

U.S. GOVERNMENT  
LEASE FOR REAL PROPERTY

DATE OF LEASE

LEASE NO.

GS-03B-09326

THIS LEASE, made and entered into this date by and between

PIP Building One LC  
c/o Brandywine Realty Trust

whose address is 300 Arboretum Place, Suite 330  
Richmond, VA 23236

and whose interest in the property hereinafter described is that of

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 3,320 ANSI/BOMA Office Area square feet (previously usable) of office and related space on the second floor of Peter Jefferson Place I, located at 675 Peter Jefferson Parkway in Charlottesville, Virginia 22911.

2. TO HAVE AND TO HOLD the said premises with their appurtenances for the term beginning on See paragraph 12 of Rider to Lease through See paragraph 12 of Rider to Lease, subject to termination and renewal rights as may be hereinafter set forth.

3. The Government shall pay the Lessor annual rent of \$ See paragraph 12 of Rider to Lease at the rate of \$ See paragraph 12 of Rider to Lease per Month in arrears.

Rent for a lesser period shall be prorated. Rent checks shall be made payable to:

PIP Building One LC  
PO Box 53133  
Philadelphia, PA 19178-3133

4. The Government may terminate this lease in whole or in part, at any time effective on or after the fifth (5th) full year of occupancy by giving at least 120 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: provided notice be given in writing to the Lessor at least 90 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.~~

Initials: MA Lessor DMS Government



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9. 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.

10. The total percentage of space occupied by the Government under the terms of the lease is equal to 4.57% 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 3,719 rentable square feet by the total building space of 81,309 rentable square feet.

11. For purposes of determining the base rate for future adjustments to the operating cost the Government agrees that the base rate quoted on the "Lessor's Annual Cost Statement", (GSA Form 1217) dated, December 2, 2008 which is \$6.205722892 per ANSI/BOMA Office Area square foot is acceptable. This figure includes the Government's pro-rata share of operating costs. The Government retains the right to inspect and review the Lessor's records to verify the costs listed on the GSA Form 1217 and/or to require a certified audit report. The basis for annual operating costs escalations will be the revised U.S. All Cities Average Consumer Price Index for Wage Earners and Clerical Workers.

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 10 consecutive calendar years. The 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 3.8 of the lease, "ANSI/BOMA Office Area Square Feet" and Paragraph 27 General Clauses, GSA Form 3517B, "Payment" at the rate of:

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**Years 1 through 5:**

**Annual Shell Rent** \$72,624.00 (\$21.8746988 per ANSI/BOMA Office Area Square Foot)

**Annual Tenant Improvements\*** \$34,310.95 (\$10.33462349 per ANSI/BOMA Office Area Square Foot). These figures represent the Total TI allowance of \$137,739.53 amortized at 9% for 5 years.

**Lessor's TI Overhead and Profit:** 2%

**Annual Cost of Services:** \$20,603.00 (\$6.205722892 per ANSI/BOMA Office Area square foot)

**Years 6 through 10:**

**Annual Shell Rent** \$92,975.00 (\$28.00451807 per ANSI/BOMA Office Area Square Foot)

**Annual Tenant Improvements** \$0.00

**Annual Cost of Services:** \$20,603.00 (\$6.205722892 per ANSI/BOMA Office Area square foot), plus accrued escalations per Paragraph 3.5, Operating Costs

\*The rent shall be adjusted downward if the Government does not utilize the entire Tenant Improvement Allowance of \$137,739.53 or \$41.49 per ANSI/BOMA Office Area Square Foot, which is included in the rent, using the 9% amortization rate over the firm term of five years. The Government, at its election, may pay lump sum for Tenant Improvements. If this occurs, the rent shall be reduced proportionately using the 9% amortization rate.

If the Government spends more than the allowance identified above, the Government reserves the right to 1) reduce the Tenant Improvement requirements, 2) pay lump sum for the overage upon completion and acceptance of the improvements, or 3) increase the rent according to the negotiated amortization rate over the firm term of the lease.

13. The Government may terminate this lease, in whole or in part, at any time after the fifth (5<sup>th</sup>) full year of occupancy upon 120 days written notice to the lessor. No rental shall accrue after the effective date of termination. Said notice shall be computed commencing with the day after the date of mailing.

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14. Common Area Factor

The Common Area Factor of this building for this Government lease that is applied to the ANSI/BOMA Office Area square feet to determine the rentable square feet is 1.120180723%.

15. In accordance with Paragraph 7.3 of the lease, the additional cost to the Government for overtime use of Government leased space is \$50.00 per hour.

16. It is understood and agreed that the Government retains title to all removable property covered by this agreement and may remove same if so desired. In the event such are not removed by the Government at the end of this lease term, or any extension thereof, title shall vest in the Lessor and all right of restoration waived.

17. Definitions:

- A. Where the word "Offeror" appears it shall be considered "Lessor"
- B. Where the word "should" appears it shall be considered to be "shall"
- C. Where the word(s) "Solicitation" or "Solicitation for Offers" appears it shall be considered to be "Lease"

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