

U.S. GOVERNMENT  
LEASE FOR REAL PROPERTY

DATE OF LEASE

Aug 15, 2011

LEASE NO.

GS-03B-09617

THIS LEASE made and entered into this date by and between Vartan Enterprises Inc.  
GROUP (M)

3601 Vartan Way  
whose address is 2<sup>nd</sup> Floor  
Harrisburg, PA 17110-9440

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:

1251 Rentable Square Feet yielding approximately 1140 ANSI/BOMA Office Area square feet and related space located on the 2<sup>nd</sup> Floor, at 2300 Vartan Way Harrisburg, PA 17110-9721, as depicted on Exhibit A - floorplan (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:

Group (M)  
Vartan Enterprises Inc.  
P.O. Box 60005  
Harrisburg, PA 17106-0005

4. The Government may terminate this lease in whole or in part effective at any time after the 5<sup>th</sup> 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:

~~{Number of Options} {Option Term} year period(s) at the annual rental of \$ \_\_\_\_\_ (\$ \_\_\_\_\_ per ABOA square foot), plus accrued operating cost escalations~~

~~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 of the rental consideration, the following:

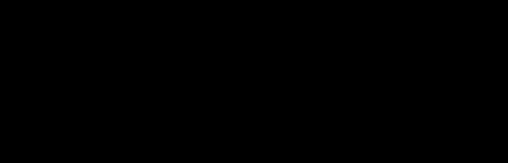
All services, utilities, maintenance, operations, and other considerations as set forth in this lease.

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

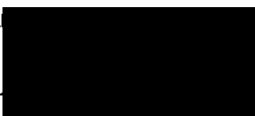
- A. Rider to Lease GS-03B-09617
- B. Solicitation for Offers # OPA2042, [and Amendments #1-2]
- C. GSA Form 3517, "General Clauses" version dated 07/08
- D. GSA Form 3518, "Representations and Certifications" version dated 01/07
- E. Floor Plan(s) Exhibit A

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

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

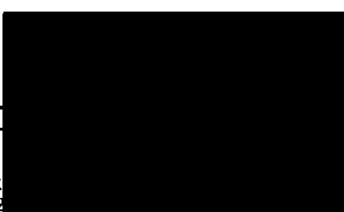
LE  
BY 

3001 Vartan Way, Harrisburg, PA 17110  
(Address)

IN PR  


3001 Vartan Way, Harrisburg, PA 17110  
(Address)

UNITED STATES OF AMERICA GENERAL SERVICES ADMINISTRATION, PUBLIC BUILDINGS SERVICE

BY 

Contracting Officer  
(Official title)

STANDARD  
AUGUST 2

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 1.91% 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 1251 rentable square feet by the total building space of 65,627 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 \$4.24 per ANSI/BOMA Office Area (ABOA) 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 any time 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 60 working 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 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:**

The total annual rent of \$21,033.41 breaks down as follows\*:

**Shell Rent:** \$9,157.32 per year or \$7.32 per Rentable Square Foot,

**Amortized annual cost for Tenant Improvement Allowance\*:**  
\$6,772.01 per year

**Interest rate** at which Tenant Alterations are amortized: 7%

**Amortized annual cost for Building Specific Security:** \$262.71 per year

**Annual Cost of Services:** \$4,841.37 per year or \$3.87 per Rentable Square Foot, plus accrued escalations per Paragraph 4.3 "Operating Costs"

**Years 6 through 10:**

The total annual rent of \$13,998.69 breaks down as follows\*:

**Shell Rent** \$9157.32 per year or \$7.32 per Rentable Square Foot,

**Annual Cost of Services:** \$4841.37 per year or \$3.87 per ANSI Rentable Square Foot, plus accrued escalations per Paragraph 4.3, "Operating Costs"

\*The rent shall be adjusted downward if the Government does not utilize the entire Tenant Improvement Allowance of \$28,500 or \$25.00 per ANSI/BOMA Office Area Square Foot, which is included in the rent, using the 7% amortization rate over the firm term of 5 years. The Government, at its election, may pay lump sum for Tenant Improvements. If this occurs, the rent shall be reduced proportionately using the 7% 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.

14. In accordance with Paragraph 3.4, "GSA Forms and Pricing Information" and Paragraph 5.2, "Tenant Improvements Pricing Requirements" of the Lease, the overhead and profit charged by the Lessor for Tenant Improvements requested by the Government is 5% of Total Construction costs.

15. In accordance with Paragraph 4.6, "Overtime Usage", of the lease, the additional cost to the Government for overtime HVAC services is \$50.00 per hour.

16. In accordance with Paragraph 4.4, "Adjustment for Vacant Premises", of the lease, if the Government fails to occupy any portion of the lease premises or vacates the premises in whole or in part prior to expiration of the terms of the lease, the rental rate for the vacated portion of the space will be reduced by \$3.57 per ANSI/BOMA Office Area square foot.

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"