

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

U.S. GOVERNMENT
LEASE FOR REAL PROPERTY

DATE OF LEASE:

2/15/2011

LEASE #GS-11B- 02246

THIS LEASE, made and entered into this date between: **Exeter 6500 Sheriff LLC**
whose address is: 2260 Butler Pike
Suite 200
Plymouth Meeting, PA 19462-1422

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 considerations hereinafter mentioned, covenant and agree as follows:

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

a.) **31,158 Usable Square Feet (USF)** of warehouse and related space, located in the building known as 6500 Sheriff Road, with the address being 6500 Sheriff Road, Landover, MD 20785-4303.

b.) The premises are to be used for warehouse and/or related purposes, as determined by the Government.

.....

2. TO HAVE AND TO HOLD the said premises with their appurtenances for the five (5) YEAR FIRM term. The commencement date shall be determined in accordance with SFO Section 8.5.

3. The Government shall pay the Lessor an annual rent of \$514,107.00 (\$16.50/USF) at the rate of \$42,842.25 per MONTH in arrears. Rent for a lesser period shall be prorated. The annual rent includes an operating cost base of \$18,694.80 (\$0.60/USF), a full-service base of \$8.05/USF, base real estate taxes, and \$38,807.33 to amortize a tenant improvement allowance of \$155,790.00 (\$5.00/USF) at nine percent (9%) annual interest. The operating cost base and full-service bases shall be adjusted per SFO Section 2.2. Rent checks shall be payable to **Exeter 6500 Sheriff, LLC**, at the address shown above.

4. The full-service base shall include the cost of the Lessor providing additional utility service and maintenance, janitorial service including daytime cleaning and dumpster service, and additional interior maintenance, consistent with a full-service lease. Base-year costs for each of these services are recited on GSA Form 1217, Section G-26 (B). In the event that the actual costs of providing the services comprising the full-service base change beyond that which is contemplated in SFO Section 2.2. (b), and if requested by one of the parties, the parties shall undertake a reconciliation of those costs at the end of each applicable lease year, resulting in a lump sum payment by the Government or rent credit, as applicable. The party requesting reconciliation shall provide all relevant cost data in support of said request, including but not limited to utility and supply bills, within 90 days of the end of the lease year for which reconciliation is sought. If requested by the Government, the Lessor shall provide the aforementioned information to the Government for cost verification purposes, a maximum of one time in any lease year. All utilities serving the Government's space shall be separately metered.

.....

5. This lease may be renewed at the option of the Government, for the following term and at the following rental:

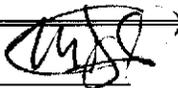
The Government shall have the right to one (1) renewal option for a FIVE-YEAR TERM at an annual rental rate of \$478,275.36 (\$15.35/USF) at the rate of \$39,856.28 per MONTH in arrears. Rent for a lesser period shall be prorated. The annual rent includes an operating cost base of \$18,694.80 (\$0.60/USF), a full service base of \$8.05/USF and base real estate taxes. The Government shall continue to make annual lump sum adjustments for changes in real estate taxes as provided in SFO section 2.1, and changes over the operating cost base and full service base per Section 2.2. The renewal option shall become effective provided notice be given in writing to the Lessor 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:

LESSOR



GOV'T



(REVISED 9/1/2010)

- a) All items mentioned in the SFO. The Lessor shall provide two new 8' x 10' loading dock doors, including existing levelers, maintained in good working order by the Lessor throughout the lease term. In the event the Government causes damage to the loading dock doors and/or levelers, the cost and expense to restore said items shall be borne by the Government. The Lessor shall provide all demising walls necessary to demise the Government's space from the other tenants in the building. SFO Section 6.2 is hereby amended to provide Normal Hours of Operation of 7 a.m. to 6 p.m., Monday through Friday, excluding Federal holidays.
- b) Prior to Government acceptance of the space as substantially complete, Lessor shall correct all deficiencies and comply with all recommendations and findings of Attachment #4. Fire Protection & Life Safety Evaluation report prepared by a Certified Fire Protection Engineer, as well as the recommendations and findings of the GSA Fire Protection Engineering Section's review of the report, as codified in Rider #1.
- c) Tenant Improvements: Lessor shall make available to the Government a tenant improvement fund of up to \$155,790.00 (\$5.00/USF). Upon completion of improvements by Lessor and acceptance thereof by the Government, the cost of improvements shall be memorialized in a Supplemental Lease Agreement (SLA) along with the amortization payment amount and new rent. Tenant improvements in excess of \$5.00/USF shall be amortized at a rate of nine percent (9%). Under no circumstances shall the Government amortize more than \$218,417.58 for tenant improvements (\$7.01/USF), including the cost of items listed in this Standard Form 2 (SF-2) Section 6F and the aforementioned \$5.00/USF. Any modifications required to the sprinkler system due to the type of the Government's storage/inventory will be considered part of the tenant improvements and not part of any Lessor's work. Space in the existing buildings must be ready for commencement of tenant improvements upon the later of: (i) the Government's approval of the plans and the costs of the tenant improvements; and (ii) Lessor obtaining the permits to construct such tenant improvements provided all permits are expeditiously applied for.
- d) The Government's percentage of occupancy for real estate tax purposes shall be 11.31%, based on 31,158 RSF / 275,540 RSF, subject to confirmation of the total rentable area of the entire building. The common area factor (core factor) is agreed to be 1.00.
- e) The Government shall have the right to use 4 non-reserved parking spaces, at no additional cost, during the lease term.
- f) In the event that the Government directs the Lessor to perform tenant improvements in the space, the total construction markups shall not exceed: general contractor's overhead and profit of [redacted] "general conditions of [redacted] construction management and coordination of [redacted] and architecture and engineering, if any of [redacted] USF. All fees are to be paid out of the tenant improvements allowance.
- g) In the case of a conflict between this GSA Standard Form 2 (SF-2) and the balance of the lease, the terms specified in this SF-2 shall govern.
- h) The Government shall be entitled to a rent abatement of \$43,880.85 (2 months' free rent, exclusive of full-service base) to be applied against the first month's rent and continuing into subsequent months until exhausted. The Government was not represented by a broker in this transaction and the parties agree that the Lessor is not responsible for any commission or other concession related thereto, beyond that recited in this Paragraph 6(h).

INITIALS

Lessor	Gov t
[Signature]	[Signature]

7. The following are attached and made a part hereof:

1. Solicitation For Offers (SFO) # 07-029, 29 pages
2. Solicitation Attachment #1, Rate Structure, 1 page
3. Solicitation Attachment #2, Construction Schedule, 1 page
4. Solicitation Attachment #3, Scope of Work for DID's and Construction Schedule Tasks, 2 pages
5. Solicitation Attachment #4, Fire Protection & Life Safety Evaluation
6. GSA Form 1217 & Attachments, Lessor's Annual Cost Statement, 3 pages
7. GSA Form 3517, General Clauses, 32 pages
8. GSA Form 3518, Representations and Certifications, 7 pages
9. Rider #1 - Fire Safety, 1 page
10. Floor Plan of Leased Area, 1 page

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

LESSOR: Exeter 6500 Sheriff LLC

BY [See attached]

BY _____

IN PRESENCE OF [Signature]

ADDRESS _____

Date: Jan 17 2011

[Signature]

UNITED STATES OF AMERICA

BY

[Handwritten signature]

CONTRACTING OFFICER, GSA, NCR Date:

2/15/11

STANDARD FORM 2/EXCEPTION TO SF2 APPROVED FEBRUARY 1965 EDITION

(Revised 9/1/2010)

[Handwritten initials]