

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

U.S. GOVERNMENT
LEASE FOR REAL PROPERTY

DATE OF LEASE:

JANUARY 22, 2010

LEASE #GS-11B-02145

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

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.) **12,167 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.
 - 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 ten (10) 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 \$193,941.98 (\$15.94/USF) at the rate of \$16,161.83 per MONTH in arrears. Rent for a lesser period shall be prorated. The annual rent includes an operating cost base of \$7,300.20 (\$.60/USF), a full-service base of \$8.05/USF, base real estate taxes, and \$8,953.89 to amortize a tenant improvement allowance of \$60,835 (\$5/USF) at 8.25% 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. ~~The government may terminate this lease at any time by giving at least _____ 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.~~
6. ~~This lease may be renewed at the option of the Government, for the following term and at the following rental:~~
6. The Lessor shall furnish to the Government, as part of the rental consideration, the following:

All items mentioned in the SFO. The Lessor shall perform all demolition necessary to complete the Government's required floor plan layout, including the demolition of the existing freezer area. The Lessor shall provide two new 8' x 8' loading dock doors, including existing levelers, maintained in good working order by the Lessor throughout the lease term. The Lessor shall provide all demising walls necessary to demise the Government's space from the other tenants in the building. The Government shall install, at its expense, asphalt leveling to create an effective 18" dock height. 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.

LESSOR

GOV'T

(REVISED 11/12/09)

- a) 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.
- b) Tenant Improvements: If requested by the Government, in addition to the tenant improvement fund mentioned in Paragraph 3, Lessor shall make available to the Government an additional tenant improvement fund of up to \$425,845.00 (\$35/USF) at 9.25% annual interest. 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. In no event shall the total tenant improvements amortized exceed \$486,680 (\$40/USF). The Government may opt to repay some or all of the tenant improvement fund via lump sum payment.
- c) The Government's percentage of occupancy for real estate tax purposes shall be 4.42%, based on 12,167 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.
- d) The Government shall have the right to use 6 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 10%, general conditions of 5%, construction management and coordination of 10% and architecture and engineering, if any of 8%. All fees are to be paid out of the tenant improvements allowance.
- e) 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.
- f) The Government shall be entitled to a rent abatement of \$44,348.72 (6 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(f).
- g) The parties hereby acknowledge that Government requires occupancy of the space not later than November 30, 2009. Accordingly, in the event that the tenant improvements to the Government's demised premises are not substantially complete and in move-in condition by this date, the Lessor shall provide sufficient storage space in another part of the building to accommodate the Government, commencing on November 30, 2009 and continuing until said tenant improvements are complete and ready for Government occupancy. Any such space shall be provided at no rental charge to the Government, and shall be secured to prevent unauthorized access to the Government's temporary space. The Government shall pay for any HVAC, lighting and/or other utilities needed to operate the temporary space.
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:

BY [See Attached]

BY _____

IN PRESENCE OF [Signature]

ADDRESS _____

Date: 11/18/09

UNITED STATES OF AMERICA

BY [Signature]

CONTRACTING OFFICER, GSA, NCR Date: 1/22/2010