

U.S. GOVERNMENT
LEASE FOR REAL PROPERTY

DATE OF LEASE

February 10, 2011

LEASE NO.

GS-03B-09608

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

whose address is

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 5,361 Rentable Square Feet yielding approximately 4,682 ANSI/BOMA Office Area square feet and related space located on the 1st Floor, at 717 State Street Professional Building, 717 State Street, Erie, PA 16501-1341 together with 15 on-site reserved structured parking spaces, as depicted on Exhibit B. (attached).

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

4. The Government may terminate this lease in whole or in part effective at any time after the (5th) fifth 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:

One renewal option of five years at the annual rental of \$128,146.34 (\$27.37 per ABOA square foot), plus accrued operating cost escalations 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.

7. The following are attached and made a part hereof:
- A. Rider to Lease GS-03B-09608
 - B. Amendment #1
 - C. Amendment #2
 - D. Solicitation for Offers # 9PA2162
 - E. Parking Requirements
 - F. Special Requirements
 - G. GSA Form 3517, "General Clauses"
 - H. GSA Form 3518, "Representations and Certifications"
 - I. Floor Plan(s) Exhibits A and B

This lease contains 91 pages

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

LESSOR **Albert M. Covelli Revocable Trust**

BY Albert M. Covelli
(Signature)

(Signature)

IN PRESENCE OF: [Signature]
(Signature)

[Redacted]
(Address)

UNITED STATES OF AMERICA **GENERAL SERVICES ADMINISTRATION, PUBLIC BUILDINGS SERVICE**

BY [Signature]
(Signature)

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 7.23% 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 5,361 rentable square feet by the total building space of 74,112 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 \$6.65 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 thirty (30) calendar days and no more than sixty (60) 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 calendar 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

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RIDER TO LEASE GS-09608

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: \$34.45 per ANSI/BOMA Office Area Square Foot (BOAF) or \$161,294.90 annually consisting of shell, operating, and tenant improvement costs as outlined below:

Years 1 through 5:

Shell Rent: \$86,289.26 per year or \$18.43 per ANSI/BOMA Office Area Square Foot (ABOA)

Amortized annual cost for Tenant Improvement Allowance*:
\$43,870.34 year

Interest rate at which Tenant Alterations are amortized: 6.0%

Annual Cost of Services: \$31,135.30
per year or \$6.65 per ANSI/BOMA Office Area Square Foot (ABOA), plus accrued escalations per Paragraph 4.3 "Operating Costs"

Years 6 through 10:

Shell Rent \$86,289.26 per year or \$18.43 per ANSI/BOMA Office Area Square Foot (ABOA)

Annual Cost of Services: \$31,135.30 per year or \$6.65 per ANSI
ANSI/BOMA Office Area Square Foot (ABOA) plus accrued escalations
per Paragraph 4.3 "Operating Costs"

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C. Where the word(s) "Solicitation" or "Solicitation for Offers" appears it shall be considered to be "Lease"

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