

U.S. GOVERNMENT
LEASE FOR REAL PROPERTY

DATE OF LEASE

1/27/12

LEASE NO.

GS-03B-12030

THIS LEASE, made and entered into this date by and between Bogatin Enterprises, LP

whose address is c/o Eagle Property Management, LLC
414 West Main St., Suite C
Lansdale, PA 19446-0148

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:

26,025 Rentable Square Feet yielding 25,000 ANSI/BOMA Office Area square feet and related space located at 145 W. Thompson St., Philadelphia, PA 19122-4625, together with 2 structured parking spaces.

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 14 through See Lease Rider Paragraph 14 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 14 at the rate of See Lease Rider Paragraph 14 per month in arrears. Rent for a lesser period shall be prorated. Rent checks shall be made payable to:

Bogatin Enterprises LP
c/o Eagle Property Management, LLC
414 West Main St., Suite C
Lansdale, PA 19446-0148

4. The Government may terminate this lease in whole or in part effective at any time after the fifth full year of occupancy by giving at least 30 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:~~

~~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.~~

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INITIALS:

LB PB.
LESSOR & BR
GOVT

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

A. All services, (with the exclusion of all utilities), maintenance, operations, and other considerations as set forth in this lease. The Government shall be responsible for paying the cost of utilities directly to the providers. The Lessor shall insure that such utilities are separately metered in accordance with the paragraph entitled "Utilities Separate from Rental/Building Operating Plan.

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

- A. Rider to Lease
- B. SFO # 0PA2131 (now Lease No. GS-03B-12030 w/Amendment #1)
- C. GSA Form 3517, "General Clauses"
- D. GSA Form 3518, "Representations and Certifications"
- E. Floor Plan

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

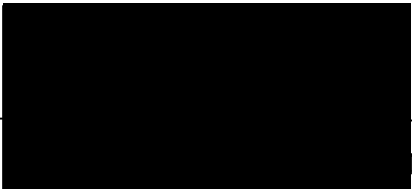
SFO section 2, para 3.1, 3.4-6, 4.7, parts of 1.5 and 4.6 have been deleted.

This lease contains 43 pages

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

LESSOR:

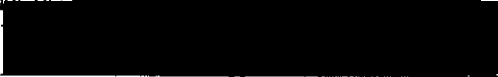
BY X



Bogatin Enterprises, LP
% EAGLE PROPERTY MANAGEMENT
414 WEST MAIN ST. SUITE C
LANSDALE PA 19446-0148
(Address)

IN PRESENCE OF

X



SAME AS ABOVE

(Signature)

PATRICK A. BOYLAND

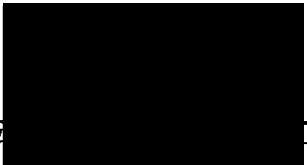
(Address)

UNITED STATES OF AMERICA

GENERAL SERVICES ADMINISTRATION, PUBLIC BUILDINGS SERVICE

BY

(Signature)



Contracting Officer

(Official title)

RIDER TO LEASE GS-03B-12030

In the event there is a conflict between the terms of the Lease GS-03B-12030 and this Rider, the terms of the Rider will govern.

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 100% 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.

11. Common Area Factor

The Common Area Factor of this building for this Government lease that is applied to the ANSI/BOMA Office Area square feet (ABOA) to determine the rentable square feet is 1.041 (26,025 RSF/25,000 ABOA).

12. For purposes of determining the base rate for future adjustments to the operating cost, the Government agrees that the base rate of \$17,978.00 per year, is acceptable. This figure includes the Government's pro-rata share of operating costs.

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 30 working days from the later of: the transmittal to the Lessor of the completed and approved Program of Requirements; the GSA approval of the construction drawings and the Tenant Improvement contractor's bids, and GSA's provision for any amounts exceeding the Tenant Improvement Allowance provided by the Lessor as part of this lease; the Lessor's receipt of all necessary permits and the date of the GSA notice to proceed with the construction of the tenant improvements. Such schedule may be extended, without penalty to the Lessor in case of "acts of God", "force majeure" or reliance on/performance failures by independent parties not within the Lessor's control, such as a utility provider. 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 In the presence of the Lessor.

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:

Lessor (UB) PB Government DK

RIDER TO LEASE GS-03B-12030

Years 1 through 5:

Shell Rent: \$165,258.75 per year

Amortized annual cost for TI Allowance*: \$12,149.42 per year

In accordance with lease negotiations, the Tenant Improvement rate stated above reflects an interest rate of 4% over a 120 month period, which exceeds the firm term of the lease. Should the Government exercise its termination rights, the Government shall have no obligation to pay the Lessor any remaining balance for the Tenant Improvement rent beyond the ~~firm~~ term of the lease. **GOVERNMENT OCCUPANCY**

Interest rate at which Tenant Alterations are amortized: 4%

Annual Cost of Services: \$17,978.00 year, plus accrued escalations

Years 6 through 10:

Shell Rent \$171,504.75 per year

Amortized annual cost for TI Allowance*: \$12,149.42 per year

Annual Cost of Services: \$17,978.00 per year plus accrued escalations

*CANCELABLE AFTER 5 YEARS
W/ 30 DAYS NOTICE BK*

LESSOR
(UB) PB
GOV'T
BK

*The rent shall be adjusted downward if the Government does not utilize the entire Tenant Improvement Allowance of \$100,000, which is included in the rent, using the 4% amortization rate over the term of 120 months. The Government, at its election, may pay lump sum for Tenant Improvements. If this occurs, the rent shall be reduced proportionately using the 4% 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 "GSA Forms and Pricing Information" and "Tenant Improvements Pricing Requirements" of the Lease, the overhead and profit charged by the Lessor for the oversight and management of design and construction for Tenant Improvements requested by the Government is 10%.

15. 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. However, anything attached to the walls, parapets or roof must have the Lessor's prior written consent as to the item(s) location, materials and method of placement of such fixtures, not to be unreasonably withheld.

Use of building roof for antenna. The building has a barrel shaped roof and does not have roof-top mechanical equipment. Satellite dishes may not be placed on the roof, but may be placed on the parapet walls in location and manner, subject to Lessor's reasonable approval.

Lessor (UB) PB Government BK

RIDER TO LEASE GS-03B-12030

16. 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"

17. At the Government's request, the Lessor shall provide a flag pole. The tenant shall provide a flag and shall raise and lower the flag.

18. Ceiling Height. The building generally has interior ceiling heights of 20'-24', but has a few areas of less than 20'. The Government has inspected the building and has deemed it to be acceptable.

19. Government auto parking will be inside of the warehouse area.

20. Tenant pays all janitorial costs. However, the Lessor will pay to have a six (6) yard dumpster and emptied once per week, for the disposal of boxes, paper, cans and plastic items. The Tenant will handle any recycling (collection, storage and haul-off) computer equipment, batteries or hazardous materials, if any, at its expense.

In addition to several drive-in doors, the building has two 4' loading dock bays which are inside of the building, enclosed by roll-up doors. There is no building setback from the street.

Trash dumpsters will be placed inside the warehouse, in one of the two enclosed loading dock pits.

The Lessor shall put ^{from the Tenant's Organization} the dumpster in one of the loading bays, which is inside of the building, and will require a) someone to be there when the trash is picked up or b) allow the Lessor to give the trash company a key for that roll-up door to pick up the trash. If requested by the GSA, the Lessor will surround the bay used for trash with a wire fence.

LESSOR
(LB) PB
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21. In reference to SFO Para. 1.2, If the tenant desires to terminate the lease in part, but not all of the space, the Lessor may decide to reject the partial termination or designate the location of space which will be returned to the Lessor.

22. In reference to SFO Para. 4.12, Lessor shall be responsible for the "total maintenance and repair of the leased premises, excuding fixtures and /or equipment installed by the government, its employees or its contractors. Lessor shall not be responsible for any repair, damages or accidents caused by the actions of, or omissions by, the government, its employees or its contractors.

Lessor (LB) PB Government BU