, for the purpose of making any necessary or desirable repairs, replacements and improvements thereto and performing any work therein.

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40. During the progress of any such repairs or work in or about the demised premises, Lessor may keep and store therein all necessary materials, tools, supplies and equipment. Lessor shall endeavor to cause minimal interruption to the Government's business during the performance of any of such work.
41. Lessor shall have the right to enter the demised premises during business hours after giving a reasonable advance notice for the purpose of showing the same to existing and prospective mortgagees and ground lessors or for any other business purpose and, within eighteen (18) months prior to the expiration date of the term of the Lease, for the purpose of showing the same to prospective tenants.
42. The Government shall look solely to the estate and interest of Lessor in the building for collection of any judgment recovered against Lessor based upon the breach by Lessor or of any of the terms, covenants and conditions of this Lease on the part of Lessor to be performed, and no other property or assets of Lessor or any member thereof shall be subject to levy, execution or other enforcement procedure for the satisfaction of the Government's remedies under or with respect
43. The Government agrees that if the possession of the premises is not surrendered to Lessor upon the date of the expiration of the term or sooner termination of the Lease, the Government will pay Lessor for use of the premises for each month and for each portion of any month during which the Government holds over in the premises after the expiration or termination of the term, a use and occupancy payment no less than the greater of (i) 120% times the aggregate of that portion of the rental which was payable under the Lease during the last month of the term, and (ii) 110% times the then applicable fair market rental value for the premises.
44. The failure of Lessor or the Government to seek redress for breach or violation of, or to insist upon the strict performance of, any term, covenant or condition of this Lease on Lessor's or the Government's part to be observed or performed shall not prevent a subsequent act or omission (which would have originally constituted a breach or violation of any such term, covenant or condition) from having all the force and effect of an original breach or violation. No provision of this lease shall be deemed to have been waived by Lessor or the Government unless such waiver shall be set forth in writing by Lessor or the Government.

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