

U.S. GOVERNMENT
LEASE FOR REAL PROPERTY

DATE OF LEASE

6/19/2013

LEASE NO.

GS-02B-24072

BLDG. NO.

NY 7160

THIS LEASE, made and entered into this date by and between **NICOTRA 1200 GROUP, LLC**

whose address is 1110 South Avenue
Staten Island, NY 10314-3403

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:

A total of 6,404 rentable square feet (RSF) of office and related space, which yields 5,507 ANSI/BOMA Office Area square feet (ABOASF) of space at the building known and designated as 1200 South Avenue, Staten Island, NY 10314-3413. The space is located on the first (1st) floor, as indicated the demising floor plan labeled Exhibit "A" attached hereto and made a part hereof 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~~

SEE PARAGRAPH 8 OF THE RIDER TO THIS LEASE

~~_____ through _____, subject to termination and renewal rights as may be hereinafter set forth.~~

- ~~3. The Government shall pay the Lessor annual rent of~~

~~\$ _____~~

SEE PARAGRAPHS 12, 13 and 14 OF THE RIDER TO THIS LEASE

~~at the rate of \$ _____ per _____ in arrears.~~

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

- ~~4. The Government may terminate this lease at any time by giving at least _____ 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.~~

SEE PARAGRAPH 9 OF THE RIDER TO THIS LEASE

- ~~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.~~

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

INTENTIONALLY DELETED

7. The following are attached and made a part hereof:
The General Provisions and Instructions (Standard Form 2 - A _____ edition):

SEE PARAGRAPH 7 OF THE RIDER TO THIS LEASE

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



(Signature)

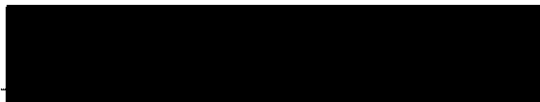


(Signature)

1110 South Ave S / NY 10314

(Address)

UNITED STATES OF AMERICA GENERAL SERVICES ADMINISTRATION



BY 

(Signature)

Contracting Officer

(Official title)

7. The following are attached hereto and made a part hereof:
 - a. Lease Rider, Paragraphs 7 through 35,
 - b. Section 1: Summary, Paragraphs 1.2, 1.5, 1.6, 1.11, and 1.12,
 - c. Section 2: Award Factors and Price Evaluation, Paragraph 2.2
 - d. Section 3: How To Offer and Submittal Requirements, Paragraphs 3.2, 3.3, 3.5,
 - e. Section 4: Utilities, Services, and Lease Administration, Paragraphs 4.1 through 4.6 and 4.7 through 4.15,
 - f. Section 5: Design, Construction and Other Post Award Activities, Paragraphs 5.1 through 5.14,
 - g. Section 6: General Architecture, Paragraphs 6.1 through 6.12,
 - h. Section 7: Architectural Finishes, Paragraphs 7.1 through 7.15,
 - i. Section 8: Mechanical, Electrical, Plumbing, Paragraphs 8.1 through 8.19,
 - j. Section 9: Fire Protection, Life Safety, and Environmental Issues, Paragraphs 9.1 through 9.12,
 - k. Section 10: Lease Security Standards, Paragraphs 10.1 through 10.14,
 - l. Section 11: Special Requirements I
 - m. General Clauses - GSA Form 3517B (Rev. 11/05), Paragraphs 1 through 48,
 - n. Representations & Certifications - GSA Form 3518 (Rev. 1/07), Paragraphs 1 through 12,
 - o. Demising Floor Plan, "Exhibit A",
8. The term of this Lease shall commence upon completion of the alterations to the leased premises by the Lessor and acceptance thereof by the Government as substantially complete and run for a period of ten (10) years thereafter, subject to termination rights as set forth in Paragraph 9 below. The commencement date of this Lease shall be more specifically set forth in a Supplemental Lease Agreement executed by both the Lessor and the Government.
9. The Government may terminate this Lease in whole or in parts at any time after the fifth (5th) full year by providing at least ninety (90) days written notice 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.
10. The Lessor shall furnish to the Government, as part of the rental consideration, three (3) reserved and thirteen (13) surface parking spaces at no additional cost to the Government.
11. The Government shall pay the Lessor annual rent for the entire term, monthly, in arrears, and adjusted by operating cost escalations as follows: The rate per rentable square foot (RSF) is determined by dividing the total annual rental by the rentable square footage set forth in Paragraph 1. The rate per ANSI/BOMA Office Area Square Foot (ABOASF) is determined by dividing the total annual rental by the ABOASF set forth in Paragraph 1. The annual rental for years 1 through 5 of the lease term is \$252,765.88 per annum (\$21,063.82 per month, **\$39.47/RSF, \$45.91/ABOASF**) subject to annual operating cost escalations as specified in Paragraph 4.2 of this Lease.
12. The Government shall pay the Lessor annual rent for years 6 through 10 of the lease term, a total annual rental rate of **\$182,385.92** per annum (**\$15,198.83** per month, **\$28.48/RSF, \$34.09/ABOASF**) in arrears as adjusted by operating cost escalations.

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13. Rent for a lesser period shall be prorated. Rent checks shall be made payable to Nicotra 1200 Group, LLC, 1110 South Avenue, Staten Island, NY 10314-3403.

14. In accordance with Paragraph 2.3 "Broker Commission and Commission Credit" of the SFO, the Lessor and the Broker have agreed to a cooperating lease commission of [REDACTED] [REDACTED] of the "Aggregate Lease Value" for years one (1) through three (3) and [REDACTED] [REDACTED] of the "Aggregate Lease Value" for the balance of the initial firm term of this lease. The Aggregate Lease Value is defined as the full service rental to be paid by Tenant for the initial firm term of the Lease. The total amount of the commission is [REDACTED]. In accordance with the "Broker Commission and Commission Credit" paragraph, the Broker has agreed to forego [REDACTED] of the commission 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 2.3 of the SFO and the separate commission agreement executed by both parties. The [REDACTED] balance which equates to [REDACTED] is to be paid to the Broker as follows: Fifty percent (50%) is due and payable within thirty (30) days after lease award and the remaining fifty percent (50%) is payable at occupancy.

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 first month of the rental payments and continue through the third month of the lease term as indicated in the following schedule of adjusted Monthly Rent:

First month's rental payment \$21,063.82 (of which \$10,896.84 is Shell Rent) minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted first month's rent.

Second month's rental payment \$21,063.82 (of which \$10,896.84 is Shell Rent) minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted second month's rent.

Third month's rental payment \$21,063.82 (of which \$10,896.84 is Shell Rent) minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted third month's rent.

15. In accordance with Paragraph 3.2 "Tenant Improvements Included in Offer", the maximum tenant improvement allowance shall be \$333,889.41 (\$60.63 per ABOASF), amortized over sixty (60) months at 7.00% payable monthly at the rate of \$6,611.41 or \$79,336.93 annually and is included in the annual rent payment identified in Paragraph 11 of this Lease. In accordance with Paragraph 3.3, Tenant Improvement Rental Adjustment, the Government at its sole discretion, shall make all decisions as to the usage and payment for said tenant improvement allowance. If the Tenant Improvement (TI) costs exceed \$333,889.41, the balance due to the Lessor will be paid by rental adjustment, or lump sum, to be determined by the Government. If the entire TI of \$60.63/ABOASF or \$333,889.41 is not used, the Government will adjust the rental rate downward to off-set the difference in the TI. The Lessor understands, in lieu of cost and pricing data, each of his sub-contractors shall solicit three (3) bids for work completed as part of the initial tenant alterations, e.g., for electrical, plumbing, etc. The lowest responsive bid will be accepted.

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- A. General Conditions will not exceed 5.00% of total subcontractor costs.
 - B. General Contractor's fee will not exceed 10.00% of total subcontractor costs.
 - C. Architectural/Engineering fees will not exceed \$3.00 per usable square feet.
 - D. Lessor's Project Management fees will not be 0.00% of total subcontractor costs.
16. In accordance with Paragraph 4.3 "Operating Costs" of the SFO the escalation base is established as **\$6.06 per RSF (\$7.05 per ABOASF), \$38,800.83 per annum.**
17. In accordance with Paragraph 4.2 "Tax Adjustment" of the SFO, the percentage of Government occupancy is established as 8.71% (based on the total building area of 73,514 RSF and the Government's occupancy of 6,404 RSF).
18. In accordance with Paragraph 4.4, "Adjustment for Vacant Premises, GSAR 552.270-16" of the SFO, the rental rate reduction is established as \$3.00 per ABOASF.
19. In accordance with Paragraph 4.6 "Overtime Usage" of the SFO, there shall be no overtime charges for the use of HVAC after the Government's normal working hours. There shall be no overtime charges for rooms requiring 24/7 HVAC.
20. In accordance with Paragraph 5.10 "Construction Schedule and Acceptance of Tenant Improvements" of the SFO, the Lessor shall proceed with due diligence to provide all labor and materials necessary to perform all alterations and installations in accordance with this rider, Sections I through 11 of this Lease, its attachments, the Government's approved Design Intent Drawings (to be prepared by the Lessor) and the Government's electrical and data cabling plans and specifications (to be provided by the Government) and to deliver the space ready for occupancy
21. In accordance with Paragraph 6.1 "Accessibility" of the SFO, the Lessor shall provide and install drinking fountains adjacent to the public and employee toilet rooms, all of which shall meet ABAAS standards.
22. The Lessor shall be solely responsible for the technical accuracy of the construction documents to be developed by the Lessor from the approved design intent drawings 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.
23. Wherever the words "Offeror," "Lessor," 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 the 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 "Premises."

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24. Each employee of the Lessor and/or its contractor(s) 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.
25. All questions pertaining to this Lease shall be referred in writing to the contracting officer of the General Services Administration ("GSA Contracting Officer"). The Government assumes no financial responsibility for any cost incurred by the Lessor except as provided by the terms of this Lease or authorized in writing by the GSA Contracting Officer.
26. In accordance with Paragraph 14 of the General Clauses, the Lessor shall be responsible for the maintenance, operation, repair and replacement of all equipment installed at the leased premises by the Lessor for the entire lease term so as to keep such equipment in good working order. The Government shall permit the Lessor or the Lessor's employees to enter the Government's leased space for this purpose provided the Lessor gives the Government a minimum of 24 hours advance notice if access to the leased premises is required after the Government's normal hours of operation. If for any reason access to the leased premises after the Government's normal hours of operation is necessary and proper notification can't be provided, a written explanation must be provided to the Government on the next business day.
27. The Government shall have 24-hour/7-day access to the leased premises.
28. The Lease, upon execution, contains the entire agreement of the parties and no prior written or oral agreement, express or implied, shall be admissible to contradict the provisions of this Lease. In the event of any conflict or inconsistency between the SFO, the Rider and approved Construction Drawings it is agreed that the Rider and the approved Construction Drawings shall control and govern.
29. The Lessor shall comply with all applicable standards and codes including but not limited to section 7.2.1.6.2 of NFPA 101 and the Building Code of New York State.
30. The Lease shall not be binding on either party until executed by a duly authorized official of the U.S. General Services Administration.
31. The Lessor shall install and maintain 10 lbs. ABC multipurpose fire extinguishers throughout the leased premises at such locations that the maximum traveled distance between extinguishers is fifty (50) feet. A sign shall 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 safety provisions.
32. Prior to occupancy and at no additional cost to the Government, the Lessor shall use best efforts to renovate the space for any energy efficiency and conservation improvements that would be cost effective over the firm term of the lease, thereby reducing electricity or fossil fuel consumption,

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water, or other utility costs. Additional information on such improvements can be found on www.gsa.gov/leasing under "Green Leasing." However, in the event the Lessor obtains the Energy Star label prior to the Government's occupancy, the Lessor shall not be required to renovate the space for these improvements. To earn the ENERGY STAR label, the Lessor must follow the instructions on the Energy Star Web site at <http://www.energystar.gov/eslabel>.

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