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

LEASE NO. GS-02B-23775

Building No. NY7509

7-8-10

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

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

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:

WITHNESSETH; 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) ANSI/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.

through	
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 par giving at least one hundred twenty (120) days' prior notice the effective date of termination. Said notice shall be computed.	in writing to the Lessor. No rental shall accrue after
5. This lease may be renewed at the option of the Government	nent, for the following torms and at the following rentals:
	days before the end of the original lease term this lease shall remain the same during any renewal term. the date of mailing.

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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

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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 1.1through 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;
 - 1. 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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- 18. 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.
- 19. 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.
- 20. 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.
- 21. The Lessor shall not enter into negotiations concerning the space leased or to be leased with representatives of Federal agencies other than the officers or employees of the General Services Administration or personnel authorized by the Contracting Officer.

22. COMMISSION AND COMMISSION CREDIT:

The Lessor and the Broker have agreed to a cooperating lease commission of the of the
firm term value of . The total amount of the commission is
Lessor shall pay the Broker no additional commissions associated with this lease
transaction. In accordance with the "Broker Commission and Commission Credit"
paragraph, the Broker has agreed to forego of the commission that it is entitled to
receive in connection with this lease transaction ("Commission Credit"). The Commission
Credit is The Lessor agrees to pay the Commission less the Commission
Credit to the Broker in accordance with the "Broker Commission and Commission Credit"
paragraph in the SFO attached to and forming a part of this lease.
Notwithstanding Paragraph 12 of this Lease Rider, the shell rental payments due and owing under this lease shall be reduced to fully recapture this Commission Credit. The reduction in shell rent shall commence with the first month of the rental payments and continue as indicated in this schedule for adjusted Monthly Rent:
First Month's Rental Payment \$72,855.97 minus prorated Commission Credit of
equals adjusted First Month's rent.
Second Month's Rental Payment \$72,855.97 minus prorated Commission Credit of
equals adjusted Second Month's rent.
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