GENERAL SERVICES ADMINISTRATION  
PUBLIC BUILDING SERVICES  
SUPPLEMENTAL LEASE AGREEMENT  

**ADDRESS OF PREMISE**  
2401 Walnut Street  
Philadelphia, PA  
19103-4340

**THIS AGREEMENT,** made and entered into this date by and between  
2401 Walnut LP  
c/o Charles Block  
whose address is  
2401 Walnut Street  
Philadelphia, PA  
19103-4340

Hereinafter called the Lessor, and the UNITED STATES OF AMERICA, hereinafter called the Government:

WHEREAS, the parties hereto desire to amend the above Lease to establish the effective date of the lease, to correct the lease term, to provide for the settlement of actual tenant improvement costs including change order costs, and to provide for the settlement of additional architectural and engineering fees.

NOW THEREFORE, these parties for the considerations hereinafter mentioned covenant and agree that the said Lease is amended, effective January 20, 2012, as follows:

A. Paragraph Two (2) of the Standard Form 2 (SF-2) of the Lease is hereby deleted in its entirety and replaced with the Paragraph below:

"2. TO HAVE AND TO HOLD the said premises with their appurtenances for the term beginning on January 20, 2012 through January 19 2027, subject to termination and renewal rights as may be hereinafter set forth."

B. The parties agree that the Notice to Proceed for construction was issued via letter dated October 25, 2011. The notice to proceed amount was $837,926.14, as outlined in Exhibit A, which is attached to this SLA. However, the amount of tenant improvements, including change orders and permit costs is now $905,743.66. The amount of $905,743.66 will be amortized into the rental rate (see Exhibits C & D.) This amount is lower than the Tenant Improvement allowance in the lease and rent has been recalculated.

C. Paragraph 13 of the Rider to Lease GS-03B-09470 is hereby amended by deleting the paragraph in its entirety, and replacing it with the following:

"13. Lessor shall complete the building shell as defined in the lease and complete all alterations, improvements, and repairs required by this lease, and deliver the leased premises ready for occupancy by the Government within sixty (60) calendar days from the date of notice to proceed with the construction of the tenant improvements. When Lessor has completed all such alterations, improvements, and repairs, Lessor shall promptly notify the Contracting Officer, who shall promptly cause the same to be inspected. Upon the date of completion of such alterations, improvements, and repairs and inspection and acceptance by the Government, the term of this lease shall commence and shall continue for fifteen (15) consecutive calendar years.

Upon acceptance of the leased premises by the Government, the same shall be measured and rental shall be paid, in accordance with Paragraph 4.1 of the lease, "Measurement of Space" and Paragraph 27 General Clauses, GSA Form 35 17, "Payment" at the rate of:

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IN WITNESS WHEREOF, the parties subscribed their names as of the above date.

**LESSOR**

BY ________________________________  
(Title)  

Manager, #2401 Walnut LP  
2401 Walnut St, Suite 100  
Philadelphia, PA 19107

**UNITED STATES OF AMERICA**

BY ________________________________  
(Signature)  
(Official Title)  

Contracting Officer  
2401 Walnut Street  
Philadelphia, PA 19103-4340
Years 1 through 5:

Total Annual Rent - $699,404.73 per year, consisting of:

- Shell Rent (includes parking rent*): $425,931.91 per year
- Amortized annual cost for Tenant Improvement Allowance: $115,281.81 per year

Interest Rate at which Tenant Alterations are amortized: 5%

Annual Cost of Services: $158,191.01 per year, plus accrued escalations per Paragraph 4.3, "Operating Costs"

*Parking: As noted in paragraph 1 of the SF-2, fifty-eight (58) parking spaces shall be provided by the Lessor. The fifty-eight parking spaces are included in the shell rental rate, at the rate of $2401 per space per annum.

Years 6 through 10:

Total Annual Rent - $746,710.65 per year, consisting of:

- Shell Rent (includes parking rent*): $473,237.83 per year
- Amortized annual cost for Tenant Improvement Allowance: $115,281.81 per year

Interest Rate at which Tenant Alterations are amortized: 5%

Annual Cost of Services: $158,191.01 per year, plus accrued escalations per Paragraph 4.3, "Operating Costs"

*Parking: As noted in paragraph 1 of the SF-2, fifty-eight (58) parking spaces shall be provided by the Lessor. The fifty-eight parking spaces are included in the full service rental rate, at the rate of $2401 per space per annum.

Years 11 through 15:

Total Annual Rent - $686,757.58 per year, consisting of:

- Shell Rent (includes parking rent*): $528,566.57 per year

Annual Cost of Services: $158,191.01 per year, plus accrued escalations per Paragraph 4.3, "Operating Costs"

*Parking: As noted in paragraph 1 of the SF-2, fifty-eight (58) parking spaces shall be provided by the Lessor. The fifty-eight parking spaces are included in the full service rental rate. Additionally, it was agreed that there is a 2.5% escalation in year 11 for parking rate adjustment, which is included in the above shell rate"
D. The General Services Administration (GSA) hereby agrees to pay an additional cost of $7,500 for design work performed by the Lessor's architect and/or engineers, in addition to the $40,957 included in the Notice to Proceed spreadsheet. This payment has been included in the final tenant improvement calculations, and will be paid by GSA through the monthly rent. In consideration for General Services Administration's allowance for additional design work as detailed in the preceding sentence, the Lessor, 2401 Walnut LP, discharges, remises, and releases GSA from any and all claims, demands, and causes of action, legal, and equitable, known and unknown, of any kind and nature whatsoever, past, present, and future arising out of or related to the design and engineering process, including the payment of interest, attorney's fees, or other cost related to leases GS-03B-09470.

E. Paragraph 1.1 A of the Lease is hereby deleted in its entirety.

F. Paragraph 1.1 D of the Lease is hereby deleted in its entirety

G. Paragraph 1.3 of the Lease is hereby amended by deleting the paragraph in its entirety, and replacing it with the following:

"1.3 LEASE TERM (SEP 2000)
The lease term is for fifteen (15) years. GSA may terminate this lease in whole or in part after ten (10) years on ninety (90) days' written notice to the Lessor. All the terms and conditions contained herein shall prevail throughout the term of the lease."

H. The following attachments are hereby added to Paragraph 7 of the GSA Standard Form 2:

G. Exhibit A - Notice to Proceed Letter
H. Exhibit B - Change Order Log (cost included in actual TI expended)
I. Exhibit C - Tenant Improvements Calculations
J. Exhibit D - Annual Rent Calculations

All other terms and conditions of the lease shall remain in force and effect.