

U.S. GOVERNMENT
LEASE FOR REAL PROPERTY

DATE OF LEASE

7/16/09

LEASE NO.

GS-03B-09470

THIS LEASE, made and entered into this date by and between 2401 Walnut Street Limited Partnership

whose address is 2401 Walnut LP
c/o Charles Block
2401 Walnut Street
Philadelphia, PA 19103-4340

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:

18,922 Rentable Square Feet yielding approximately 16,383 ANSI/BOMA Office Area square feet and related space located on the 4th Floor, at 2401 Walnut Street, Philadelphia, PA 19103-4340, together with 58 Surface parking spaces, as depicted on Attachment F (attached)

to be used for such purposes as determined by the General Services Administration.

2. TO HAVE AND TO HOLD the said premises with their appurtenances for the term beginning on

See Lease Rider Paragraph 13 through See Lease Rider Paragraph 13, subject to termination and renewal rights as may be hereinafter set forth.

3. The Government shall pay the Lessor annual rent of \$ See Lease Rider Paragraph 13

at the rate of See Lease Rider Paragraph 13 per month in arrears. Rent for a lesser period shall be prorated. Rent checks shall be made payable to:

2401 Walnut Street LP
C/o Charles Block
2401 Walnut Street
Philadelphia, PA 19103-4340

4. The Government may terminate this lease in whole or in part effective at any time after the 10th full year of occupancy by giving at least 90 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.

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

████████████████████, plus accrued escalations as per Paragraph 4.3,
"Operating Costs"

provided notice be given in writing to the Lessor at least 180 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 of the rental consideration, the following:

A. All services, utilities, maintenance, operations, and other considerations as set forth in this lease.

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

- A. Rider to Lease GS-03B-09470
- B. Solicitation for Offers # 9PA2184 [and Amendments #1-3]
- C. GSA Form 3517, "General Clauses" version dated November 2005
- D. GSA Form 3518, "Representations and Certifications" version dated January 2007

CB [Signature]

E. Floor Plan(s)
F. Parking Plan

8. The following changes were made in this lease prior to its execution:

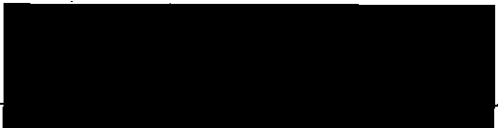
- 1.1.F
- 1.12
- 3.7.A.9.b
- 4.5
- 4.8.D
- 5.7.F
- 5.9.F
- 6.5
- 6.6.A.2
- 6.7
- 6.7.b
- 6.7.d
- 6.8.A
- 7.12
- 7.13
- 7.14
- 7.15
- 8.1.A
- 8.5.A
- 8.6
- 8.10.A
- 8.12
- 8.17
- 8.19.A.1.a
- 9.4
- 9.9
- 10.1.6
- 10.6
- 10.12
- 10.15
- 10.18.C
- 10.18.F
- 10.22
- 11.4

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

LESSOR

BY  _____
(Signature)

(Signature)

IN PRESENCE OF:  _____

(Address)

UNITED STATES OF AMERICA GENERAL SERVICES ADMINISTRATION, PUBLIC BUILDINGS SERVICE



Contracting Officer
(Official title)

RIDER TO LEASE GS-03B-09470

9. In no event shall the lessor enter into negotiations concerning the space leased with representatives of Federal agencies other than Contracting Officers and their designated representatives of the General Services Administration.

10. The total percentage of space occupied by the Government under the terms of the lease is equal to 11.49% percent of the total space available in the lessor's building, and will be used as the basis for computing the Government's pro-rata share of real estate taxes, as defined in the Annual Real Estate Tax Escalation Clause. The percentage of occupancy is derived by dividing the total Government space of 18,922 rentable square feet by the total building space of 164,673 rentable square feet.

11. For purposes of determining the base rate for future adjustments to the operating cost, the Government agrees that the base rate of \$8.36 per Rentable Office Area (RSF) square foot, is acceptable. This figure includes the Government's pro-rata share of operating costs.

12. Notwithstanding any other provision of this agreement requiring the Government to give notice to exercise any option contained herein for extension of the lease for additional space in the facility, or for purchase of the facility, the lessor shall notify the Contracting Officer, in writing, at least thirty (30) calendar days and no more than sixty (60) calendar days prior to the time the option must be exercised. In the event the lessor fails to notify the Government, as required by this paragraph, the Government shall have the right to exercise the option at anytime prior to the expiration of the lease. If GSA exercises the option to renew the lease, said rental will be based on the amount of operating cost adjustments accrued up to date of renewal and calculation on the basis of the new adjusted base rate for services and utilities.

13. Lessor shall complete the building shell as defined in the lease and complete all alterations, improvements, and repairs required by this lease, and deliver the leased premises ready for occupancy by the Government within sixty (60) calendar days from the date of notice to proceed with the construction of the tenant improvements. When Lessor has completed all such alterations, improvements, and repairs, Lessor shall promptly notify the Contracting Officer, who shall promptly cause the same to be inspected. Upon the date of completion of such alterations, improvements, and repairs and inspection and acceptance by the Government, the term of this lease shall commence and shall continue for 10 consecutive calendar years. The

Lessor CB Government AW

RIDER TO LEASE GS-03B-09470

commencement date shall be more particularly set forth by a Supplemental Lease Agreement.

Upon acceptance of the leased premises by the Government, the same shall be measured and rental shall be paid, in accordance with Paragraph 4.1 of the lease, "Measurement of Space" and Paragraph 27 General Clauses, GSA Form 3517, "Payment" at the rate of:

Years 1 through 5:

Annually- \$702,952.30 or \$37.15 per Rentable Square Foot

Shell Rent: \$425,934.22 per year or \$22.51 per Rentable Square Foot,

Amortized annual cost for Tenant Improvement Allowance*:
\$118,830.16 per year

Interest rate at which Tenant Alterations are amortized: 5%

Annual Cost of Services: \$158,187.92 per year or \$8.36 per Rentable Square Foot, plus accrued escalations per Paragraph 4.3, "Operating Costs"

Parking: As noted in paragraph 1 of the SF2, fifty-eight (58) parking spaces shall be provided by the Lessor. The fifty-eight parking spaces are included in the full service rental rate, at the rate of \$2401 per space per annum.

Years 6 through 10:

Annually- \$750,257.30 or \$39.65 per Rentable Square Foot

Shell Rent \$473,239.22 per year or \$25.01 per Rentable Square Foot,

Amortized annual cost for Tenant Improvement Allowance*:
\$118,830.16 per year

Interest rate at which Tenant Alterations are amortized: 5%

Lessor CB Government OHW

RIDER TO LEASE GS-03B-09470

Annual Cost of Services: \$158,187.92 per year or \$8.36 per Rentable Square Foot, plus accrued escalations per Paragraph 4.3, "Operating Costs"

Parking: As noted in paragraph 1 of the SF2, fifty-eight (58) parking spaces shall be provided by the Lessor. The fifty-eight parking spaces are included in the full service rental rate, at the rate of \$2401 per space per annum.

Years 11 through 15:

Annually- \$683,273.42 or \$36.11 per Rentable Square Foot

Shell Rent \$525,085.50 per year or \$27.75 per Rentable Square Foot,

Annual Cost of Services: \$158,187.92 per year or \$8.36 per Rentable Square Foot, plus accrued escalations per Paragraph 4.3, "Operating Costs"

Parking: As noted in paragraph 1 of the SF2, fifty-eight (58) parking spaces shall be provided by the Lessor. The fifty-eight parking spaces are included in the full service rental rate, at the rate of \$2401 per space per annum. Additionally, it was agreed that there is a 2.5% escalation in year 11 for parking rate adjustment.

*The rent shall be adjusted downward if the Government does not utilize the entire Tenant Improvement Allowance of \$933,011.85 or \$56.95 per ANSI/BOMA Office Area Square Foot, which is included in the rent, using the 5% amortization rate over the firm term of 10 years. The Government, at its election, may pay lump sum for Tenant Improvements. If this occurs, the rent shall be reduced proportionately using the 5% amortization rate.

If the Government spends more than the allowance identified above, the Government reserves the right to 1) reduce the Tenant Improvement requirements, 2) pay lump sum for the overage upon completion and acceptance of the improvements, or 3) increase the rent according to the negotiated amortization rate over the firm term of the lease.

5

Lessor



Government



RIDER TO LEASE GS-03B-09470

14. In accordance with Paragraph 26, "GSA Forms and Pricing Information" and Paragraph 5.1 "Tenant Improvements Pricing Requirements" of the Lease, the overhead and profit charged by the Lessor for Tenant Improvements requested by the Government is 4% of Total Construction costs.

15. In accordance with Paragraph 4.6, "Overtime Usage", of the lease, the additional cost to the Government for overtime use of Government leased space is \$100 per hour.

16. It is understood and agreed that the Government retains title to all removable property covered by this agreement and may remove same if so desired. In the event such are not removed by the Government at the end of this lease term, or any extension thereof, title shall vest in the Lessor and all right of restoration waived.

17. Definitions:

- A. Where the word "Offeror" appears it shall be considered "Lessor"
- B. Where the word "should" appears it shall be considered to be "shall"
- C. Where the word(s) "Solicitation" or "Solicitation for Offers" appears it shall be considered to be "Lease".

18. TAXES (VARIATION)

A. Lessor and Government acknowledge that certain real estate taxes are abated through 2020. At or prior to the execution of the Lease, Lessor shall endeavor to provide information from the taxing authority concerning any and all tax abatements associated with the offered property and the duration of the abatement. In addition, twenty-four (24) months prior to the expiration of the aforesaid abatement of certain real estate taxes (or as soon thereafter as is reasonably practicable), Lessor shall attempt to obtain from the taxing jurisdiction an estimate of the tax amount post-abatement to be used by Government for budgetary purposes. Any revision of this estimate shall be submitted to Government within thirty (30) days of its receipt. The post-abatement tax shall be used to negotiate an agreed upon base for a Fully Assessed value of the property.

6

Lessor



Government



RIDER TO LEASE GS-03B-09470

B. As soon as practicable after Lessor receives notice from an applicable taxing authority that real estate taxes are being assessed against the Premises, Lessor shall send a notice of the same to Government, and commencing on the first day of the calendar month next following said notice, the annual Base Rent under this Lease will increase for the remainder of the term of this Lease by the amount (the "Original Base Rent Tax Increase") of the Governments proportionate share (as calculated by Lessor) of the real estate taxes assessed against the Premises. The Original Base Rent Tax Increase shall not exceed \$1.50 per rentable square foot.

Lessor AB Government ADW