

LEASE NO. GS-03P-12114

Standard Lease
GSA FORM L201C (June 2012)

This Lease is made and entered into between

Realty Leasing & Management Co.

(Lessor), whose principal place of business is 1270 Fairfield Road, Gettysburg, PA 17325 and whose interest in the Property described herein is that of Fee Owner, and

The United States of America

(Government), acting by and through the designated representative of the General Services Administration (GSA), upon the terms and conditions set forth herein.

Witnesseth: The parties hereto, for the consideration hereinafter mentioned, covenant and agree as follows:

Lessor hereby leases to the Government the Premises described herein, being all or a portion of the Property located at

1270 Fairfield Road
Gettysburg, PA 17325-7245

and more fully described in Section 1 and Exhibit A, together with rights to the use of parking and other areas as set forth herein, to be used for such purposes as determined by GSA.

LEASE TERM

To Have and To Hold the said Premises with its appurtenances for the term beginning on December 22, 2013, and continuing for a period of

Ten (10) Years

subject to termination and renewal rights as may be hereinafter set forth.

In Witness Whereof, the parties to this Lease evidence their agreement to all terms and conditions set forth herein by their signatures below, to be effective as of the date of delivery of the fully executed Lease to the Lessor.

[Redacted Signature] _____
Name: David L. Smith
Title: Owner
Entity Name: REalty Leasing + Management Co
Date: 12/5/13

FOR THE GOVERNMENT
[Redacted Signature] _____
Title: Lease Contracting Officer
General Services Administration, Public Buildings Service
Date: 12/9/13

WITNESSED FOR THE LESSOR BY:

[Redacted Signature] _____
Name: Stephanie A. Lehr
Title: Administrative Assistant
Date: 12/5/13

The information collection requirements contained in this Solicitation/Contract, that are not required by the regulation, have been approved by the Office of Management and Budget pursuant to the Paperwork Reduction Act and assigned the OMB Cont. No. 3090-0163.

SECTION 1 THE PREMISES, RENT, AND OTHER TERMS

1.01 THE PREMISES (JUN 2012)

The Premises are described as follows:

A. **Office and Related Space:** 65,554 rentable square feet (RSF), yielding 62,666 ANS/BOMA Office Area (ABOA) square feet (SF), and consisting of 64,420 RSF (yielding 61,532 ABOASF) on the 1st floor of the main structure, and 1,134 RSF (yielding 1,134 ABOASF) on the 1st floor of the mailroom structure, of office and related Space as depicted on the floor plan attached hereto as Exhibit A. Mailroom structure shall be used exclusively by the Government.

B. **Common Area Factor:** The Common Area Factor (CAF) is established as 4.609 percent. This factor, which represents the conversion from ABOA to rentable square feet, rounded to the nearest thousandth percentage, shall be used for purposes of rental adjustments in accordance with the Payment Clause of the General Clauses.

1.02 EXPRESS APPURTENANT RIGHTS (JUN 2012)

The Government shall have the non-exclusive right to the use of Appurtenant Areas, and shall have the right to post Rules and Regulations Governing Conduct on Federal Property, Title 41, CFR, Part 102-74, Subpart C within such areas. The Government will coordinate with Lessor to ensure signage is consistent with Lessor's standards. Appurtenant to the Premises and included in the Lease are rights to use the following:

A. **Parking:** 3 surface/outside parking spaces reserved for the exclusive use of the Government as well as 375 unreserved surface/outside parking spaces, as depicted on the plan attached hereto as Exhibit B.

B. **Antennas, Satellite Dishes, and Related Transmission Devices:** Space located on the roof of the Building sufficient in size for the installation and placement of the telecommunications equipment as such may be described herein, together with the right to access the roof and use of, all Building areas (e.g., chases, plenums) necessary for the use, operation and maintenance of such equipment at all times during the term of this Lease. The Government's non-exclusive right for use of the roof for such purposes shall be at no additional cost. Such telecommunications equipment may consist of a maximum 65-foot tall triangular tower (either freestanding or bracketed to the building), and a 20-inch tall transceiver. See also Paragraph 7.07.

1.03 RENT AND OTHER CONSIDERATION (JUN 2012)

A. The Government shall pay the Lessor annual rent, payable in monthly installments in arrears, at the following rates:

	FIRM TERM ANNUAL RENT
SHELL RENT ¹	\$1,275,025.30
TENANT IMPROVEMENTS RENT ²	\$65,554.00
OPERATING COSTS ³	\$419,545.60
BUILDING SPECIFIC SECURITY ⁴	\$9,177.56
PARKING ⁵	\$0.00
TOTAL ANNUAL RENT	\$1,769,302.46

¹Shell rent (Firm Term) calculation: \$19.45 per RSF multiplied by 65,554 RSF

²The Tenant Improvement Allowance of \$516,994.50 is amortized at a rate of 5 percent per annum over 10 years. Calculation: Rounded to \$1.00 per RSF multiplied by 65,554 RSF

³Operating Costs rent calculation: \$6.40 per RSF multiplied by 65,554 RSF

⁴Building Specific Security Costs of \$72,692.56 are amortized at a rate of 5 percent per annum over 10 years. Calculation: Rounded to \$0.14 per RSF multiplied by 65,554 RSF

⁵Parking costs described under sub-paragraph G below

In instances where the Lessor amortizes either the TI or Building Specific Security for a period exceeding the Firm Term of the Lease, should the Government terminate the Lease after the Firm Term or does not otherwise renew or extend the term beyond the Firm Term, the Government shall not be liable for any unamortized costs beyond the Firm Term.

B. Rent is subject to adjustment based upon a mutual on-site measurement of the Space upon acceptance, not to exceed 62,666 ABOA SF based upon the methodology outlined under the "Payment" clause of GSA Form 3517.

C. If the Government occupies the Premises for less than a full calendar month, then rent shall be prorated based on the actual number of days of occupancy for that month.

D. Rent shall be paid to Lessor by electronic funds transfer in accordance with the provisions of the General Clauses. Rent shall be payable to the Payee designated in the Lessor's System for Award Management (SAM). If the payee is different from the Lessor, both payee and Lessor must be registered in CCR.

- E. Lessor shall provide to the Government, in exchange for the payment of rental and other specified consideration, the following:
1. The leasehold interest in the Property described in the paragraph entitled "The Premises."
 2. All costs, expenses and fees to perform the work required for acceptance of the Premises in accordance with this Lease, including all costs for labor, materials, and equipment, professional fees, contractor fees, attorney fees, permit fees, inspection fees, and similar such fees, and all related expenses;
 3. Performance or satisfaction of all other obligations set forth in this Lease; and all services, utilities (with the exclusion of electricity and gas), maintenance required for the proper operation of the Property, the Building, and the Leased Premises, in accordance with the terms of the Lease, including, but not limited to, all inspections, modifications, repairs, replacements and improvements required to be made thereto to meet the requirements of this Lease. The Government shall be responsible for paying the cost of electricity and gas directly to the utility provider. The Lessor shall ensure that such utilities are separately metered. The Lessor shall provide and install as part of shell rent, separate meters for utilities. Sub-meters are not acceptable. The Lessor shall furnish in writing to the LCO, prior to occupancy by the Government, a record of the meter numbers and verification that the meters measure Government usage only. Proration is not permissible. In addition, an automatic control system shall be provided to assure compliance with heating and air conditioning requirements.

F. Parking shall be provided at a rate of \$0.00 per parking space per month (Surface).

G. The Government agrees to directly reimburse the lessor annually for the cost of the annual maintenance contract on the Uninterruptable Power Source (UPS). Lessor shall provide a copy of the vendor invoice identifying the exact cost of the maintenance/ warranty service. The Government will reimburse the lessor, lump sum, within thirty (30) days of receipt of proof of payment for the service contract. This will be a direct pass-through cost and no other fees shall be added to the invoice. The lessor's current UPS maintenance proposal is attached as Exhibit H to this Lease. Lessor shall provide Government with any proposed UPS maintenance contract annually for review and approval prior to award.

Any battery replacement costs for the UPS shall be paid directly to the lessor within 30 days of receipt of proof of payment for the service provided. This will be a direct pass-through cost and no other fees shall be added to the invoice. The need for any battery replacement shall be based on supporting documentation provided by the vendor to the Government through the lessor. Said documentation shall be provided to the Government for review and approval prior to the authorization of notice to proceed. The cost for any battery replacement not approved by the Government will not be reimbursed to the Lessor.

1.04 BROKER COMMISSION AND COMMISSION CREDIT (JUN 2012)

A. **STUDLEY, INC. (Broker)** is the authorized real estate Broker representing GSA in connection with this Lease transaction. The total amount of the Commission is [REDACTED] and is earned upon Lease execution, payable according to the Commission Agreement signed between the two parties. Only [REDACTED] of the Commission will be payable to **STUDLEY, INC.** with the remaining [REDACTED], which is the Commission Credit, to be credited to the shell rental portion of the annual rental payments due and owing to fully recapture this Commission Credit. The reduction in shell rent shall commence with the first month of the rental payments and continue until the credit has been fully recaptured in equal monthly installments over the shortest time practicable.

B. Notwithstanding the "Rent and Other Consideration" paragraph of this Lease, the shell rental payments due and owing under this Lease shall be reduced to recapture fully 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:

Month 1 Rental Payment \$147,441.87 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted 1st Month's Rent.*

* Subject to change based on adjustments outlined under the paragraph "Rent and Other Consideration."

1.05 PARAGRAPH INTENTIONALLY DELETED

1.06 PARAGRAPH INTENTIONALLY DELETED

1.07 DOCUMENTS INCORPORATED IN THE LEASE (SEP 2012)

The following documents are attached to and made part of the Lease:

DOCUMENT NAME	NO. OF PAGES	EXHIBIT
FLOOR PLAN(S)	1	A
PARKING PLAN(S)	1	B
SECURITY REQUIREMENTS	9	C
GSA FORM 3517B GENERAL CLAUSES	47	D
GSA FORM 3518, REPRESENTATIONS AND CERTIFICATIONS	10	E
Specialized Office Areas – Temperature and Humidity & Performance Requirements Attachment	11	F

LOADING DOCK HEIGHT PLAN	1	G
UPS MAINTENANCE/WARRANTY	3	H
BARRICADE PLAN	1	I

1.08 TENANT IMPROVEMENT ALLOWANCE (AUG 2011)

The Tenant Improvement Allowance (TIA) for purposes of this Lease is \$8.25 per ABOA SF. The TIA is the amount that the Lessor shall make available for the Government to be used for TIs. This amount is amortized in the rent over the Firm Term of this Lease at an annual interest rate of 5 percent.

1.09 TENANT IMPROVEMENT RENTAL ADJUSTMENT (AUG 2011)

A. The Government, at its sole discretion, shall make all decisions as to the use of the TIA. The Government may use all or part of the TIA. The Government may return to the Lessor any unused portion of the TIA in exchange for a decrease in rent according to the agreed-upon amortization rate over the Firm Term.

B. The Government may elect to make lump sum payments for any or all work covered by the TIA. That part of the TIA amortized in the rent shall be reduced accordingly. At any time after occupancy and during the Firm Term of the Lease, the Government, at its sole discretion, may elect to pay lump sum for any part or all of the remaining unpaid amortized balance of the TIA. If the Government elects to make a lump sum payment for the TIA after occupancy, the payment of the TIA by the Government will result in a decrease in the rent according to the amortization rate over the Firm Term of the Lease.

C. If it is anticipated that the Government will spend more than the allowance identified above, the Government shall have the right to either:

1. Reduce the TI requirements;
2. Pay lump sum for the overage upon substantial completion in accordance with the "Acceptance of Space and Certificate of Occupancy" paragraph;
3. Negotiate an increase in the rent.

1.10 TENANT IMPROVEMENT FEE SCHEDULE (JUN 2012)

For pricing TI costs, the following rates shall apply for the initial build-out of the Space.

	INITIAL BUILD-OUT
ARCHITECT/ENGINEER FEES (\$ PER ABOA SF OR % OF TI CONSTRUCTION COSTS)	9.0%
LESSOR'S PROJECT MANAGEMENT FEE (% OF TI CONSTRUCTION COSTS)	5.0%

1.11 BUILDING SPECIFIC AMORTIZED CAPITAL (SEP 2012)

For purposes of this Lease, the Building Specific Amortized Capital (BSAC) is \$1.16 per ABOA SF. The Lessor will make the total BSAC amount available to the Government, which will use the funds for security related improvements. This amount is amortized in the rent over the Firm Term of this lease at an annual interest rate of 5 percent.

1.12 BUILDING SPECIFIC AMORTIZED CAPITAL RENTAL ADJUSTMENT (SEP 2012)

A. The Government, at its sole discretion, shall make all decisions about the use of the Building Specific Amortized Capital (BSAC). The Government may use all or part of the BSAC. The Government may return to the lessor any unused portion of the BSAC in exchange for a decrease in rent (where applicable) according to the agreed-upon amortization rate over the Firm Term.

B. The Government may elect to make lump-sum payments for any work covered by the BSAC. The part of the BSAC amortized in the rent shall be reduced accordingly. At any time after occupancy and during the Firm Term of the Lease, the Government, at its sole discretion, may elect to pay a lump sum for any part or all of the remaining unpaid amortized balance of the BSAC. If the Government elects to make a lump-sum payment for the BSAC after occupancy, the payment of the BSAC by the Government will result in a decrease in the rent according to the amortization rate over the Firm Term of the Lease.

C. If it is anticipated that the Government will spend more than the BSAC identified above, the Government shall have the right to either:

1. Reduce the security countermeasure requirements;
2. Pay a lump sum for the amount overage upon substantial completion in accordance with the "Acceptance of Space and Certificate of Occupancy" paragraph; or
3. Negotiate an increase in the rent.

1.13 PERCENTAGE OF OCCUPANCY FOR TAX ADJUSTMENT (JUN 2012)

As of the Lease Award Date, the Government's Percentage of Occupancy, as defined in the "Real Estate Tax Adjustment" paragraph of this Lease is 100 percent.

1.14 PARAGRAPH INTENTIONALLY DELETED

1.15 OPERATING COST BASE (AUG 2011)

The parties agree that for the purpose of applying the paragraph titled "Operating Costs Adjustment" that the Lessor's base rate for operating costs shall be \$6.40 per RSF (\$419,545.60/annum). This cost is inclusive of Lessor service and maintenance on the following special equipment items: Dry Agent Fire Suppression - [REDACTED]/RSF; Generator - [REDACTED]/RSF; Chiller - [REDACTED]/RSF; Fire System - [REDACTED]/RSF; Hydraulic Scissor Lift - [REDACTED] RSF; Entire HVAC warranty and maintenance with a 2 hour response time - [REDACTED] RSF, for a total of [REDACTED]/RSF.

1.16 RATE FOR ADJUSTMENT FOR VACANT LEASED PREMISES (JUN 2012)

In accordance with the paragraph entitled "Adjustment for Vacant Premises," if the Government fails to occupy or vacates the following portions of the leased Premises prior to expiration of the term of the Lease, the operating costs paid by the Government as part of the rent shall be reduced by: \$1.00 per ABOASF of Space vacated by the Government if the vacant amount of space is less than 10,000 ABOASF, and \$1.50 per ABOASF if the vacant amount of space is 10,000 ABOASF or greater..

1.17 PARAGRAPH INTENTIONALLY DELETED

1.18 PARAGRAPH INTENTIONALLY DELETED

1.19 BUILDING IMPROVEMENTS (SEP2012)

The Lessor shall complete the following additional Building improvements within the following timeframe - Restrooms and Loading Dock within 90 days from lease commencement; HVAC within 180 days from Lease commencement:

- A) Restroom Renovations
 - 1) Replace all existing ceramic tile and base in main break restrooms
 - 2) Replace all VCT and vinyl base in break rooms.
 - 3) Replace all existing bathroom countertops; replace damaged mirrors and toilet partitions.
 - 4) Replace one water fountain
 - 5) Replace entry doors to the men's and women's restrooms in the main break room area, add power operators/openers, and hand rails to entry doors.

- B) Building Loading Area Related Improvements to meet clearance heights in accordance with Exhibit G
 - 1) Install a 7'0" wide x 8'0" high (existing width to remain) roll-up door at existing loading dock with 8' high clearance
 - 2) Modify the existing opening for a 7'0 x 8'0" automatic roll-up door
 - 3) Modify existing mansard roof above door
 - 4) Modify existing lighting and electrical feeds/conduits
 - 5) Provide power to new door opener
 - 6) Convert existing HVAC unit to a rooftop unit
 - 7) Remove existing ceiling and install a new ceiling at a raised elevation
 - 8) Patch existing flooring at new door
 - 9) Install new dock seals and bumper pads
 - 10) Modify existing interior opening for two new 3'6" x 8'0" wood interior doors
 - 11) Modify four existing interior openings as required to install a new 8'0" high wood interior door and frame units, except for two areas to be 7'10" high as depicted in Exhibit G. Raise existing bulkhead in corridor near UPS room and in the hall outside of the lunch room to achieve 8'0" clear height.
 - 12) Ensure that ceiling height clearances within the route from the loading dock to Computer rooms 515 and 316 meet the requirements shown in Exhibit G - Loading Dock Height Plan.
 - 13) Create secure corridor for shared use of loading dock between Government tenants, [REDACTED] & [REDACTED], subject to the negotiation and execution of the separate Lease for [REDACTED].

- C) Base Building HVAC Improvements
 - 1) Replace 26 building rooftop HVAC units (RTU #'s 1-16, 18, 20, 22, 24, 28-31, and 34) with new units that feature active dehumidification, and MERV 13 filters or greater.

1.20 PARAGRAPH INTENTIONALLY DELETED

LESSOR: [Signature] GOVERNMENT: [Signature]