

U.S. GOVERNMENT  
LEASE FOR REAL PROPERTY

DATE OF LEASE

December 14, 2010

LEASE NO.

GS-03B-11301

THIS LEASE, made and entered into this date by and between Liberty Property Limited Partnership

whose address is 500 Chesterfield Parkway  
Malvern, PA 19355-8707

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 79,764 Rentable Square Feet (RSF) (yielding 71,961 BOMA Office Area Square Feet (BOASF)) consisting of 10,779 RSF (9,989 BOASF) located on a portion of the 1st floor, 33,891 RSF (29,633 BOASF) located on the entire 2nd floor, and 35,094 RSF (32,339 BOASF) located on the entire 3rd floor of the building located at 2100 Renaissance Boulevard, King of Prussia, PA 19406-2745 to be used for SUCH OFFICE AND RELATED PURPOSES AS DETERMINED BY THE GOVERNMENT (See Exhibit A – Floor plans of leased premises).

2. TO HAVE AND TO HOLD the said premises with their appurtenances for the term beginning on See Lease Rider Paragraph 15 through See Lease Rider Paragraph 15, subject to termination and renewal rights as may be hereinafter set forth.

3. The Government shall pay the Lessor annual rent of \$ See Lease Rider Paragraph 15 at the rate of See Lease Rider Paragraph 15 per month in arrears. Rent for a lesser period shall be prorated. Rent checks shall be made payable to:

Liberty Property Limited Partnership  
500 Chesterfield Parkway  
Malvern, PA 19355-8707

4. The Government may terminate this lease in whole or in part effective at any time after the tenth (10<sup>th</sup>) full year of occupancy by giving at least 180 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.

5. INTENTIONALLY DELETED

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

A. All services, utilities, maintenance, operations, and other considerations as set forth in this lease.

B. The Lessor and the Broker have agreed to a cooperating lease commission of [REDACTED] of the firm term value of this lease. The total amount of the commission is [REDACTED]. The 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 [REDACTED] of the commission that it is entitled to receive in connection with this lease transaction ("Commission Credit"). The Commission Credit is [REDACTED] and shall be paid as free rent in equal monthly installments of [REDACTED] during the first four (4) months of the lease. The Lessor agrees to pay Studley, Inc., 555 13th Street, N.W., Suite 420 East, Washington, DC 20004, the Commission less the Commission Credit in the lump sum amount of [REDACTED].

[REDACTED], which shall be due to Studley, Inc. upon execution of this Lease by the Government and payable within 30 days of the receipt of an invoice.

Notwithstanding Paragraph 3 of this Standard Form 2, 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 of \$225,665.65 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted First Month's Rent.

Second Month's Rental Payment \$225,665.65 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted Second Month's Rent

Third Month's Rental Payment \$225,665.65 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted Third Month's Rent

Fourth Month's Rental Payment \$225,665.65 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted Fourth Month's Rent

7. The following are attached and made a part hereof:
- A. Rider to Lease GS-03B-11301
  - B. Solicitation for Offers # 9PA2057, as amended
  - C. GSA Form 3517, "General Clauses" version dated November 2005
  - D. GSA Form 3518, "Representations and Certifications" version dated January 2007
  - E. Exhibit A - Floor Plan
  - F. Exhibit B - Parking Plan
  - G. Exhibit C - Lobby Rendering
  - H. Exhibit D - Technical Proposal - Design Team Organization Chart

8. The following SFO paragraphs were deleted in their entirety:  
1.4, 1.7, 1.9, 1.13, 2.1, 2.3, 2.6, 3.1, 3.4, 6.13  
The following SFO paragraphs were deleted in part and/or amended:  
1.1, 1.2

This lease contains 108 pages

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

LESSOR

BY

IN PRESENCE OF

UNLESS OTHERWISE SPECIFIED

BY

[REDACTED]  
ARELLI, JR.  
resident &

(Signature)

500 Chestnutfield Pkwy, Malvern  
(Address)

PA 19355

CONTRACTING OFFICER, PUBLIC BUILDINGS SERVICE

Contracting Officer  
(Official Title)

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9. In no event shall the lessor enter into negotiations concerning the space leased with representatives of Federal agencies other than Contracting Officers and their designated representatives of the General Services Administration.

10. The Government shall be entitled to use of on-site reserved parking spaces for a total of ten (10) passenger vehicles, as illustrated on the site plan labeled Exhibit "B", attached hereto and made a part hereof. The cost of these parking spaces is included in the shell rental rate and the shell rate is not subject to any parking rates increases.

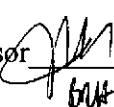

11. Lessor shall complete a renovation of the main building lobby prior to final acceptance of the Government leased space. The lobby will be renovated using new materials befitting of a Class "A" building with the stairs open to the lobby, and shall be reasonably similar to the rendering set forth in Exhibit C - Lobby Rendering.

12. The total percentage of space occupied by the Government under the terms of the lease is equal to 80.7933% percent of the total space available in the lessor's building, and will be used as the basis for computing the Government's pro-rata share of real estate taxes, as defined in the Annual Real Estate Tax Escalation Clause. The percentage of occupancy is derived by dividing the total Government space of 79,764 rentable square feet by the total building space of 98,726 rentable square feet.

13. For purposes of determining the base rate for future adjustments to the operating cost, the Government agrees that the base rate of \$8.20 per Rentable Square Foot (RSF), is acceptable. This figure includes the Government's pro-rata share of operating costs.

14. Notwithstanding any other provision of this agreement requiring the Government to give notice to exercise any option contained herein for extension of the lease for additional space in the facility, or for purchase of the facility, the lessor shall notify the Contracting Officer, in writing, at least thirty (30) calendar days and no more than sixty (60) calendar days prior to the time the option must be exercised. In the event the lessor fails to notify the Government, as required by this paragraph, the Government shall have the right to exercise the option at anytime prior to the expiration of the lease. If GSA exercises the option to renew the lease, said rental will be based on the

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amount of operating cost adjustments accrued up to date of renewal and calculation on the basis of the new adjusted base rate for services and utilities.

15. 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 110 working 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 (ten (10) years firm) (subject to termination rights as written within the SF-2). The commencement date shall be more particularly set forth by a Supplemental Lease Agreement.

Upon acceptance of the leased premises by the Government, the rental shall be paid in accordance with the term of the Lease at the rate of:

**Years 1 through 10:**

**Shell Rent:** \$1,783,523.04 per year or \$22.36 per Rentable Square Foot,

**Building Specific Security Rent:** \$15,348.45 per year or \$0.1924 per Rentable Square Foot,

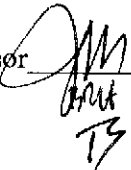

**Amortized annual cost for Tenant Improvement Allowance\*:**  
\$254,885.862 per year

**Interest rate** at which Tenant Alterations are amortized: 0.0%

**Annual Cost of Services:** \$654,064.80 per year or \$8.20 per Rentable Square Foot, plus accrued escalations per Paragraph 4.3, "Operating Costs"

**Years 11 through 15:**

**Shell Rent:** \$2,053,923.00 per year or \$25.75 per Rentable Square Foot,

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**Annual Cost of Services:** \$654,064.80 per year or \$8.20 per Rentable Square Foot, plus accrued escalations per Paragraph 4.3, "Operating Costs"

\*The rent shall be adjusted downward if the Government does not utilize the entire Tenant Improvement Allowance of \$2,548,858.62 or \$35.42 per ANSI/BOMA Office Area Square Foot, which is included in the rent, using the 0% amortization rate over the firm term of ten (10) years. The Government shall also have the option to amortize up to an additional \$3.54 per ANSI/BOMA Office Square Foot at the rate of 10% over the 10-year firm term. The Government, at its election, may pay lump sum for Tenant Improvements. If this occurs, the rent shall be reduced proportionately using the corresponding 0% or 10% amortization rate.

If the Government spends more than the allowance identified above, the Government reserves the right to 1) reduce the Tenant Improvement requirements, 2) pay lump sum for the overage upon completion and acceptance of the improvements.

16. In accordance with Paragraph 3.2B, "Tenant Improvements Included In Offer" and Paragraph 5.2 "Tenant Improvement Pricing Requirements" of the Lease, the Lessor's Tenant Improvement Fees are established as follows:

- a) General Conditions charged by the Lessor's General Contractor for Tenant Improvements requested by the Government is 5.0% of Total Subcontractors' costs.
- b) General Contractor's fee charged by the Lessor's General Contractor for Tenant Improvements requested by the Government is 2.5% of Total Subcontractors' costs.
- c) Architectural/engineering fees charged by the Lessor for initial Tenant Improvements are \$1.25 per ABOA. Architectural/engineering fees related to work above the initial Tenant Improvement Allowance of \$35.42 per ANSI/BOMA Office Square Foot shall be reasonably negotiated between Lessor and Government, but in no event shall the fee exceed 7.0% of the total Tenant Improvement budget.

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d) Project Management fees charged by the Lessor for Tenant Improvements requested by the Government is 5.0% of Total Tenant Improvement Construction Costs.

17. In accordance with Section 4 of the SF-2 to this lease, the Government may terminate this lease in whole or in part effective at any time after the tenth (10<sup>th</sup>) full year of occupancy by giving at least 180 days notice in writing to the Lessor and no rental shall accrue after the effective date of termination.

Should the Government terminate less than one full floor of occupancy, the Government shall use its best efforts to terminate space that is configured in a commercially reasonable manner (which shall include code compliance, impact on mechanical, HVAC and electrical systems, and marketability as office space to another tenant). The Government shall be responsible for all of the costs of any necessary demising between the Government's space and the terminated space.

18. In accordance with Paragraph 4.6, "Overtime Usage", of the lease, the additional cost to the Government for overtime use of Government leased space is \$85.00 per hour.



19. In accordance with Paragraph 4.4, "Adjustment for Vacant Premises", of the lease, if the Government fails to occupy any portion of the lease premises or vacates the premises in whole or in part prior to expiration of the terms of the lease, the rental rate for the vacated portion of the space will be reduced by \$1.01 per ANSI/BOMA Office Area square foot provided, however, that such adjustment shall only be given if the vacated or unoccupied portion is greater than 5,000 ANSI/BOMA Office Area square feet.

20. Regarding "Exhibit A - Floorplans" to this lease, the interior buildout of the space shown on the plans is for test fit purposes only and shall not be construed as Government approved Design Intent Drawings.

21. All costs and expenses associated with commissioning of tenant improvements will be charged against the Tenant Improvement Allowance.

22. Notwithstanding anything in the Lease to the contrary, the Lessor shall have no responsibilities (financial or otherwise) with respect to the

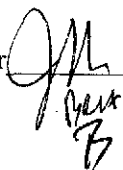
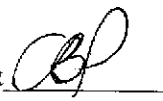
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operation, replacement, repair, or preventative maintenance of specialized Government equipment, supplemental HVAC units, appliances, Government installed security equipment, the generator, or Uninterrupted Power Supply (UPS) equipment. The Lessor shall, however, be responsible for the repair and maintenance (but not the replacement) of the supplemental HVAC units identified in the Program of Requirements (POR) which are located in the LAN rooms. Furthermore, Lessor may require that any such equipment shall be submetered for electricity consumption. The cost of the electricity consumption for such equipment as well as the installation of the submeters shall be paid for by the Government.

23. Notwithstanding anything to the contrary in the Lease, the Government's right to substitute a different governmental tenant agency shall be limited to agencies that will not deviate from the general office and related space purposes that the Government intends to use the premises for.
24. The Lessor's estimated Building Shell costs are based on an open plan configuration (as described in SFO Section 1.12). Any additional costs associated with delivering a Building Shell that is not consistent with an open plan configuration will be charged against the Tenant Improvement Allowance.
25. The Government shall not make any subsequent alterations (after the initial build-out) to the premises which will impact the structure, façade, or the mechanical, electrical or plumbing systems of the building without first submitting plans and specifications therefor to Lessor and obtaining Lessor's prior written consent, which consent shall not be unreasonably withheld.
26. The Government acknowledges that this is a multi-tenanted building and agrees to cooperate with Lessor in good faith with respect to the security measures and related equipment and implementation thereof, to ensure that the same will not adversely impact the quiet enjoyment, normal course of business, or access of any of the other building tenants.
27. The Lessor shall not make any substitutions of key personnel as set forth in the list attached as "Exhibit D - Technical Proposal - Design Team Organization Chart", to this lease without the advanced written permission of the Government. Substitutions will only be permitted where the Lessor can demonstrate to the satisfaction of the Government that the proposed substitution has qualifications and experience equal to or greater than the individual being replaced.

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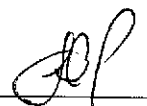
28. It is understood and agreed that the Government retains title to all removable property covered by this agreement and may remove same if so desired. In the event such are not removed by the Government at the end of this lease term, or any extension thereof, title shall vest in the Lessor and all right of restoration waived.

29. Definitions:

A. Where the word "Offeror" appears it shall be considered "Lessor"

B. Where the word "should" appears it shall be considered to be "shall"

C. Where the word(s) "Solicitation" or "Solicitation for Offers" appears it shall be considered to be "Lease"

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