

LEASE NO. GS-03P-LPA12137

Succeeding/Superseding Lease
GSA FORM L202 (September 2013)

This Lease is made and entered into between

INDEPENDENCE CENTER REALTY L.P.

(Lessor), whose principal place of business is **701 MARKET STREET, SUITE C5, PHILADELPHIA, PA, 19106-1538** 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

**MELLON INDEPENDENCE CENTER
701 MARKET STREET
PHILADELPHIA, PA, 19106-1538**

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 **April 1, 2015**, and continuing for a period of

10 Years, 3 Years Firm,

subject to termination and renewal rights as may be hereinafter set forth. The commencement date of this Lease, along with any applicable termination and renewal rights, shall be more specifically set forth in a Lease Amendment upon substantial completion and acceptance of the Space by the Government.

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

[Redacted Signature]

Vice President

By: ICR-I, Inc., its general partner
By: Mark P. Merlini, its vice president

Independence Center Realty L.P., 701 Market Street, Philadelphia, PA 19106

Date: 3-26-2015

[Redacted Signature]

Lease Contracting Officer

General Services Administration, Public Buildings Service

Date: 3-26-2015

[Redacted Signature]

Title: Director of Operations

Date: 3-26-2015

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 Control No. 3090-0163.

SECTION 1 THE PREMISES, RENT, AND OTHER TERMS

1.01 THE PREMISES (SUCCEEDING) (SEP 2013)

Unless otherwise noted, the Government accepts the Premises and tenant improvements in their existing condition, except where specifications or standards are contained elsewhere in this Lease. These standards include security improvements, Fire Protection and Life Safety requirements, ABAAS compliance, as well as compliance with all local codes and ordinances. Such acceptance by the Government of existing Premises shall not relieve Lessor of continuing obligations for cleaning, janitorial, maintenance, repair, etc. as set forth in the Lease paragraphs and attached General Clauses.

The Premises are described as follows:

A. Office and Related Space: **39,992** rentable square feet (RSF), yielding **34,776** ANSI/BOMA Office Area (ABOA) square feet (SF) of office and related Space and an additional **2,043** RSF, yielding **1,776** ABOA SF of free space (for which the Government will not be charged rent, including real estate taxes and operating cost escalations) in excess of the total **39,992** RSF / **34,776** ABOA SF indicated above, for a total of **42,035** RSF (yielding **36,552** ABOA SF), located on the **2nd** floor of the Building, as depicted on the floor plan(s) attached hereto as Exhibit A.

B. Common Area Factor: The Common Area Factor (CAF) is established as **15** percent. This factor, which represents the conversion from ABOA to rentable square feet, rounded to the nearest whole percentage, shall be used for purposes of rental adjustments in accordance with the Payment Clause of the General Clauses.

1.02 EXPRESS APPURTENANT RIGHTS (SEP 2013)

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: **0** parking spaces as depicted on the plan attached hereto as Exhibit **N/A**, reserved for the exclusive use of the Government, of which **0** shall be structured/inside parking spaces, and **0** shall be surface/outside parking spaces. In addition, the Lessor shall provide such additional parking spaces as required by the applicable code of the local government entity having jurisdiction over the Property.

B. Antennas, Satellite Dishes, and Related Transmission Devices: (1) Space located on the roof of the Building sufficient in size for the installation and placement of telecommunications equipment, (2) the right to access the roof of the Building, and (3) use of all Building areas (e.g., chases, plenums, etc.) necessary for the use, operation, and maintenance of such telecommunications equipment at all times during the term of this Lease.

1.03 RENT AND OTHER CONSIDERATIONS (SEP 2013)

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

	YEARS 1-3 (FIRM TERM)	YEARS 4-5 (NON-FIRM TERM)	YEARS 6-10 (NON-FIRM TERM)
	ANNUAL RENT	ANNUAL RENT	ANNUAL RENT
SHELL RENT ¹	\$667,466.48	\$600,679.84	\$700,659.84
TENANT IMPROVEMENTS RENT ²	\$ 0.00	\$0.00	\$ 0.00
OPERATING COSTS ³	\$ 339,132.16	\$ 339,132.16	\$ 339,132.16
BUILDING SPECIFIC AMORTIZED CAPITAL (BSAC) ⁴	\$ 7,225.48	\$0.00	\$ 0.00
PARKING ⁵	\$ 0.00	\$ 0.00	\$ 0.00
TOTAL ANNUAL RENT	\$1,013,824.12	\$939,812.00	\$1,039,792.00

¹Shell rent calculation:

Years 1 -3 (Firm Term) **\$16.69** per RSF multiplied by **39,992** RSF

Years 4-5 (Non-Firm Term) **\$15.02** per RSF multiplied by **39,992** RSF

Years 6-10 (Non-Firm Term) **\$17.52** per RSF multiplied by **39,992** RSF

²The Tenant Improvement Allowance of **N/A** is amortized at a rate of **N/A** percent per annum over **N/A** years.

³Operating Costs rent calculation: **\$8.48** per RSF multiplied by **39,992** RSF

⁴Building Specific Amortized Capital (BSAC) in the amount of \$19,357.00 is amortized at a rate of 7.5 percent per annum over 3 years.

⁵Parking costs are not applicable.

B. Rent is subject to adjustment based upon a mutual on-site measurement of the Space upon acceptance, not to exceed 34,776 ABOA SF based upon the methodology outlined under the "Payment" clause of GSA Form 3517.

C. INTENTIONALLY DELETED

D. INTENTIONALLY DELETED

E. 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.

F. 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 Central Contractor Registration (CCR), now the System for Award Management (SAM). If the payee is different from the Lessor, both payee and Lessor must be registered in SAM.

G. 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, and maintenance required for the proper operation of the Property, the Building, and the 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.

H. INTENTIONALLY DELETED

~~1.04 BROKER COMMISSION AND COMMISSION CREDIT (JUN 2012) INTENTIONALLY DELETED~~

~~1.05 TERMINATION RIGHTS (AUG 2011)~~

The Government may terminate this Lease, in whole or in part, at any time effective after the Firm Term of this Lease, by providing not less than 90 days' prior written notice to the Lessor. 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.

~~1.06 RENEWAL RIGHTS (SEP 2013) INTENTIONALLY DELETED~~

~~1.07 DOCUMENTS INCORPORATED IN THE LEASE (SEP 2013)~~

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

DOCUMENT NAME	NO. OF PAGES	EXHIBIT
FLOOR PLAN(S)	1	A
SECURITY REQUIREMENTS	6	B
GSA FORM 3517B GENERAL CLAUSES	47	C
GSA FORM 3518, REPRESENTATIONS AND CERTIFICATIONS	10	D
ENERGY EFFICIENT UPGRADES LETTER	1	E
COMMON AREA PAINTING LAYOUT	1	F

~~1.08 TENANT IMPROVEMENT RENTAL ADJUSTMENT (SUCCEEDING) (SEP 2013)~~

The Government may elect to make lump sum payments for any or all work covered by the Tenant Improvement (TI) scope. That portion of the rental payments attributable to amortization of the TIs 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 TIs. If the Government elects to make a lump sum payment for the TIs after occupancy, the payment by the Government will result in a decrease in the rent according to the amortization rate over the remaining Firm Term of the Lease.

~~1.09 BUILDING SPECIFIC AMORTIZED CAPITAL (SEP 2012) INTENTIONALLY DELETED~~

~~1.10 BUILDING SPECIFIC AMORTIZED CAPITAL RENTAL ADJUSTMENT (SEP 2013) INTENTIONALLY DELETED~~

~~1.11 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 5.57 percent (rounded). The Percentage of Occupancy is derived by dividing the total Government Space of 39,992 RSF by the total Building space of 718,107 RSF.

~~1.12 REAL ESTATE TAX BASE (SEP 2013) INTENTIONALLY DELETED~~

~~1.13 OPERATING COST BASE (SEP 2013)~~

The parties agree, for the purpose of applying the paragraph titled "Operating Costs Adjustment," that the Lessor's base rate for operating costs shall be \$8.48 per RSF (\$339,132.16/annum).

1.14 RATE FOR ADJUSTMENT FOR VACANT LEASED PREMISES (SEP 2013)

In accordance with the paragraph entitled "Adjustment for Vacant Premises" if the Government fails to occupy or vacates the entire or any portion of the 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 \$2.50 per ABOA SF of Space vacated by the Government.

1.15 HOURLY OVERTIME HVAC RATES (AUG 2011)

The following rates shall apply in the application of the paragraph titled "Overtime HVAC Usage:"

- \$55.00 per hour per zone
- Number of zones: 2

1.16 24-HOUR HVAC REQUIREMENT (APR 2011)

The hourly overtime HVAC rate specified above shall not apply to any portion of the Premises that is required to have heating and cooling 24 hours per day. 24-hour HVAC is required by the Government for the LAN room of the premises and such services shall be provided by the Lessor at no additional charge.

1.17 BUILDING IMPROVEMENTS (SEP 2012)

With the exception of the energy-efficient upgrades, the Lessor shall complete all building improvements listed below and required in this Lease not later than 120 Calendar Days of the Lease Term Commencement Date:

- A. Lessor shall upgrade current restrooms in leased space with new finishes including necessary repairs to meet the ventilation requirements outlined in Paragraph 3.37.G.
- B. [REDACTED]
- C. Please see Scope of Work in Section 7.02.
- D. Energy-efficient upgrades outlined in Exhibit E. The energy-efficient upgrades shall be completed **within 18 months** of the Lease Term Commencement Date.