

U.S. GOVERNMENT  
LEASE FOR REAL PROPERTY

DATE OF LEASE

600Z 9 AYW MAY 6 2009

LEASE NO.

GS-11B-02113

THIS LEASE, made and entered into this date between **ARE-5 Research Place, LLC**

whose address is: c/o Alexandria Real Estate Equities, Inc.  
946 Clopper Road  
Gaithersburg, MD 20878

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 total of **63,852 BOMA Rentable Square Feet (BRSF)**, yielding **61,448 ANSI/BOMA Office Area square feet (BOASF)**, Located at 5 Research Place, Rockville, MD 20850 as shown on the floor plans included as an attachment to this lease, together with one hundred forty-five (145) surface parking spaces, adjacent to the building as shown on the attached site plan.

to be used for such purposes as determined by the Government

2. TO HAVE AND TO HOLD the said premises with their appurtenances for a TEN (10) YEAR firm term commencing pursuant to Paragraph 6(K) of this SF-2 and Paragraph 3.17 of SFO No. 08-009.

3. Upon acceptance of the space, the Government shall pay the Lessor annual rent of **\$2,582,147.46 (\$40.43957057/BRSF or \$42.02166808 BOASF)** at the rate of **\$215,178.96** per month in arrears, with the exception of the first six (6) month's rent which is abated in its entirety for which the Government shall pay \$0 and months seven (7) and eight (8) for which the Government will pay a reduced amount in accordance with Paragraph 6(P) below. Rent for a lesser period shall be prorated. Rent checks shall be made payable to:  
ARE-5 Research Place, LLC, c/o Alexandria Real Estate Equities, Inc., 946 Clopper Road, Gaithersburg, MD 20878.

4. This lease is not subject to termination rights.

5. This lease is not subject to any renewal options.

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

- A. All services, utilities, alterations, repairs, maintenance, as well as any other right and privilege stipulated by this Lease, the SFO, as amended, and its Attachments, are included in the rent. THIS LEASE IS FULL SERVICE, with the exception of the lab space, as indicated on the floor plans attached to this lease, which shall be separately metered pursuant to Paragraph 6(E).
- B. The Lessor shall provide to the Government a Tenant Improvement Allowance in the amount of \$2,585,731.84 (\$42.08/BOASF). This Tenant Improvement Allowance is included in the rent, with the \$42.08/BOASF being amortized at a rate of 0% over the ten-year firm Lease term at a rate of **\$4.21 per BOASF (\$4.05 per BRSF)** per year. The T/I will be used to construct the interior space in accordance with the **Government** approved Design Intent Drawings. If the tenant improvement cost exceeds **\$42.08 BOASF** (for up to **61,448 BOASF**), the balance due the Lessor will be paid by rental adjustment or lump sum, to be determined by the Government in accordance with SFO Paragraph 1.11. If the entire tenant improvement allowance of **\$42.08 BOASF** is not used, the Government will adjust the rental rate downward to off-set the difference in the T/I. In accordance with SFO Paragraph 3.1, the Lessor understands, in lieu of Cost and Pricing Data, his contractor or each of his sub-contractors shall solicit three (3) bids for work completed as a part of the initial tenant alterations, e.g., for electrical, plumbing, etc. Any work items provided by the Contractor, or for which there is not adequate competition at the trade/subcontractor level, shall be subject to the Government review of cost and pricing data.
- C. The Tenant Improvement Allowance shall include all the Offeror's administrative costs, general contractor fees, subcontractor's profit and overhead costs, Offeror's profit and overhead, and other associated project fees necessary to prepare construction documents to complete the Tenant Improvements. The fees for Overhead and Profit and any other developer's project management fees for the General Contractor, as a percentage of the total tenant improvement costs for the Initial Tenant Improvements performed by the Lessor or its representatives shall not exceed 15%. Equitable adjustments for deleted work shall include credits for overhead and profit. It is the successful Offeror's responsibility to prepare all

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documentation (working drawings, etc) required to receive construction permits. NO COSTS ASSOCIATED WITH THE BUILDING SHELL SHALL BE INCLUDED IN THE TENANT IMPROVEMENT PRICING.

- D. Pursuant to Paragraph 3.4(F) "Tax Adjustment" and Paragraph 3.5 "Percentage of Occupancy," of the SFO, as of the date hereof, the Government's percentage of occupancy is 100%. Evidence of payment of taxes shall be furnished in accordance with Paragraph 3.4(D) "Tax Adjustment" of the SFO.
- E. For the purposes of Paragraphs 3.6 "Operating Costs" and 3.7 "Operating Costs Base," of the SFO, as of the date hereof, the operating cost base is **\$510,816.00 or \$8.00 per BRSF**. For the laboratory space shown on the Floor Plan (Attachment 16 of this SF-2), all services excluding electric, but including all other utilities, alterations, repairs, maintenance, as well as any other rights and privileges in accordance with this Lease are included as a component of the rental consideration. Electric Services will be separately sub-metered for Government leased laboratory premises at the Government's expense. The Government shall pay actual costs for electric services for the laboratory space only.
- F. Pursuant to Paragraph 3.10 "Common Area Factor," the Add-On Factor is determined to be 0.3912, calculated as follows: 63,852 BRSF/61,448 BOASF.
- G. Notwithstanding Paragraph 7.2 "Normal Hours" of the SFO, in general, all warehouse areas, offices and support areas are expected to operate on full occupied cycle for 14 hours, 5 days a week, which is included in the rental rate. The Government shall be responsible for the first 11 hours of utility service Monday through Friday, excluding Saturdays, Sundays, and Federal holidays. The Lessor shall be responsible for the remaining 3 hours of utility service Monday through Friday.
- H. Pursuant to Paragraph 7.3 "Overtime Usage" of the SFO, beyond the hours described in subparagraph G above, the overtime HVAC service rate shall be **\$49.00 per hour** for the office and warehouse space. These charges are inclusive of all labor, maintenance, and service fees. Notwithstanding the hours of HVAC service, the Government shall have access to the leased space and appurtenant areas at all times without additional payment, including the use, during other than normal hours, of necessary services and utilities such as elevators, toilets, lights, and electric power.
- I. Pursuant to Paragraph 3.14 "Adjustment for Vacant Premises" of the SFO, the Adjustment for Vacant Premises as defined by the Lease and its Attachments shall be **\$2.79 per BRSF**.
- J. Prior to substantial completion of the leased premises, the Lessor shall correct all deficiencies and comply with all recommendations and findings of Fire Protection & Life Safety Evaluation report prepared by a Certified Fire Protection Engineer and the evaluation of the report in Attachment 15.
- K. The Leased premises shall be constructed consistent with the design and construction schedule and information in the schedule set forth in both Section 3.17 of the SFO and Attachment 18. The start date for the initial construction task shall commence upon execution of this Lease by the Government. The rent and lease commencement date shall be determined per SFO Paragraphs 3.17. If the Government makes changes to the Construction Drawings inconsistent with the Government approved Design Intent Drawings, the Lessor shall have such time, as determined by the Government, as is reasonable to make the changes.
- L. The Government shall be responsible for cost of the maintenance, repair and replacement, to operate any special equipment installed by or for the Government, including but not limited to dedicated/self-contained HVAC equipment and independent controls, special storage systems, telecommunications equipment, vending facilities, audio-visual equipment, executive kitchens, additional bathrooms, conference room equipment and emergency power systems.
- M. The base year for real estate taxes will be the first 12 months of the lease beginning with the lease commencement date.
- N. In accordance with SFO Amendment #3, notwithstanding SFO paragraph 5.7(A), ceilings for a portion of the lab space shall be a minimum of 20 feet, modifying from the previously noted 25 feet, please see B.B.2 within the POR for an example of a "sample space layout". In accordance with SFO Amendment #4, notwithstanding SFO paragraph 5.7(A), ceilings for the storage/warehouse space shall be at least 15 feet 0 inches, measured from floor to the lowest obstruction.
- O. In the event of a conflict between this SF2 and any other documents that comprise the Lease, the SF2 shall govern.
- P. Pursuant to Paragraph 1.13 "Broker Commission and Commission Credit", 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]. 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 the "Broker Commission and Commission Credit" paragraph in the SFO attached to and forming a part of this lease. The [REDACTED] balance which equates to [REDACTED] is to be paid to the broker as follows: [REDACTED] is due and payable within 30 days of lease award and the remaining [REDACTED] is payable at occupancy.

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STANDARD FORM 2  
Lease No. GS-11B-02113

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, with the exception of the first six (6) month's rent for which the Government shall pay [REDACTED] and continue as indicated in this schedule for adjusted Monthly Rent:

Seventh Month's Rental Payment \$215,178.96 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted First Month's Rent.


Eighth Month's Rental Payment \$215,178.96 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted Second Month's Rent

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

- (1) Solicitation for Offers No. 08-009 - 48 pages;
- (2) [REDACTED] Program of Requirements - 276 pages;
- (3) Amendment No. 1 to Solicitation for Offers No. 08-009 - 1 page;
- (4) Amendment No. 2 to Solicitation for Offers No. 08-009 - 3 pages;
- (5) Amendment No. 3 to Solicitation for Offers No. 08-009 - 1 page;
- (6) Amendment No. 4 to Solicitation for Offers No. 08-009 - 1 page;
- (7) Amendment No. 5 to Solicitation for Offers No. 08-009 - 2 pages;
- (8) GSA Form 3516 "Solicitation Provisions" - 6 pages;
- (9) GSA Form 1217 "Lessors Annual Cost Statement" - 2 pages;
- (10) GSA Form 1364 "Proposal to Lease Space" - 2 pages;
- (11) GSA Form 3517B "General Clauses" - 32 pages
- (12) GSA Form 3518 "Representations and Certifications" - 7 pages;
- (13) Attachment #1 - Rate Structure - 1 page;
- (14) Attachment #2 - Critical Path Method Scheduling - 12 pages
- (15) Pre-Lease Building Security Plan - 12 pages;
- (16) Fire Protection and Life Safety Evaluation - 12 pages;
- (17) Floor Plans - 1 page;
- (18) Site Plan - 1 page;
- (19) Construction Schedule - 1 page.

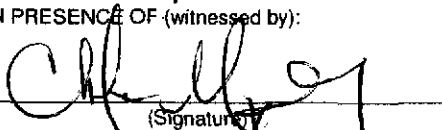
LESSOR: ARE-5 Research Place, LLC

BY

  
(Name)

**Eric S. Johnson**  
**Vice President**  
**Real Estate Legal Affairs**  
(Title)

IN PRESENCE OF (witnessed by):

  
(Signature)

[REDACTED]  
(Address)

UNITED STATES OF AMERICA

BY

  
(Signature)

**JAMES PHELAN, CONTRACTING OFFICER**  
**GENERAL SERVICES ADMINISTRATION**  
(Official Title)

ARE-5 RESEARCH PLACE, LLC

a Maryland limited liability company

BY: ALEXANDRIA REAL ESTATE EQUITIES, L.P.,

a Delaware limited partnership,  
managing member

BY: ARE-QRS CORP.,

a Maryland corporation,  
general partner

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STANDARD FORM 2  
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