

STANDARD FORM 2
FEBRUARY 1965 EDITION
GENERAL SERVICES ADMINISTRATION
(FPR 41 CFR) 1D16.601

U.S. GOVERNMENT
LEASE FOR REAL PROPERTY

DATE OF LEASE FEBRUARY 18, 2011

LEASE # GS-11B-02276

THIS LEASE, made and entered into this date between 8111 Gatehouse Investors, LLC

Whose address is: 8111 Gatehouse Investors, LLC
770 Township Line Road, Suite 150
Yardley, PA, 19067

And whose interest in the property hereinafter described is that of LESSOR, and the UNITED STATES OF AMERICA, hereinafter called the Government.

WITNESSETH: The parties hereto for the considerations hereinafter mentioned, covenant and agree as follows:

1. The Lessor hereby leases to the Government the following described premises:

A total of 70,056 BOMA Rentable Square Feet (BRSF) [equivalent to 57,652 ANSI BOMA Office Area Square Feet (BOASF)] of office and related space, located on the entire 2nd floor (41,571 BRSF/34,166 BOASF), and a portion of the 3rd floor (28,539 BRSF/23,486 BOASF) in the office building known as 8111 Gatehouse, located at 8111 Gatehouse Road, Falls Church, Virginia 22042-1213. To be used for OFFICE AND SUCH RELATED PURPOSES AS DETERMINED BY THE GOVERNMENT (See Exhibit - floor plans of leased premises).

2. TO HAVE AND TO HOLD said premises with their appurtenances for a Five (5)-Year Firm term beginning upon the lease commencement date determined in accordance with Section 3.17 "Construction Schedule of Tenant Improvements" of the SFO and ending five (5) years later, subject to the renewal right hereinafter set forth.
3. The Government shall pay Lessor a total annual rent of **\$2,319,339.96 (\$33.11/BRSF (\$33.106942446 which is equivalent to \$40.23/BOASF))** at the rate of **\$193,278.33** per MONTH paid in arrears. Rent for a lesser period shall be prorated. The annual rent includes an operating cost base of **\$414,517.88 (\$5.92/BRSF (\$5.916950440 which is equivalent to \$7.19 BOASF))**, and base year real estate taxes. Payment of CPI increases in operating cost and adjustments for real estate taxes shall be made by the Government in accordance with the SFO # 07-016. The operating cost base includes the daytime cleaning premium of **\$0.25/BOASF**. Notwithstanding the forgoing, payment by the Government of the first six (6) months of rent for the lease shall be abated entirely in the sum of **\$1,159,669.98** as set forth in paragraph 6.f below. Rent checks shall be made payable to: 8111 Gatehouse Investors, LLC, 770 Township Line Road, Suite 150, Yardley, PA, 19067.

The Government's percentage of occupancy for real estate tax purposes shall be **24.842817** which is equivalent to **24.84%** based on **70,056 BRSF/281,997 BRSF**, subject to confirmation of the total rentable area of the building.

4. (Intentionally deleted)

5. The Government shall have the right to one (1) renewal option for a [REDACTED]

The operating cost base and base year real estate taxes shall be recalculated for a new 12-month period at the beginning of the option term. The Government shall exercise its renewal option if at all by providing the Lessor with written notice of the Government's intent to exercise such option at least 180 days before the end of the original lease 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: EXCEPT AS SET FORTH BELOW OR ELSEWHERE IN THIS LEASE, ALL SERVICES, IMPROVEMENTS, ALTERATIONS, REPAIRS, AND UTILITIES AS DEFINED BY THIS LEASE. THIS LEASE IS FULL SERVICE.

LESSOR [Signature] GOV'T [Signature]

- a) FIRE & LIFE SAFETY: Notwithstanding any other provision of the Lease, prior to substantial completion of the leased premises. The Lessor shall correct all deficiencies and comply with all recommendations and findings of the Fire Protection & Life Safety Evaluation Report (SFO Attachment #4) prepared by a Certified Fire Protection Engineer evidencing full compliance with all Fire Protection provisions of the Lease, as well as the recommendations and findings of the GSA Fire Protection Engineering Section's review of Attachment #4 which are set forth in Rider # 1, attached hereto.
 - b) TENANT IMPROVEMENTS: The annual rental rate recited in paragraph 3 includes amortized Tenant Improvement Allowance (TIA) of \$1,153,040.00 (\$20.00/57,652 BOASF). The Government will amortize the TIA at an annual interest rate of 0% (zero percent) per annum over the firm term of the lease. The Government shall have the right to repay the TIA via lump sum payment to the Lessor as additional rent. Upon completion of tenant improvements and acceptance thereof by the Government a Supplemental Lease Agreement (SLA) shall be executed by both parties memorializing the amount of tenant improvement funds used by the Government, the payment method and any change in the rental payment.
 - c) The general contractor's total fees for overhead and profit shall not exceed 6% and the general contractor's fee for general condition shall not exceed 5%. The Lessor's total construction management and coordination fees for the tenant improvements for the Government's space shall not exceed 5%. Architecture & Engineer fees, if any, shall not exceed 6%. All such fees will be paid for out of the T/I Allowance.
 - d) Pursuant to paragraph 7.0 & 7.1 of the SFO: Utilities and maintenance will be provided daily, extending from 7:00 am to 6:00 pm, Monday through Friday, excluding Saturdays and Sundays and federal holidays. The rate for overtime HVAC service to the premises governed by this lease shall be \$50.00 per hour, beyond Normal Hour Schedule. These rates shall escalate in a manner consistent with, the Operating Cost Escalation, in paragraph's (3.7 & 3.8) of the SFO.
 - e) Daytime Cleaning: The rate for daytime cleaning is \$0.25 per BOASF which is included in the rent.
 - f) Certain items or conditions in this solicitation are proposed to be accepted "As Existing". Lessor represents that such items are in good repair and tenantable condition. The intent of this qualification is to recognize that the Government may find such items or conditions to be at least minimally acceptable with regard to the Government's continued occupancy of the space. Nonetheless, such items or conditions are to be in "good repair and tenantable condition" at the time the lease commencement or by any other specified date (s). Further the Lessor is to maintain (or replace, if necessary) such items or conditions so that they remain in "good repair and tenantable condition" throughout the term of this lease. Lessor is not relieved from requirements contained in the lease for future alteration, replacements, construction and/or improvements. If replacement is to become necessary, such replacement must be no less than equal in quality and function, to the existing item.
7. The following are attached and made a part hereof:
- 1) SOLICITATION FOR OFFERS (SFO) #07-016, 48 PAGES
 - 2) FIRE SAFETY RIDER # 1, 1 PAGE
 - 3) SECURITY RIDER # 2, 1 PAGE
 - 4) ATTACHMENT #1 TO THE SFO, RATE STRUCTURE, 1 PAGE
 - 5) ATTACHMENT #2 TO THE SFO, CONSTRUCTION SCHEDULE, 1 PAGE
 - 6) ATTACHMENT #3 TO THE SFO, SCOPE OF WORK, 2 PAGES
 - 7) ATTACHMENT # 4 FIRE AND LIFE SAFETY EVALUATION, 11 PAGES
 - 8) GSA FORM 1217 LESSOR'S ANNUAL COST STATEMENT, 2 PAGES
 - 9) GSA FORM 1364 & THE ATTACHMENT, 4 PAGES
 - 10) GSA FORM 3517B GENERAL CLAUSES, 32 PAGES
 - 11) GSA FORM 3518 REPRESENTATIONS AND CERTIFICATIONS, 7 PAGES
 - 12) FLOOR PLAN "EXHIBIT A" 2 PAGES
 - 13) GIRARD ENGINEERING HVAC LETTER DATED, OCTOBER 22, 2010, 1 PAGES
 - 14) GIRARD ENGINEERING HVAC LETTER DATED, OCTOBER 27, 2010, 6 PAGES

_____ subscribed their names as of the date first above written.

Senior Vice President

Title

Address: 770 Township Line Road, Suite 150, Yardley, PA,
19067

TITLE

CONTRACTING OFFICER, GSA, NCR,