

U.S. GOVERNMENT
LEASE FOR REAL PROPERTY

DATE OF LEASE

September 2, 2010

LEASE NO.

GS-02B-23769

LOCATION :

NY7184

THIS LEASE, made and entered into this date by and between Wells REIT-Holtsville, NY, LLC

whose address is: c/o Piedmont Office Realty Trust, 11695 Johns Creek Parkway, Suite 350, Johns Creek, GA30097

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:

37,601 rentable square feet (RSF) / 32,696 ANSI/BOMA office area square feet (ABOA SF) of office space located on the second floor of the building known and designated as 5000 Corporate Court, Holtsville, New York 11742 as shown on the demising 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 9 OF THE RIDER TO THIS LEASE

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

SEE PARAGRAPH 12 OF THE RIDER TO THIS LEASE

4. ~~The Government may terminate this lease in whole or in part at any time.~~

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

(See Attached Rider)

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

LESSOR Wells REIT-Holtsville, NY, LLC
a Georgia limited liability company

By: Piedmont Operating Partnership, LP,
a Delaware limited partnership, its sole member

By: Piedmont Office Realty Trust, Inc., a Maryland corporation, its sole General Partner

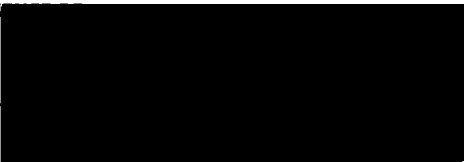
BY _____



SVP

(Title)

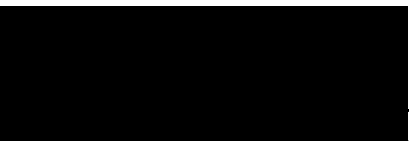
IN PRESENCE _____



4695 Johns Creek, ^{Park} Johns Creek GA
(Address) 30097

UNITED STATES OF AMERICA GENERAL SERVICES ADMINISTRATION

BY _____



Contracting Officer
(Official title)

RIDER TO LEASE NO: GS-02B-23769

6. The following are attached and made a part hereof:
- a) Rider To Lease, containing Paragraphs 6 through 45;
 - b) Section 1.0, Summary, paragraphs 1.1 through 1.11;
 - c) Section 2.0, Award Factors and Price Evaluation, paragraphs 2.1 through 2.4;
 - 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, paragraph 4.1 through 4.13;
 - f) Section 5.0, Design, Construction and Other Post Award Activities, paragraph 5.1 through 5.14;
 - g) Section 6.0, , General Architecture, paragraphs 6.1 through 6.12;
 - h) Section 7.0, Architectural Finishes, paragraphs 7.1 through 7.14;
 - 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 9.13;
 - k) Section 10.0, Lease Security Standards; paragraphs 10.1 through 10.19;
 - l) Section 11.0, Special Requirements; paragraph 11.1 and Special Requirements attachments;
 - m) General Clauses, GSA Form 3517B, paragraphs 1 through 48;
 - n) Representations and Certifications, GSA Form 3518, paragraphs 1 through 9;
 - o) Exhibit A, Second floor plan highlighting the demised premises;
7. Wherever the words "Offeror" or "Successful Offeror" appear in the 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 the "leased premises", "demised premises", "premises" or "Premises" and where the word "Lessee" is used herein it shall be deemed to mean Government.
8. The Lessor shall construct the Premises as depicted by Exhibit A so as to deliver it in accordance with all of the requirements of this lease including, but not limited to, Section 11, *Special Requirements*, ready for occupancy by the Government, no later than eighty (80) working days after receiving the Tenant Improvement Notice to Proceed from the Government.
9. The term of this Lease shall commence upon substantial completion of all alterations specified in this Lease and run for a period of ten (10) years thereafter, subject to the termination rights as set forth below. The Commencement Date of the Lease shall be more particularly set forth in a Supplemental Lease Agreement (SLA) to this lease upon acceptance of the space by the Government pursuant to SFO Section 5.10, I.
10. The Government may terminate this lease at any time by providing at least one hundred and twenty (120) working days written notice to the Lessor after the fifth (5th) year of the lease and no rental shall accrue after the date of termination. Said notice shall be computed commencing the day after the date of mailing.
11. The Lessor shall contribute a Tenant Improvement (hereinafter "TI") Allowance of \$1,238,380.62 towards the cost of TI. Such contribution has been included as part of the rental consideration set forth in Paragraph No. 12 below. The Lessor's contribution toward the TI cost shall be amortized over the 5-year firm term of the lease at an interest rate of 7.5% per annum (\$297,775.29 per annum). If the TI cost exceeds the Tenant Improvement Allowance of \$1,238,380.62, then the Government shall pay the Lessor the difference between \$1,238,380.62 and the total TI cost in a one-time lump sum payment upon substantial completion of the TI and acceptance thereof by the Government subsequent to the submission of a proper invoice by the Lessor. In the event the TI cost is less than \$1,238,380.62, only the actual TI cost shall be amortized into the annual rent at the same interest rate and in the same manner as set forth above and the rental rate set forth in Paragraph No. 12 below shall be reduced accordingly. Such additional payment or rental reduction, if applicable, will be memorialized in a Supplemental Lease Agreement.
12. The Government shall pay the Lessor annual rental as follows:

There shall be no rent payable to the Lessor for the first three months (months 1-3) of the lease term.

LESSOR: *JW* & GOVERNMENT: *eu*

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 to the Broker in accordance with Paragraph 2.2 of the SFO, "Broker Commission and Commission Credit", in the lump sum amount of [REDACTED] within 30 days following execution of this lease by the Government.

The shell rental portion of the annual rental payments due and owing under Paragraph 12 of this Rider shall be reduced to fully recapture this Commission Credit. The reduction in shell rent shall commence with the fourth month of the rental payments and continue throughout the seventh month of the lease term as indicated in the following schedule of adjusted Monthly Rent:

Fourth Month's Rental Payment \$85,383.15 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted Fourth Month's Rent.

Fifth Month's Rental Payment \$85,383.15 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted Fifth Month's Rent.

Sixth Month's Rental Payment \$85,383.15 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted Sixth Month's Rent.

Seventh Month's Rental Payment \$85,383.15 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted Seventh Month's Rent.

Eighth Month's Rental Payment \$85,383.15 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted Eighth Month's Rent.

22. All plans submitted for consideration shall have been generated by a Computer Aided Design (CAD) program which is compatible with the latest release of AutoCAD. The required file extension is .DWG. Clean and purged files shall be submitted on CD-ROM. All submissions shall be accompanied with a written matrix indicating the layering standard to ensure that all information is recoverable. Plans shall include a proposed corridor pattern for typical floors and/or partial floors. All architectural features of the space shall be accurately shown.
23. To the extent of any inconsistency between the terms of this Rider and any of the attachments, the terms of this Rider shall govern.
24. The Government may sublet any part of the Premises or assign the lease in its entirety, but shall not be released from any obligations under the lease by reason of any such subletting or assignment. In the event of any assignment or subletting, the proposed assignee or subtenant shall be subject to the prior written consent of the Lessor, which shall not be unreasonably withheld, conditioned or delayed.
25. The Government may, at any time and from time to time, and with Landlord's written consent which shall not be unreasonably withheld, substitute any Government agency or agencies for the Government agency or agencies, if any named in the lease.
26. Notwithstanding anything to the contrary in the SFO, Section 5.14 of the SFO, GSA Form 3517 B or other lease documents, the Lessor retains the right to require the removal of personal property which includes furniture, computer equipment, monuments, and/or signs affixed to the exterior of the property, installed by the Government, at the sole expense of the Government, upon the expiration or earlier termination of this Lease. The responsibility for Electronics and Telecommunications wiring abatement will be reasonably determined jointly by the Government and Lessor prior to the expiration of the Lease term.
27. Pursuant to SFO Section 5.6 *Liquidated Damages*, in case of failure on the part of the Lessor to complete the work within the time fixed in the lease contract as extended by excusable delays, the Lessor shall pay the Government as fixed and agreed liquidated damages, pursuant to this paragraph, the sum of one day's fully-serviced rent for each and every calendar day that the delivery is delayed beyond the date specified for delivery of all the space ready for occupancy by the Government. This remedy is not exclusive and is in addition to any other remedies which may be available under this lease or at law. This liquidated sum is not meant as a penalty, but as an approximation of actual damages that would be suffered by the Government as a result of the Lessor's delay.
28. Given that this building offices more than one Governmental agency, including the [REDACTED] under a separate lease, the term Government as used in this SFO (#9NY2214) and all attachments, shall apply solely to the [REDACTED] occupying the Premises represented by Exhibit A and the U.S. General Services Administration.

LESSOR: [Signature] & GOVERNMENT: [Signature]

29. Pursuant to SFO Section 1.4 *Access and Appurtenant Areas*, the Government shall have the right to post its rules and regulations only in the Premises identified in Exhibit A.
30. Pursuant to SFO Section 4.12 *Novation and Change of Name*, I.. In the event of a change in ownership, rent will continue to be paid to the prior Lessor until the Supplemental Lease Agreement is executed by the Government. If the Supplemental Lease Agreement is not executed by the Government by the fifteenth (15th) day of the month, the rental payments to the new owner will be processed on the first day of the second month following the execution of the Supplemental Lease Agreement by the Government. It is the responsibility of the Lessor and the new owner to negotiate the disposition of the monthly rent paid between the effective date of transfer and the date rental payments are processed to the new owner. New Lessors must comply with all provisions of this Lease, including but not limited to, Central Contractor Registration and the provision of all information required by the Contracting Officer.
31. SFO Section 6.1 *Accessibility* shall only apply to those areas of the Building that the Government's employees, contractors, and visitors will have access to and will travel through to access the Premises.
32. *Window Coverings*, pursuant to Section 6.5 of the SFO, shall comply with the Building standards.
33. The Public Areas as referenced in SFO Section 7.12 *Painting*, subsection A., shall only apply to those areas that the Government's employees will have access to and will travel through to access the Premises.
34. Pursuant to SFO Section 8.14, *Telecommunications – Local Exchange Access*, subsection A., 4., the Lessor shall allow the Government's designated telecommunications provider(s) to affix antennae and transmission devices throughout its leased space and in appropriate common areas frequented by the Government's employees so as to allow the use of wireless telephones and communications devices necessary to conduct business. Lessor shall approve antennae or transmission device placement in appropriate common areas, such approval not to be unreasonably withheld, conditioned or delayed.
35. Pursuant to SFO Section 10.10, *Additional Security Measures as Determined by the Government*, should the Government determine that the Premises require additional or increased security measures subsequent to occupancy, the cost of implementing and maintaining said additional measures shall be a cost to the Government. The Lessor and the Government shall agree upon the price and payment of such additional cost (s) in an SLA to this lease prior to the performance of any work. Said additional security measures to the Premises, proposed subsequent to occupancy, shall require the consent of the Lessor, which shall not be unreasonably withheld, conditioned or delayed.
36. Pursuant to SFO Section 10.12 [REDACTED], the Government's perimeter [REDACTED] shall secure and apply solely to the Government's Premises. This language matches that used in the *Physical Security Standards*.
37. All building and property common areas, building entrances and property entrances shall be controlled and secured exclusively by the Lessor in its reasonable judgment. Should the Government determine that the Premises require additional or increased security measures subsequent to occupancy, the cost of implementing and maintaining said additional measures shall be at the sole cost of the Government.
38. In the event of a discrepancy between Section 11, *Special Requirements*, Attachments 1, 2 and 3 and other sections in the SFO, the Special Requirements and the Special Requirements Attachments shall apply.
39. Pursuant to the *Physical Security Standards – Appeals*, attachment 5 in Section 11.1, *Special Requirements*, the Government Tenant [REDACTED] will maintain all [REDACTED] to its occupied office space. The Government [REDACTED] will provide a [REDACTED] for [REDACTED] for [REDACTED] (b)(6) occupied space to the Lessor authorized for use ONLY in cases of emergencies which are to include, but are not limited to, fires or water leaks. The Lessor agrees to notify the 24/7 [REDACTED] Security Console at 631.654.6021 - BEFORE entering [REDACTED] occupied space due to such emergencies; [REDACTED] guard force will respond to monitor activities of the Lessor and protect the interest of the [REDACTED] during such

LESSOR: [Signature] & GOVERNMENT: [Signature]

emergencies. Government [REDACTED] will monitor and audit the use of the key or keycard using various methods - including but not limited to: [REDACTED], using the [REDACTED] access control system, [REDACTED], and/or [REDACTED] (b)(6). If Lessor requires access to [REDACTED] occupied space in non-emergency situations, and outside of normal business hours, arrangements with [REDACTED] must be made in advance. Unauthorized accesses to [REDACTED] occupied space will be thoroughly investigated; and if warranted - will be referred to the [REDACTED] ([REDACTED]).

40. A. Section 5.10, *Construction Schedule and Acceptance of Tenant Improvements*, subsection C. of the SFO is hereby modified to read as follows:

WORKING/CONSTRUCTION DRAWINGS:

The Lessor shall prepare, as part of the Tenant Improvement Allowance, final working/construction drawings for the improvements illustrated on the Government approved design intent drawings. The working/construction drawings shall include all mechanical, electrical, plumbing, fire safety, lighting, structural, and architectural improvements scheduled for inclusion into the Government demised area. Working/construction drawings shall also be annotated with all applicable specifications. The resulting product shall reflect requirements which are substantially the same as that specified by the Government approved design intent drawings and shall incorporate neither extraneous additions nor deletions of requirements. The Lessor's working/construction drawings shall be due to the Government within 20 working days of the Government's approval of the design intent drawings. Working/construction drawings shall clearly identify 1) Tenant Improvements already in place and 2) the work to be done by the Lessor or others.

- B. Section 5.10, subsection E. of the SFO is hereby modified to read as follows:

TENANT IMPROVEMENTS PRICE PROPOSAL

Within 15 working days of Government review for conformance of the construction drawings, the Lessor must submit the written price proposal along with adequate cost and pricing data or the documentation of the competitive proposals (as described in the "Tenant Improvements Pricing Requirements" paragraph in this section) and for any costs or credits to the Government that are beyond the scope of the original SFO and its attachments. Any work shown on the construction documents that is building shell shall be clearly identified and priced as such. After negotiation and acceptance of the Tenant Improvements price, A NOTICE TO PROCEED SHALL BE TRANSMITTED TO THE LESSOR, and the Lessor shall commence construction of the Tenant Improvements.

- C. Section 5.10, subsection F. of the SFO is hereby modified to read as follows:

CONSTRUCTION OF TENANT IMPROVEMENTS:

The Lessor shall construct all Tenant Improvements in accordance with 1) the Government reviewed working/construction drawings and 2) all terms and conditions of the SFO. The Lessor shall complete Tenant Improvements within 80 working days of receiving the notice to proceed from the Government. The Lessor shall furnish a detailed construction schedule (such as Critical Path Method) to the Government within 5 days of issuance of the notice to proceed. Such schedule shall also indicate the dates available for the Government contractors to install telephone/data lines or equipment. The Government reserves the right to access any space within the building during the conduct of interior construction for the purposes of performing inspections or for installing Government-furnished equipment. The Government shall coordinate with the Lessor the activity of Government contractors in order to minimize conflicts with, and disruption to, other contractors on site. Access shall not be denied to authorized Government officials including, but not limited to, Government contractors, subcontractors, or consultants acting on behalf of the Government with regard to this project.

41. Section 7.13, *Floor Coverings and Perimeters*, subsection A, item no. 4 of the SFO is hereby modified to read as follows:

In addition to the building shell flooring discussed above, the Government-demised areas which are designated by GSA for cyclic carpet replacement shall be recarpeted every 5 years with a product meeting this solicitation's requirements. This cost, including the moving and returning of furnishings, including disassembly and reassembly of systems furniture, will be borne by the Lessor as part of the shell rent.

42. Section 9.13, *Mold*, subsection E. of the SFO is hereby modified to read as follows:

If the Report indicates that Actionable Mold or Indicators are present in the leased space, the Lessor, at its sole cost, expense, and risk, shall within 15 working days after its receipt of the Report: 1) retain an experienced mold remediation contractor reasonably acceptable to the Government to prepare and submit to the Government and Lessor a remediation plan (the "Plan") and within 15 working days after the Government's approval of the Plan, remediate the Actionable Mold or the Indicators in the leased space, but prior to commencing such remediation, Lessor shall send the Government a notice stating: (i) the date on which the Actionable Mold remediation shall start and how long it is projected to continue; (ii) which portion of the leased space shall be subject to the remediation; and (iii) the remediation procedures and standards to be used to implement the Plan and the clearance criteria to be employed at the conclusion of the remediation; and 2) notify, in accordance with any applicable Federal, state, and local health and safety requirements, the Government employees as well as all other occupants of and visitors to the leased space of the nature, location and schedule for the planned remediation and reasons therefore.

43. The Government acknowledges that the requirements provided in Section 11.1 of the SFO, Attachment 5, *Physical Security Standards - Appeals* are to be priced as Tenant Improvements if they are above the standards referenced in the SFO of the Lease. Upon award of the Lease and prior to the commencement of tenant improvements, the Government and Lessor mutually agree that all of the Government's requirements will be reasonably accommodated by the Lessor where applicable.

LESSOR: [Signature] & GOVERNMENT: [Signature]

44. This Lease shall not be binding on either party until it has been executed by a duly authorized official of the U.S. General Services Administration and the Lessor. For the purposes of this offer, "Unconditional Acceptance" and "Acceptance" as referenced in GSA Form 1364, in the Solicitation for Offers, and in GSA Form 3516, item 1(c)(3) shall refer to the point at which the Government countersigns and delivers to the Lessor or the Lessor's agent a complete lease contract for the premises ("US Government Lease for Real Property" – GSA Form #SF-2) which has been signed by the Lessor and which is based upon the terms of this proposal. The date of "Award" as per GSA Form 3516 shall be the date upon which such complete lease contract for the premises has been signed, countersigned and delivered as noted above.
45. If any term or provision of the Lease or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of the Lease or the application thereof of such term or provision to persons or circumstances other than those as which it is held invalid or unenforceable shall not be effected thereby and each term and provision of this Lease shall be valid and enforceable to the fullest extent permitted by law.

LESSOR:



& GOVERNMENT:

