

STANDARD FORM 2
FEBRUARY 1985 EDITION
GENERAL SERVICES
ADMINISTRATION
FPR (41 CFR) 1-18.601

U.S. GOVERNMENT
LEASE FOR REAL PROPERTY

DATE OF LEASE

7-8-10

LEASE NO. GS-02B-23775

Building No. NY7509

THIS AGREEMENT made and entered into this date by and between **Hutch Realty Partners, LLC.**

whose address is: **1250 Waters Place PH, Bronx, NY 10461**

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:

Nineteen thousand nine hundred seventy (**19,970**) rentable square feet of office space consisting of eighteen thousand two hundred thirty four (**18,234**) ANS/BOMA Office Area square feet on the eighth (8th) Floor of the building known and designated as Hutchinson Metro Center, Tower 1, 1250 Waters Place, Bronx, NY 10461-2720, in accordance with the attached floor plan labeled Exhibit "A", attached hereto and made a part hereof, together with ~~fifty-eight (58)~~ onsite reserved parking spaces at no additional cost to the Government to be used for office and related purposes.

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 12 OF THE RIDER.

4. The Government may terminate this lease in whole or in part effective any time after the **fifth (5) year** of this lease giving at least **one hundred twenty (120)** days' prior notice in writing to the Lessor. 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.~~

INITIALS:

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Lessor Gov't

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

SEE RIDER TO THE LEASE.

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

SEE RIDER TO THE LEASE.

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

- a. Paragraph 5 of this STANDARD FORM 2 was deleted in its entirety.
- b. Paragraphs 9 through 22 of the Rider to Lease have been added.

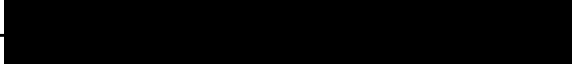
IN WITNESS WHEREOF, the parties hereto have hereunto subscribed their names as of the date first above written

LESSOR: Hutch Realty Partners, LLC.

X 

Member / Manager
(Title)

UNITED STATES **SERVICES ADMINISTRATION**

BY  Contracting Officer
(Official Title)

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RIDER TO LEASE NO. GS-02B-23775

9. The following are attached and made a part hereof:
- a. Lease Rider, containing paragraphs 9 through 22;
 - b. Section 1.0, General, paragraphs 1.1 through 1.11;
 - c. Section 2.0, Utilities, Services, and Lease Administration, paragraphs 2.1 through 2.13;
 - d. Section 3.0, Design Construction & Other Post Award Activities, paragraphs 3.1 through 3.15;
 - e. Section 4.0, General Architecture, paragraphs 4.1 through 4.12;
 - f. Section 5.0, Architectural Finishes, paragraphs 5.1 through 5.14;
 - g. Section 6.0, Mechanical, Electrical, Plumbing, paragraphs 6.1 through 6.19;
 - h. Section 7.0, Fire Protection, Life Safety, and Environmental, paragraphs 7.1 through 7.12;
 - i. Section 8.0, Lease Security Standards, paragraph 8.1 through 8.18;
 - j. Section 9.0, Special Requirements, paragraph 9.1;
 - k. General Clauses, GSA Form 3517B, paragraphs 1 through 48;
 - l. Representations and Certifications, GSA Form 3518, paragraphs 1 through 7;
 - m. Exhibit "A" Floor plan.
10. The term of this Lease shall commence upon Substantial Completion of all alterations specified in this Lease and on Design Intent Drawings (DID's) to be provided by the Government and shall run for a period of ten (10) years cancelable by the Government after the fifth (5th) year. The commencement date of the Lease shall be more particularly set forth by a supplemental lease agreement.
11. The Lessor agrees to contribute a Tenant Improvement (TI) Allowance of \$1,053,005.30 toward the cost of the TI. Such contribution has been included as part of the rental consideration set forth in Paragraph No. 12 below. The Lessor's contribution towards the TI cost of \$1,053,005.30 will be amortized over the 5-year firm term of the lease compounded at an interest rate of 7% per annum. If the TI cost exceeds \$1,053,005.30 then the Government shall have the option to either (i) pay the Lessor the difference between \$1,053,005.30 and the total TI cost in a one-time lump sum payment upon Substantial Completion of the TI, acceptance thereof by the Government and submission of proper invoice by the Lessor, or (ii) have the right to amortize the difference into the rent in the same manner as set forth above. In the event that the TI cost is less than \$1,053,005.30, 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. 12 below shall be reduced accordingly. Such additional payment or rental reduction, if applicable, will be memorialized in a Supplemental Lease Agreement (SLA). The Tenant Improvement fee schedule is established as follows: General Conditions will be six (6) percent of total subcontractor's costs; Architectural/Engineering fees will be \$4.00 per usable square foot; Project Management fees will be ten (10) percent of the total tenant improvement cost.

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12. The Government shall pay the Lessor annual rent as follows:

For years 1 through 5 of the lease term a total annual rental of \$43.78 per rentable square feet for a total of \$874,271.62 per annum at the rate of \$72,855.97 per month in arrears; which annual rental includes \$12.53 per rentable square foot (\$250,224.10 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 11 above.

For years 6 through 10 of the lease term a total annual rental of \$ \$31.25 per rentable square feet for a total of \$624,062.50 per annum at the rate of \$52,005.21 per month in arrears;

Rent for a lesser period shall be prorated. Rent shall be made payable to:

Hutch Realty Partners, LLC
1250 Waters Place PH,
Bronx, NY 10461

13. In accordance with Paragraph 2.2, Tax Adjustment, the percentage of Government occupancy is 7.075%.
14. In accordance with Paragraph 2.3, Operating Costs, the base cost of services for the purposes of operating costs adjustments is \$113,415.48 per annum (\$6.22 per ANSI/BOMA Office Area Square Foot).
15. As part of the annual base rental set forth in paragraph No. 12 above, and at no additional cost to the Government, the Lessor hereby agrees to provide the Building Shell improvements specified in this lease. Such shell improvements shall not be considered to be part of the TI cost.
16. If the Government requires HVAC services beyond the normal hours of operation specified in Section 2.5 of this Lease, the charge shall be \$175.00 per hour for air conditioning and \$95.00 per hour for heat for the entire space. The overtime usage rate specified above shall not apply to the areas requiring HVAC services 24 hours per day 7 days per week.
17. 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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