

STANDARD FORM 2
AUGUST 2009 EDITION
GENERAL SERVICES
ADMINISTRATION
FPR (41 CFR) 1-16.601

U.S. GOVERNMENT
LEASE FOR REAL PROPERTY

DATE OF LEASE

2/24/2012

LEASE NO.

GS-03B-12031

THIS LEASE, made and entered into this date by and between Albert M. Covelli Revocable Trust

whose address is:

[REDACTED]

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:

Approximately 6,926 Rentable Square Feet yielding approximately 6,049 ANSI/BOMA Office Area square feet and related space located on the 4th Floor, at 717 State Street Professional Building, 717 State Street, Erie, PA 16566-1360 (as depicted in Exhibit A) together with 10 reserved and secured structured parking spaces in the adjacent City ramp 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 12 through See Lease Rider Paragraph 12, 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 12 at the rate of See Lease Rider Paragraph 12 per month in arrears. Rent for a lesser period shall be prorated. Rent checks shall be made payable to:

Albert M. Covelli Revocable Trust

[REDACTED]

- 4. The Government may terminate this lease in whole or in part effective at any time after the (10th) tenth 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: one (1)
Lease term of renewal option: five (5) years
Shell rate per RSF per year: \$16.00

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.

B. The Lessor and the Broker have agreed to a cooperating lease commission of [REDACTED] of the firm term value of this lease. The total amount of the commission is [REDACTED]. The Lessor shall pay the Broker no additional commissions associated with this lease transaction. In accordance with the "Broker Commission and Commission Credit" paragraph, the Broker has agreed to forego [REDACTED] of the commission that it is entitled to receive in connection with this lease transaction ("Commission Credit"). The Commission Credit is [REDACTED]. The Lessor agrees to pay the Commission less the Commission Credit to the Broker in accordance with the "Broker Commission and Commission Credit" paragraph in the SFO attached to and forming a part of this lease.

Notwithstanding Paragraph 3 of this Standard Form 2, the shell rental payments due and owing under this lease shall be reduced to fully recapture this Commission Credit. The reduction in shell rent shall commence with the first month of the rental payments and continue as indicated in this schedule for adjusted Monthly Rent:

First Month's Rental Payment of \$16,392.74 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted First Month's Rent.*

Second Month's Rental Payment of \$16,392.74 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted Second Month's Rent.*

Third Month's Rental Payment of \$16,392.74 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted Third Month's Rent.*

Fourth Month's Rental Payment of \$16,392.74 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted Fourth Month's Rent.*

Fifth Month's Rental Payment shall commence in full.

*subject to adjustment upon determination of actual TI expenditure

- 7. The following are attached and made a part hereof:
 - A. Rider to Lease GS-03B-12031;
 - B. Solicitation for Offers # 0PA2011;
 - C. GSA Form 3517B, "General Clauses";
 - D. GSA Form 3518, "Representations and Certifications";
 - E. Floor Plan of Lease space Exhibit A,
 - F. Floor Plan of Swing space Exhibit B.

This lease contains 142 pages.

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

LE [REDACTED]

BY [REDACTED] _____ (Signature)

IN PRESE [REDACTED] [REDACTED]

UNITED STATES OF AMERICA GENERAL SERVICES ADMINISTRATION, PUBLIC BUILDINGS SERVICE

[REDACTED] _____ Rachel Pasternak, Contracting Officer
(Official title)

8. 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.
9. The total percentage of space occupied by the Government under the terms of the lease is equal to 9.09% 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 6,926 rentable square feet by the total building space of 76,224 rentable square feet.
10. For purposes of determining the base rate for future adjustments to the operating cost, the Government agrees that the base rate of \$8.54 per ANSI/BOMA Office Area (ABOA) square foot, is acceptable. This figure includes the Government's pro-rata share of operating costs.
11. 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 one hundred and eighty (180) 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.
12. 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 90 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 ten (10) consecutive calendar years. The commencement date shall be more particularly set forth by a Supplemental Lease Agreement.

LL: ✓ GOV: 
