

US GOVERNMENT LEASE FOR REAL PROPERTY

DATE OF LEASE August 11, 2010

LEASE NO. GS-02B-23608 Bldg. # NY7220ZZ

THIS LEASE, made and entered into this date between **Plant No. 2 Associates**

whose address is: **500 Plum Street**
Syracuse, NY 13204-1496

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 considerations hereinafter mentioned, covenant and agree as follows:

1. The Lessor hereby leases to the Government the following described premises:
14,955 rentable square feet (RSF), yielding approximately 13,089 ANSI/BOMA Office Area square feet and related space located on the Sixth (6th) and Seventh (7th) floors of the building known and designated as Bridgewater Place, whose address is 500 Plum Street, Syracuse, NY 13204-1496, as shown on the attached plan labeled Exhibit "A" attached hereto and made a part hereof, to be used for such purposes as determined by the General Services Administration together with approximately thirty (30) secured, structured parking spaces for employees located in the building's parking garage and fifteen (15) surface parking spaces for employees.
2. The term of this lease shall commence upon substantial completion of all alterations by the lessor and acceptance as substantially complete by the Government and shall run for a period of ten years subject to termination rights set forth in Paragraph 4. The commencement date of the lease shall be set forth in a subsequent supplement lease agreement.

3. The Government shall pay the Lessor annual rent of:

SEE PARAGRAPHS 9 AND 10 OF THE RIDER TO THIS LEASE

Rent payments shall be payable to: **Plant No. 2 Associates**
500 Plum Street
Syracuse, NY 13204-1496

4. The Government may terminate this lease at any time after the fifth (5th) lease year by giving one hundred twenty (120) days' prior notice in writing to the Lessor. No rent 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 _____ 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.~~

(Intentionally Deleted)

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

LESSOR: **Plant No. 2 Associates**

BY _____

IN PRESENCE OF _____

Executive committee member of Woodchuck Hill Associates partner in Plant No 2 Associates

(Title)

(Address)

UNITED STATES OF AMERICA

BY _____

Contracting Officer, General Services Administration

(Official Title)

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6. The following are attached and made a part hereof:

All terms, conditions, and obligations of the Lessor and the Government as set forth in the following:

- a) Rider to Lease containing Paragraphs 7 through 28,
- b) Section 1.0: Summary, Paragraphs 1.1 through 1.3,
- c) Section 2.0: Award Factors and Price Evaluation, Paragraphs 2.1 through 2.4,
- d) Section 3.0: How to Offer and Submittal Requirements, Paragraphs 3.1 through 3.3
- e) Section 4.0: Utilities, Services and Lease Administration, Paragraphs 4.1 through 4.11,
- f) Section 5.0: Design, Construction and Other Post Award Activities, Paragraphs 5.1 through 5.16,
- g) Section 6.0: General Architecture, Paragraphs 6.1 through 6.10,
- h) Section 7.0: Architectural Finishes, Paragraphs 7.1 through 7.14,
- i) Section 8.0: Mechanical, Electrical, Plumbing, Paragraphs 8.1 through 8.19,
- j) Section 9.0: Fire Protection, Life Safety, and Environmental Issues, Paragraphs 9.1 through 9.12,
- k) Section 10.0: Lease Security Standard, Paragraphs 10.1 through 10.24,
- l) Section 11.0: Special Requirements, Paragraphs 11.1 through 11.5
- m) General Clauses, GSA Form 3517B (Rev. 11/05), Paragraphs 1 through 48,
- n) Representations and Certifications, GSA Form 3518 (Rev. 7/04), Paragraphs 1 through 12,
- o) Exhibit "A" floor plan of the demised premises,

LESSOR

UNITED STATES OF AMERICA

BY



(Initial)

BY



(Initial)

7. The Lessor agrees to proceed with due diligence to provide all labor and materials necessary to perform all alterations and installation in accordance with this rider and lease and deliver the space ready for occupancy within one-hundred-twenty (120) working days after the Contracting Officer issues the Tenant Improvement Notice to proceed.
8. The Lessor agrees to contribute a Tenant Improvement (TI) Allowance of \$523,281. The Lessor's contribution toward the TI cost will be amortized over the five (5) year firm term of the lease, compounded at an interest rate of 8.5% per annum. In the event the TI cost is less than \$523,281, the actual TI amount will be amortized in the annual rent in the same manner as set forth herein. Such rental adjustment will be more specifically set forth in a Supplemental Lease Agreement.
9. The Government shall pay the Lessor an annual rent of \$314,005.11 (\$21.00 per rentable square foot (RSF) and \$23.99 per ANSI/BOMA office area square foot (ABOA)) at the rate of \$26,167.09 per month in arrears. Year one (1) through five (5) annual rent includes \$8.46/RSF, \$126,482.75 per annum for amortization for lessor contribution of Tenant Improvement cost.
10. Notwithstanding anything in Paragraph 9 and 10, the first five (5) months rental payments shall be abated as provided herein. The commission and credit to be revised once final TI has been agreed upon. In accordance with the "Broker Commission and Commission Credit" paragraph of SFO - 8NY2223, CB Richard Ellis is the authorized real estate broker representing GSA in connection with this lease transaction. The Lessor and CB Richard Ellis have agreed to a cooperating lease commission of [REDACTED] for the five (5) years of the firm term value of this lease ("Commission"). The total amount of the commission is [REDACTED]. In accordance with the "Broker Commission and Commission Credit" paragraph of SFO, CB Richard Ellis has agreed to forego [REDACTED] of the commission that it is entitled to receive in connection with this lease transaction ("Commission Credit"). The Commission Credit is [REDACTED]. The Lessor agrees to pay the Commission less the Commission Credit in the amount of [REDACTED] per the terms outlined in the Commission Agreement following execution of this lease by the Government.

The shell rental portion of the annual rental payments of \$89,616.64 or \$7,468.05 per month due and owing under Paragraphs 9 and 10 of this lease rider shall be reduced to fully recapture the Commission Credit. The total reduction in shell rent related to the commission credit is [REDACTED] and shall commence with the first month of the rental payment and continue through the fifth (5th) month of the lease term as follows: Monthly Rental Payments \$26,167.09 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted Monthly Rent.
11. The Lessor and the Government agree that this Lease shall be subject to annual Operating Cost escalations. In accordance with Paragraph 4.3 of this Lease, the base cost of services is established at \$97,905.72 (or \$6.55 per Rentable Square Foot and \$7.48 per ABOA square foot).
12. For purposes of Real Estate Tax Adjustments as set forth in Paragraph 4.2, the Government occupies 14,955 rentable square feet (RSF) or 10.8922% of the building (14,955 RSF/ 137,300 RSF).
13. For real estate tax identification purposes, the premises hereby leased to the Government is identified as follows: Property # 0917101501, Site tax ID 104.-28-02.0.
14. The Adjustment for Vacant Premises pursuant to Paragraph 4.4, in the event of the Government vacating in whole or in part prior to lease expiration, the rental will be reduced by \$2.00 per useable square foot per annum for operating expenses.
15. The Lessor agrees to provide as part of the Lease agreement all services, utilities, and maintenance as set forth in Sections I through II of this lease including, but not limited to, heating, ventilation, water and sewer charges, and electricity for lights, power, and air conditioning, including areas requiring 24-hour HVAC.
16. In accordance with Paragraph 4.5 of this Lease "Overtime Usage", the overtime charge for electricity, heating, ventilating and air conditioning beyond normal hours of operation shall be calculated at the rate \$0.00 per hour per heat pump, which includes the cost of maintaining a Building Engineer on the premises, if required. Normal hours for services, utilities and maintenance are 7:00 A.M. to 5:00 P.M. except Saturdays, Sundays, and federal holidays. Computer rooms and LAN rooms which require 24/7 air conditioning to maintain constant temperature settings are part of the rental consideration.
17. In no event shall the Lessor enter into negotiations concerning the space leased or to be leased with representatives of federal agencies other than the Contracting Officer or other designated representative of the General Services Administration.
18. This Lease shall not be binding on either party until executed by a duly authorized official of the General Services Administration.
19. The Government reserves the right to post Government rules and regulations where the Government leases space within the demised premises.
20. With the exception of building standard signs, all of the Government's signs must first be approved by the Lessor, which approval shall not be unreasonably withheld, conditioned or delayed.

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21. The Lessor will not be reimbursed for any services not provided for in this Lease including, but not limited to, repairs, maintenance, alterations, and overtime services, nor will any rental be paid in whole or in part except for the Lease terms specified in this Lease executed by the General Services Administration unless approved in advance by the Contracting Officer.

22. If during the term of this Lease, title to the property is transferred to another party either by sale, foreclosure, condemnation or other transaction, the Lessor (transferor) shall promptly notify the Contracting Officer of said transfer. The following information shall accompany this notification:

- a) A certified copy of the deed transferring title to this property from the Lessor to a new owner.
- b) A letter from the new owner assuming, approving, and agreeing to be bound by the terms of this Lease.
- c) A letter from the Lessor waiving all rights under this Lease against the Government up to the effective date of the transfer.
- d) The new owner's Employer Identification or Social Security Number.
- e) The new owner's full legal name. If a corporation, indicate the state of incorporation. If a partnership, list all partners fully. If a limited partnership, list all general partners and identify under the laws of which state the limited partnership is created. If a realty trust, give the names of all trustees and the recording date of the trust.

The forgoing information must be received by the fifteenth day of the month in which the transfer of title will be affected. The rent for that month, adjusted in accordance with the effective date of the transfer will be processed to the Lessor. Initial rental payment, including the applicable portion of rent of the month during transfer of title to the new owner will be processed on the first day of the month following the transfer of title. If notification of transfer and related information is not received until the sixteenth day of the month, or later, in which the transfer of title will be affected, the full contract rental for that month will be forwarded to the Lessor. In any instance, failure to submit the documentation required for transfer of title will result in a stop payment of rent until such time as the Contracting Officer receives all documentation.

23. The Lessor agrees that the Government shall have no obligation to restore the premises as a result of initial or future alteration whether performed by the Lessor or the Government. The Lessor hereby waives and forever relinquishes any right to make a claim against the Government for restoration arising from alteration or removal of any alteration by the Government during the term of this lease or any extensions, and for alterations completed by either the Government or Lessor including initial build out of the lease space and / or any subsequent modifications required during the lease period. At the Government's sole discretion alterations will remain in the leased space after termination of the lease contract will become property of the Lessor.

24. The Lessor will provide the name and telephone number of a designated representative that can be contacted to correct deficiencies. The Lessor shall immediately advise the Government of any change in the designated representative and furnish the Government with the name, address, and telephone number of the successor within 24 hours.

25. The Government shall have access to the leased space, including the parking, on a 24 hour, 7-day a week basis.

26. Wherever the words "Offeror", "Lessor" or "successful offeror" appear in this Lease, they shall be deemed to mean "Lessor", wherever the words "solicitation", "Solicitation for Offers", or "SFO" appear in this Lease, they shall be deemed to mean "leased space" or "premises", wherever the words "Lessee" is used in herein, it shall be deemed to mean the "Government".

27. Each employee of the Lessor and/or his contractor(s) shall be (1) a citizen of the United States of America, or; (2) an alien who has been lawfully admitted for permanent residence as evidenced by Alien Registration Receipt Card, Form I-151, or; (3) an alien who presents other evidence from the Citizenship and Immigration Service that employment will not affect his immigration status.

28. In the event that any requirement of the SFO portion of this Lease conflict with the requirements of this Rider or any Exhibits to this Lease, the requirements of this Rider and the Exhibits shall control and govern.

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