

| | |
|---|---------------------------|
| GENERAL SERVICES ADMINISTRATION PUBLIC BUILDINGS SERVICE LEASE AMENDMENT | LEASE AMENDMENT No. 6 |
| | TO LEASE NO. GS-03B-12068 |
| ADDRESS OF PREMISES 100 Independence Mall West Philadelphia, PA 19106-2320 | |

THIS AMENDMENT is made and entered into between

KPG IMW Owner LLC

whose address is: 125 E Elm Street, Suite 400
Conshohocken, PA 19428-4154

hereinafter called the Lessor, and the **UNITED STATES OF AMERICA**, hereinafter called the Government:

WHEREAS, the parties hereto desire to amend the above Lease, **re-establish the lease term, re-establish the square footage, and re-establish the annual rent.**

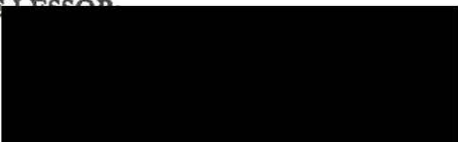
NOW THEREFORE, these parties for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, covenant and agree that the said Lease is amended, effective January 20, 2016 as follows:

A. On January 20, 2016, the Government inspected 31,104.32 rentable square feet (RSF), yielding 27,961 ANSI/BOMA Office Area (ABOA) square feet (SF) of office and related space located on the 4th and 5th floors of 100 Independence Mall West and determined the space to be substantially complete. This space is identified on the floor plans attached as Exhibit A. In accordance with Clause No. 12 PROGRESSIVE OCCUPANCY of Exhibit D General Clauses, rent shall commence on the identified 31,104.32 rentable square feet (RSF) effective January 20, 2016. The commencement date of the firm term is January 20, 2016. The expiration date of the lease is August 3, 2030.

This Lease Amendment contains 4 pages.

All other terms and conditions of the Lease shall remain in force and effect.
IN WITNESS WHEREOF, the parties subscribed their names as of the below date.


FOR THE LESSOR:

Signature: 
Name: _____
Title: Senior VP
Entity Name: KPG-IMW Owner LLC
Date: 2/10/16

FOR THE GOVERNMENT:

Signature: 
Name: _____
Title: Lease Contracting Officer
GSA, Public Buildings Services,
Date: 2/10/16

WITNESSED FOR THE LESSOR BY:

Signature: 
Name: _____
Title: ASSET MANAGER
Date: 2/10/16

- B. Paragraph 1.05 TERMINATION RIGHTS (AUG 2011) of the Lease is hereby amended by deleting the existing text and inserting in lieu thereof the following:

The Government may terminate this Lease, in whole or in part, at any time, effective January 20, 2026. The Government may terminate up to 15% of the total initial leased space effective January 20, 2021. The Government shall provide not less than ninety (90) days' prior written notice to the Lessor for the termination of space.

The Government may release parking spaces at any time throughout the term of the lease. The Government shall provide not less than thirty (30) days' prior written notice to the Lessor for the termination of parking.

The effective date of the termination shall be the day following the expiration of the required notice period or the termination date set forth in the notice, whichever is later. No rental shall accrue after the effective date of termination. If the Government chooses to terminate space prior to the completion of the firm term of the lease, the Government shall remain responsible for the payment of the tenant improvements associated with the released space. The Government shall have the option of (1) paying the remaining unamortized tenant improvement balance via a lump sum payment or (2) reamortizing the remaining unamortized tenant improvement balance over the resulting square footage through the remainder of the firm term with the same amortization rate.

- C. Paragraph 1.11 PERCENTAGE OF OCCUPANCY FOR TAX ADJUSTMENT, ESTABLISHMENT OF TAX BASE (AUG 2011) of the Lease is hereby amended by deleting the existing text and inserting in lieu thereof the following:

The Government's percentage of occupancy, as defined in the Real Estate Tax Adjustment clause of this lease is 36.25 percent. The percentage of occupancy is derived by dividing the total Government space of 135,715 RSF by the total building space of 374,388 RSF.

- D. Paragraph 1.12 OPERATING COST BASE (AUG 2011) of the Lease is hereby amended by deleting the existing text and inserting in lieu thereof the following:

The parties agree that for the purpose of applying the clause titled "Operating Costs Adjustment" that the Lessor's base rate for operating costs shall be \$1,266,234.46.

- E. In accordance with Paragraph 1.13 RATE FOR ADJUSTMENT FOR VACANT LEASED PREMISES (AUG 2011) of the lease, the Government has elected to reduce the operating costs by \$2.00/ABOA SF or \$18,974.00 for 9,487 ABOA SF of space that remains vacant.

- F. The Government issued Notice to Proceed (NTP) in the amount of \$1,214,518.22, for the construction of the tenant improvements in relation to 18,474 ABOA square feet (SF) of space under Lease Amendment No. 4. Due to Government-approved change orders during the construction phase totaling \$121,336.00, the total construction cost for alterations in relation to the 18,474 ABOA SF has increased from \$1,214,518.22 to \$1,335,854.22. The Government is electing amortize \$1,335,854.22 in the rent over the remaining term of the Lease (1/20/2016 - 8/3/2030) at an annual interest rate of 6 percent.

INITIALS:  & BT
LESSOR & GOV'T

G. Paragraph 1.03, sub-paragraph A of the Lease is hereby amended by deleting the existing text and inserting in lieu thereof the following:

A. In relation to the 122,000 ABOA SF of accepted space, the Government shall pay the Lessor annual rent, payable in monthly installments in arrears, at the following rates. The annual rent breakdown by space is attached as Exhibit B.

| | 1/20/2016 – 8/3/2020 | 8/4/2020 – 8/3/2025 | 8/4/2025 – 8/3/2030 |
|--|-----------------------|-----------------------|-----------------------|
| | ANNUAL RENT | ANNUAL RENT | ANNUAL RENT |
| SHELL RENT | \$1,340,864.19 | \$1,646,222.95 | \$1,829,438.20 |
| TENANT IMPROVEMENTS RENT ¹ | \$650,001.31 | \$650,001.31 | \$650,001.31 |
| OPERATING COSTS ² | \$1,266,234.46 | \$1,266,234.46 | \$1,266,234.46 |
| BUILDING SPECIFIC AMORTIZED CAPITAL ³ | \$16,583.50 | \$16,583.50 | \$16,583.50 |
| PARKING ⁴ | \$199,920.00 | \$231,762.07 | \$268,675.76 |
| TOTAL ANNUAL RENT | \$3,473,603.46 | \$3,810,804.29 | \$4,030,933.23 |

¹The Tenant Improvement Rent is an aggregate of the tenant improvements rent associated with the [redacted] space and [redacted] space (See Exhibit B).

² Operating costs consist of two components, the operating cost base and the electric cost base. The operating cost base of [redacted] shall be adjusted annually in accordance with 2.08 OPERATING COSTS ADJUSTMENT (APR 2011). The electric cost base of [redacted] shall be adjusted annually in accordance with SECTION 7, "ELECTRIC COSTS ADJUSTMENT." The total annual operating costs are \$1,266,234.45.

³ Building Amortized Capital is an aggregate of Building Amortized Capital rent associated with the [redacted] space and [redacted] (See Exhibit B).

⁴ Parking shall be provided at a rate of \$340 per parking space per month (structured) with 3% annual escalations throughout the term of the lease including any renewal periods.

*The Lessor has elected to amortize tenant improvements and building specific security over the full 15 year term of the lease. Should the Government decide to terminate this lease after the 10 year firm term, the Government shall not be responsible for the remaining principal associated with the tenant improvements or building specific security.

INITIALS:  & BT
 LESSOR GOV'T

EXHIBIT B TO LEASE AMENDMENT NO. 6 – LEASE NO. GS-03B-12068
Annual Rent Breakdown by Space

█: 94,039 ABOA SF / 104,610.68 RSF

| | 1/20/2016 – 8/3/2020 | 8/4/2020 – 8/3/2025 | 8/4/2025 – 8/3/2030 |
|---|-----------------------|-----------------------|-----------------------|
| | ANNUAL RENT | ANNUAL RENT | ANNUAL RENT |
| SHELL RENT | \$1,033,553.51 | \$1,268,927.54 | \$1,410,151.96 |
| TENANT IMPROVEMENTS RENT ¹ | \$511,842.67 | \$511,842.67 | \$511,842.67 |
| OPERATING COSTS | \$997,933.37 | \$997,933.37 | \$997,933.37 |
| BUILDING SPECIFIC AMORTIZED CAPITAL ² | \$14,804.62 | \$14,804.62 | \$14,804.62 |
| PARKING ³ | \$199,920.00 | \$231,762.07 | \$268,675.76 |
| TOTAL ANNUAL RENT | \$2,758,054.17 | \$3,025,270.27 | \$3,203,408.38 |

¹The Tenant Improvement Allowance of \$5,054,596.25 is amortized at a rate of 6 percent per annum over 15 years.

²Building Specific Amortized Capital of \$146,200 are amortized at a rate of 6 percent per annum over 15 years

³Parking shall be provided at a rate of \$340 per parking space per month (structured) with 3% annual escalations throughout the term of the lease including any renewal periods.

█: 18,474 ABOA SF / 20,550.81 RSF

| | 1/20/2016 – 8/3/2020 | 8/4/2020 – 8/3/2025 | 8/4/2025 – 8/3/2030 |
|---|----------------------|---------------------|---------------------|
| | ANNUAL RENT | ANNUAL RENT | ANNUAL RENT |
| SHELL RENT | \$203,042.00 | \$249,281.33 | \$277,024.92 |
| TENANT IMPROVEMENTS RENT ¹ | \$138,158.64 | \$138,158.64 | \$138,158.64 |
| OPERATING COSTS | \$189,804.37 | \$189,804.37 | \$189,804.37 |
| BUILDING SPECIFIC AMORTIZED CAPITAL ² | \$1,778.88 | \$1,778.88 | \$1,778.88 |
| PARKING | \$0.00 | \$0.00 | \$0.00 |
| TOTAL ANNUAL RENT | \$532,783.89 | \$579,023.22 | \$606,766.81 |

¹The Tenant Improvement Allowance of \$1,335,854.22 is amortized at a rate of 6 percent per annum over the remaining term of the lease (1/20/2016 - 8/3/2030). The effective date of the Tenant Improvement amortization term is January 20, 2016. The expiration date of the Tenant Improvement amortization term is August 3, 2030.

²Building Specific Amortized Capital of \$17,200 are amortized at a rate of 6 percent per annum over the remaining term of the lease (1/20/2016 - 8/3/2030). The effective date of the Building Specific Amortized Capital amortization term is January 20, 2016. The expiration date of the Building Specific Amortized Capital amortization term is August 3, 2030.

INITIALS:  & BT
 LESSOR & GOV'T

5th Floor Vacant Space: 9,487 ABOA SF / 10,553.51 RSF

| | 1/20/2016 – 8/3/2020 | 8/4/2020 – 8/3/2025 | 8/4/2025 – 8/3/2030 |
|-------------------------------------|----------------------|---------------------|---------------------|
| | ANNUAL RENT | ANNUAL RENT | ANNUAL RENT |
| SHELL RENT | \$104,268.68 | \$128,014.08 | \$142,261.32 |
| TENANT IMPROVEMENTS RENT | \$0.00 | \$0.00 | \$0.00 |
| OPERATING COSTS ¹ | \$78,496.72 | \$78,496.72 | \$78,496.72 |
| BUILDING SPECIFIC AMORTIZED CAPITAL | \$0.00 | \$0.00 | \$0.00 |
| PARKING | \$0.00 | \$0.00 | \$0.00 |
| TOTAL ANNUAL RENT | \$182,765.40 | \$206,510.80 | \$220,758.04 |

¹ In accordance with Paragraph 1.13 RATE FOR ADJUSTMENT FOR VACANT LEASED PREMISES (AUG 2011) of the lease, the Government has elected to reduce the operating costs by \$2.00/ABOA SF or \$18,974.00 for 9,487 ABOA SF of space that remains vacant.

Total: 122,000 ABOA SF / 135,715 RSF

| | 1/20/2016 – 8/3/2020 | 8/4/2020 – 8/3/2025 | 8/4/2025 – 8/3/2030 |
|--|-----------------------|-----------------------|-----------------------|
| | ANNUAL RENT | ANNUAL RENT | ANNUAL RENT |
| SHELL RENT | \$1,340,864.19 | \$1,646,222.95 | \$1,829,438.20 |
| TENANT IMPROVEMENTS RENT ¹ | \$650,001.31 | \$650,001.31 | \$650,001.31 |
| OPERATING COSTS ² | \$1,266,234.46 | \$1,266,234.46 | \$1,266,234.46 |
| BUILDING SPECIFIC AMORTIZED CAPITAL ³ | \$16,583.50 | \$16,583.50 | \$16,583.50 |
| PARKING ⁴ | \$199,920.00 | \$231,762.07 | \$268,675.76 |
| TOTAL ANNUAL RENT | \$3,473,603.46 | \$3,810,804.29 | \$4,030,933.23 |

INITIALS  & BT
LESSOR & GOV'T