

GENERAL SERVICES ADMINISTRATION  
PUBLIC BUILDINGS SERVICE  
SUPPLEMENTAL LEASE AGREEMENT

SUPPLEMENTAL AGREEMENT  
NO. 3

DATE  
9/4/2012

TO LEASE NO. **GS-02B-23758**  
**Building Number: NY7507**

ADDRESS OF PREMISES: 622 Main Street  
Buffalo, New York 14202

**THIS AGREEMENT**, made and entered into this date by and between **Acquest Theatre Place, LLC**

whose address is 80 Curtwright Drive, Suite 5  
Williamsville, New York 14221

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

**WHEREAS**, the parties hereto desire to amend the above Lease to: (1) amend date and incorporate the final construction plans, (2) establish the commencement date and lease term, (3) modify the final tenant improvement costs, (4) establish the annual rent, (5) establish termination rights, (6) clarify use of lease premises, and (7) identify the outstanding punch list items.

1 The Lessor hereby leases to the Government the following described premises:

16,620 rentable square feet consisting of 15,109 ANSI BOMA Office Area square feet of office space on the 1<sup>st</sup> and 2<sup>nd</sup> floors of the building located at 622 Main Street, Buffalo, NY 14202 as shown on the demising floor plans labeled Exhibit "A" and Exhibit "B", and twenty-two (22) secured parking spaces and seventy-three (73) onsite surface parking spaces (Exhibit "C").

**NOW THEREFORE**, these parties for the considerations hereinafter mentioned covenant and agree that the said Lease is amended, as follows:

**SEE ATTACHED**

All other terms and conditions of the Lease shall remain in force and in effect.

**IN WITNESS WHEREOF**, the parties subscribed their names as of the above date.

**LESSOR: Acquest Theatre Place, LLC**

[Redacted Signature]

*VP*

(Title)

[Redacted Address]

[Redacted Address]

(Address)

**UNITED STATES OF AMERICA, GENERAL SERVICES ADMINISTRATION**

[Redacted Signature]

Contracting Officer

(Official Title)

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2. The approved construction plans dated September 23, 2011 shall be made a part of this Agreement and hereinafter referred to as the "Final Construction Plans" as agreed on SLA #02 Notice to Proceed with Construction.
3. The term of the Lease shall commence on August 8, 2012, and shall continue through August 7, 2022, subject to termination rights as set forth below.
4. The Lessor and the Government hereby agree that the final cost of the tenant improvements is **\$1,053,039.00** which includes the total approved construction cost of \$1,034,940.00 and five (5) approved change orders in the amount of \$18,099.00. Of this amount, \$826,613.13 has been amortized into the rental rate over the full term of the lease at an interest rate of 7.0% and such adjusted amount shall constitute the annual tenant improvement rental. The Government hereby agrees to pay the Lessor upon receipt of a proper invoice a one time lump sum payment of \$226,425.87. This amount represents the cost of the Tenant Improvement Allowance that exceeded the maximum tenant improvement allowance and work letter allowance specified in the Lease. The invoice should be mailed to the U.S. General Services Administration, Finance Division – 7BCP, 819 Taylor Street, Fort Worth, Texas 76102-0181 with the following PDN# PS0022962.
5. The Lessor and the Government mutually agree that the Government shall pay the Lessor annual rent as follows:

There shall be no rent payable to the Lessor for Months 1-4 of the Lease beginning on August 8, 2012 and ending on December 7, 2012.

The annual rental amount for Months 5 though 120 of this Lease shall be \$506,910.15 per annum (\$42,242.51 per month; \$30.50/rsf; \$33.55/usf) subject to annual operating cost escalations as specified in Paragraph 3.6 of the lease agreement.

This annual rent includes the maximum tenant improvement allowance (TIA) of \$826,613.13 amortized over months 1-120 at a rate of 7% for a total tenant improvement rental of \$115,172.15 (\$6.93/rsf, \$7.62/usf) per annum. The shell rental portion of the annual rental amount for months 5-120 is \$301,108.00 per annum (\$25,092.33/month; \$18.12/rsf; \$19.93/usf).

6. In accordance with Section 7.3 of the Lease, the Government shall have access to the leased space including the parking areas 24 hours per day 7 days per week, however access to the parking area with a government parking tag shall only be permitted while performing official Government business.

Initials:  &   
Lessor Gov't

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7. Jones Lang LaSalle ("JLL") is the authorized real estate broker representing the Government in connection with this lease transaction. The Lessor and JLL have agreed to a cooperating lease commission of [REDACTED] of the five (5) year firm term value of this lease. The total amount of the commission is [REDACTED]. Lessor shall pay JLL no additional commissions associated with this lease transaction. In accordance with Paragraph 1.13 of the SFO, "Broker Commission and Commission Credit", JLL has agreed to forego [REDACTED] of the commission that is entitled to receive in connection with this lease transaction ("Commission Credit"). The commission credit is [REDACTED]. The Lessor agrees to pay the balance commission of [REDACTED] (50% at lease execution and 50% at lease occupancy) to JLL in accordance with Paragraph 1.13 of the SFO, "Broker Commission and Commission Credit".

The shell rental portion of the annual rental payments due and owing under the lease shall be reduced to fully capture the commission credit. The reduction in shell rent shall commence with the fifth month (the first month of rental payments) and continue throughout the sixth month (the second month of rental payments) as indicated in the following schedule of adjusted monthly rent:

Fifth Month's Rental Payment \$42,242.51 minus prorated commission credit of [REDACTED] equals [REDACTED] adjusted Fifth Month Rent.

Sixth Month Rental Payment \$42,242.51 minus prorated commission credit of [REDACTED] equals [REDACTED] adjusted Sixth Month Rent.

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

Acquest Theatre Place LLC  
80 Curtwright Drive, Suite 5  
Williamsville, NY 14221

The lessor's zip code listed on the lease document is amended from 14202 to 14221.

9. The Government may terminate this lease (in whole or in part) at any time on or after August 8, 2017 upon ninety (90) 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
10. The Lessor shall proceed with due diligence to complete the deficiencies noted on the attached punch list annexed hereto and labeled Exhibit "D" by September 1, 2012. In the event the deficiencies are not corrected by September 1, 2012, the Government may proceed in accordance with Paragraph 15, Section 552.270-10

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Failure in Performance, located in the General Clauses Section (GSA Form 3517) of the lease. The Lessor agrees to correct any millwork height inconsistencies in the future should the Government request the correction.

11. Except as modified by this Supplemental Lease Agreement, all other terms and conditions of the Lease shall remain in full force and effect, and in the event that any of the terms and conditions of this Supplemental Lease Agreement conflict with any terms and conditions of the Lease or any previous Supplemental Lease

Agreements, the terms and conditions of this Supplemental Lease Agreement shall control and govern.

Initials: WCT & LM  
Lessor Gov't