

U.S. GOVERNMENT  
LEASE FOR REAL PROPERTY

DATE OF LEASE

NOV 21 2007

LEASE NO.

GS-06P-70058

THIS LEASE, made and entered into this date by and between:

whose address is: Elman Investors, Inc.  
450 Park Avenue, Suite 2704  
New York, NY 10022

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:

39,121 ANSI/BOMA Office Area square feet (45,000 rentable square feet) of ground and first floor laboratory and office space, located at 10383 N. Executive Hills Boulevard in Kansas City, Missouri be used for such purposes as determined by the General Services Administration (GSA). Included in the rent at no additional cost to the Government are 110 parking spaces for exclusive use of Government employees and at least eleven (11) onsite designated parking spaces (1 for official vehicles and 10 for visitors).

2. TO HAVE AND TO HOLD the said premises with their appurtenances for the term beginning on the date which is not later than August 1, 2008 for a period of twenty (20) years, with a firm term of fifteen (15) years, subject to termination and renewal rights as may be hereinafter set forth.

3. The Government shall pay the Lessor annual rent at the monthly rate in arrears as follows:

		Rate/usf	Rate/rsf	Annual \$ amt	Monthly \$ amt
Year 1	Shell	10.9276347	9.4999999	\$427,500.00	
	TI's	2.7325000	2.3755141	\$106,898.13	
	Park'g Total	0.0000000	0.0000000	\$0.00	
	Base Rent	13.6601347	11.8755140	\$534,398.13	
	Oper Rent	5.8664145	5.1000000	\$229,500.00	
	<b>Total Rent</b>	<b>19.5265492</b>	<b>16.9755140</b>	<b>\$763,898.13</b>	<b>\$63,658.18</b>
Years 2-20	Shell	20.4749367	17.8000000	\$801,000.00	
	TI's	2.7324999	2.3755140	\$106,898.13	
	Park'g Total	0.0000000	0.0000000	\$0.00	
	Base Rent	23.2074367	20.1755140	\$907,898.13	
	Oper Rent	5.8664145	5.1000000	\$229,500.00	
	<b>Total Rent</b>	<b>29.0738511</b>	<b>25.2755140</b>	<b>\$1,137,398.13</b>	<b>\$94,783.18</b>

Rental is subject to a physical mutual measurement and will be based on the rate, per ANSI/BOMA Office Area square foot (USF) as noted above, and the actual USF in accordance with paragraph 26 PAYMENT of the GENERAL CLAUSES. The lease contract and the amount of rent will be adjusted accordingly, but not to exceed the maximum USF requested in Solicitation for Offers (SFO) Paragraph 1.1, Amount and Type of Space. Rent for a lesser period shall be prorated. Rent checks shall be made payable to:

ELMAN INVESTORS, INC.  
450 PARK AVENUE, SUITE 2704  
NEW YORK, NY 10022

4. The Government may terminate this lease in whole or in part at any time after year fifteen (15) by giving at least ninety (90) DAYS NOTICE in writing to the Lessor and no rental shall accrue after the effective date of termination. In the event the lease is terminated, the Government will not be responsible for payment of any unamortized tenant improvements. Said notice shall be computed commencing with the day after the date of mailing.

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

provided notice be given in writing to the Lessor at least \_\_\_\_\_ days before the end of the original lease term or any renewal 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 to the rental consideration,
  - a. Those facilities, services, supplies, utilities, and maintenance in accordance with SFO 6MO0048 dated March 5, 2007.
  - b. Buildout in accordance with standards set forth in SFO 6MO0048 dated March 5, 2007, and the approved floor plan. Space plans shall be developed subsequent to award. All tenant alterations to be completed by the lease effective date identified under Paragraph 2 above. Lease term to be effective on date of occupancy, if different from the date identified in Paragraph 2. The Lessor hereby waives restoration.
  - c. Deviations to the approved space layouts will not be permitted unless prior written authorization is obtained from the GSA Contracting Officer.
7. The following are attached and made a part hereof:
  - (A) Paragraphs 11 through 26 printed on pages 3 and 4;
  - (B) SFO 6MO0048 dated March 5, 2007, pages 1 through 46;
  - (C) SPECIAL REQUIREMENTS (Attachment #1), consisting of 190 pages;
  - (D) GSA Form 3517B, entitled GENERAL CLAUSES (REV 11/05), consisting of 33 pages;
  - (E) GSA Form 3518, entitled REPRESENTATIONS AND CERTIFICATIONS (REV 1/07), consisting of 7 pages;
  - (F) GSA Form 1217, entitled LESSOR'S ANNUAL COST STATEMENT, consisting of 2 pages, plus one additional response sheet provided by Elman Investors, Inc.;
  - (G) DOCUMENT SECURITY FORM B, consisting of 2 pages;
  - (H) GSA Form 12000, entitled PRE-LEASE FIRE AND LIFE SAFETY EVALUATION (REV 5/05), consisting of 5 pages;
  - (I) DAVIS-BACON WAGE RATES for Jackson County, Missouri, consisting of 9 pages, per paragraph 22 below; and
  - (J) SITE PLAN, consisting of 5 pages.
8. The following changes were made in this lease prior to its execution:  
PARAGRAPH 5 ABOVE WAS DELETED.
9. Cost adjustments and termination rights shall be adjusted to coincide with any revised actual commencement date. The commencement date, which is not later than August 1, 2008, as stated in Paragraph 2 of the lease, is the estimated beginning date. The actual commencement date will be established by Supplemental Lease Agreement to the lease, if necessary. The lease will then be in effect for twenty (20) years, subject to termination rights as specified in the lease. The anniversary date for annual escalations, operating cost adjustments and termination rights shall be adjusted to coincide with any revised actual commencement date.
10. In accordance with SFO paragraph 1.10, Tenant Improvements, included in the rental consideration is a tenant improvement allowance provided by the Lessor of \$2,137,962.65 (54.65 per ANSI/BOMA Office Area square foot) to be amortized over twenty (20) years at 0%. A Supplemental Lease Agreement (SLA) shall be prepared at occupancy to reconcile the tenant improvement allowance. The Lessor shall forfeit the balance of any unamortized tenant improvements at the termination of the lease.

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

LESSOR ELMAN INVESTORS, INC.

BY

(Signature)

IN PRESENCE OF:

(Signature)

LOP Elman Investors, Inc.

(Signature)

(Address)

UNITED STATES OF AMERICA GENERAL SERVICES ADMINISTRATION

BY

(Signature)

Contracting Officer

(Official title)

11. The total net usable square foot area referred to in Paragraph 1, is subject to adjustment, but may not be less than the minimum 39,121 ANSI/BOMA Office Area square footage nor should exceed the maximum 45,000 ANSI/BOMA Office Area square footage limitation defined in SFO No. 6MO0048. Should there be any adjustments in the usable square footage delivered, that has been determined through mutually agreed field measurement, the per annum total rental referred to above shall be adjusted on the basis of \$19.53 per usable square foot per annum. The lease shall be amended by Supplemental Lease Agreement after actual field measurement to establish the square footage and rental in compliance with the terms of the lease.
12. In accordance with SFO paragraph 3.5, Operating Costs, the escalation base is established as \$5.10/RSF (\$229,500/annum).
13. It is understood and agreed that for real estate tax adjustment purposes, in accordance with Section 3.3, (A through G) of SFO No. 6MO0048 within this lease, the Government will occupy 100 percent of the net usable square foot area of the building.
14. If heating or cooling is required by the Government on an overtime basis, it shall be provided at no additional cost to the Government.
15. Lessor shall not construct, change, alter, remove, or add to the leased area without prior notification and approval from the GSA (the Contracting Officer or his/her representative) as well as acknowledgement of funding for any changes to the Tenant Improvement costs, approved prior to the Notice to Proceed with build out of the Tenant's space.
16. If the property housing the leased premises is sold or transferred, the following information is required before the Government can acknowledge the successor in interest and change the payee for rent or other payments:
  - (I) Evidence of the transfer of title.
  - (II) A letter from successor Lessor (transferee) assuming, approving and adopting the lease and agreeing to be bound by its terms.
  - (III) A letter from prior Lessor (transferor) waiving all rights under the lease as against the United States of America, except unpaid rent through a specified date, usually the date of ownership transfer.
  - (IV) The IRS tax identification number of the new owner.

Where leased premises are transferred by death of the Lessor, a copy of the letters of administration when there is no will, showing the Lessor(s), is required. Unless an interim court order is received, rents will be accrued and paid to the new owner(s) upon final settlement of the estate.
17. The Tax Identification Number for the real estate parcel occupied under this lease is \_\_\_\_\_. The DUNS number affiliated with this lease is 147265008.
18. All questions pertaining to this lease should be referred to the Contracting Officer of the GSA or his/her designee. The Government occupant is not authorized to administer this lease. The GSA assumes no responsibility for any cost incurred by the Lessor except as provided by the terms of this lease or authorized in writing by the Contracting Officer or his/her designee.
19. All terms and conditions of this Lease as expressly contained herein represent the total obligations of the Lessor and the Government. Any agreements, written or oral, between the Lessor and Government prior to the execution of this Lease are not applicable or binding. This agreement may be amended only by written instrument executed by the Lessor and Government.
20. The Lease Common Area Factor is 1.150277 (39,121 usable square feet multiplied by 1.150277 equals 45,000 rentable square feet of space).
21. Attached to this lease are the Department of Labor wage labor rates for Jackson County, Missouri, consisting of nine (9) pages (Exhibit I) at the time the lease was awarded. As required by Paragraph 1.19 of SFO No. 6MO0048, which is made part of this Lease, the Lessor is required to pay prevailing wage rates established for the construction area, as determined by the Department of Labor. It is the Lessor's responsibility to determine what the current wage rates are at the time of construction, in the area of the construction, by the Department of Labor and to use those rates to comply with Paragraph 1.19 of SFO No. 6MO0048.
22. The GSA represents that the Contracting Officer is an agent with authority to enter into this Lease on behalf of the Government and executes this document in his or her Official capacity only, and not as an individual.

INITIALS:

*JWM*  
LESSOR

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*SK CJE*  
GOVERNMENT

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23. Lessor acknowledges that the site, block and elevation plans submitted by Lessor and attached to this Lease as (Exhibit J) showing shell windows and doors, are subject to change by the Government, within reason, to aid in the design of the leased space.
24. The Lessor agrees to waive the right of restoration costs, and claim for waste or damage arising from any work accomplished in connection with the initial space preparation, and waives all restoration rights for the alterations performed after the initial occupancy included in the lease.
25. Commission credits will be applied to the shell rent of the lease and rental payments shall be reduced by that amount in the first months of the lease term until all credits have been applied. The reduction of rent will not apply to the Operating Costs (OC) and amortized Tenant Improvements (TI). Rental payments for OC and TI will be paid in accordance with the terms and conditions of the lease at commencement. Commission payment and the commission credit have been negotiated by Jones Lang LaSalle, representing GSA. Commissions for this lease are negotiated at [REDACTED] of the total firm term value of the lease for a dollar value [REDACTED]. It is the agreement between the government, landlord, and Jones Lang LaSalle that [REDACTED] of the total commissions (equaling [REDACTED]) negotiated for this lease will be applied to the shell rent and was evaluated in the Present Value Analysis prior to the award of the lease. Payment of the commissions to Jones Lang LaSalle will be paid in accordance with the agreement between the landlord and Jones Lang LaSalle but not later than at acceptance and occupancy of the space. No additional commissions are to be paid to Jones Lang LaSalle for this leasing transaction other than that identified in the SF-2 and attachments or as formally documented in a Supplemental Lease Agreement.
26. The Lessor agrees that as long as the lease is in effect, the building of which the leased premises are a part will be utilized only as office space that is compatible with the Government's use of its space unless an exception is granted by the Contracting officer. Due to security concerns, building tenants must be approved by the Government. Such approval will not be unreasonably withheld.

INITIALS:

[Signature]  
LESSOR

&

SK  
GOVERNMENT

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