

GENERAL SERVICES ADMINISTRATION PUBLIC BUILDINGS SERVICE LEASE AMENDMENT	LEASE AMENDMENT No. 3 TO LEASE NO. GS-02B-24214
ADDRESS OF PREMISES: 171 Saw Mill River Road Hawthorne, NY 10532-1529	PDN Number: PS0037710

THIS AGREEMENT made and entered into this date by and between 171 Saw Mill LLC

whose address is: 80 Curtwright Drive, Suite 5, Williamsville, NY 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 in order to: 1) To establish the date of Beneficial Occupancy, 2) To restate the fully serviced rent to include the Shell, Operating, Tenant Improvements (TI) and the Building Specific Amortized Capital, 3) To establish the Broker Commission and the Commission Credit, 4) To memorialize additional Tenant Improvements, Change Orders Number 001-010, 5) To accept the Tenant Improvements as substantially completes (TI) and Building Specific Amortized Capital (BSAC) as substantially complete and establish the method of payment of the TI costs above the TI Allowance.

NOW THEREFORE, these parties for the considerations hereinafter mentioned covenant and agree that the said Lease is amended, effective upon the date of the government signature of this Amendment as follows:

1. LEASE TERM:

To Have and To Hold the said Premises with its appurtenances for the term beginning on July 16, 2017 continuing through July 15, 2032.

15 Years, 15 Years Firm


2. The Rent and Other Consideration, as defined in Lease Paragraph 1.01, is restated as follows:

This Lease Amendment contains {3} pages.

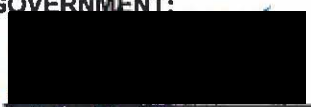
All other terms and conditions of the lease shall remain in force and effect.

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


FOR THE LESSOR:

Signature: 
Name: Michael Huntress
Title: Manager
Entity Name: 171 Saw Mill LLC
Date: 7/20/17

FOR THE GOVERNMENT:

Signature: 
Name: Eduardo Vidal
Title: Lease Contracting Officer
GSA, Public Buildings Service,
Date: 8/29/17

WITNESSED FOR THE LESSOR BY:

Signature: 
Name: ROBERT SCARPELLO
Title: ATTORNEY
Date: 7/20/17

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

	YEARS 1-15			
	ANNUAL RENT (YR. 1)	ANNUAL RENT (YR. 2)	ANNUAL RENT (YR. 3)	ANNUAL RENTS (YRS. 4-15)
SHELL RENT ¹	\$1,360,116.78	\$1,410,379.78	\$1,460,642.78	\$1,510,905.78
OPERATING COSTS ²	\$228,194.02	\$228,194.02	\$228,194.02	\$228,194.02
TENANT IMPROVEMENTS RENT ³	\$334,932.57	\$334,932.57	\$334,932.57	\$334,932.57
BUILDING SPECIFIC AMORTIZED CAPITAL (BSAC) ⁴	\$31,043.39	\$31,043.39	\$31,043.39	\$31,043.39
TOTAL ANNUAL RENT	\$1,954,286.76	\$2,004,549.76	\$2,054,812.76	\$2,105,075.76

¹Shell rent calculation:

Yr. 1 \$27.06 per RSF multiplied by 50,263 RSF

Yr. 2 \$28.06 per RSF multiplied by 50,263 RSF

Yr. 3 \$29.06 per RSF multiplied by 50,263 RSF

Yr. 4-15 \$30.06 per RSF multiplied by 50,263 per RSF

²Operating Costs rent calculation: \$4.54 per RSF multiplied by 50,263 RSF

³Tenant Improvements of \$3,529,498.31 are amortized at a rate of 5 percent per annum over 15 years.

⁴Building Specific Amortized Capital (BSAC) of \$327,133.28 are amortized at a rate of 5 percent per annum over 15 years

3. The Broker Commission and Commission Credit, as defined in Lease Paragraph 1.04, is modified and replaced as follows:

1.04 BROKER COMMISSION AND COMMISSION CREDIT (JUN 2012)

A. Savills Studley, Inc. (Broker) is the authorized real estate Broker representing GSA in connection with this Lease transaction. The total amount of the Commission is [REDACTED] and is earned upon Lease execution, payable according to the Commission Agreement signed between the two parties. Only [REDACTED] of the Commission will be payable to Savills Studley, Inc.

The remaining [REDACTED] will not be applied as the Commission Credit; rather the Commission Credit memorialized in Section 1.04 of the Lease executed April 15, 2015, shall be applied as said Commission Credit. Therefore [REDACTED] is to be credited to the shell rental portion of the annual rental payments due and owing to fully recapture this Commission Credit. The reduction in shell rent shall commence with the first month of the rental payments and continue until the credit has been fully recaptured in equal monthly installments over the shortest time practicable.

B. Notwithstanding the "Rent and Other Consideration" paragraph of this Lease, the shell rental payments due and owing under this Lease shall be reduced to recapture fully this Commission Credit. The reduction in shell rent shall commence with the first month of the rental payments and continue as indicated in this schedule for adjusted Monthly Rent:

Month 1 Rental Payment \$162,857.23 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted 1st Month's Rent.*

Month 2 Rental Payment \$162,857.23 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted 2nd Month's Rent.*

Month 3 Rental Payment \$162,857.23 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted 3rd Month's Rent.*

Month 4 Rental Payment \$162,857.23 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted 4th Month's Rent.*

Month 5 Rental Payment \$162,857.23 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted 5th Month's Rent.*

* Subject to change based on adjustments outlined under the paragraph "Rent and Other Consideration."

4. TENANT IMPROVEMENT ACCEPTANCE:

On July 15, 2017, the Government accepted the Tenant Improvements as substantially complete. The Government and the Lessor have agreed that the total cost of the Tenant Improvements is \$7,153,259.49, which includes taxes, design costs and TI fees and

INITIALS: WES & [Signature]
LESSOR GOVT

the below reflected change orders to date. The Lessor shall provide \$529,498.31 of TIs towards the cost of the construction. The Government will reimburse the Lessor for the remaining \$6,623,761.18 in the following manner; \$3,529,498.31 will be amortized in the rent at an annual rate of 5% over the full term of the lease (fifteen (15) years). The remaining (TI) costs of \$3,094,262.87 will be paid lump sum in the following manner: The Government shall reimburse the Lessor in a lump sum payment in the amount of \$2,995,724.88 upon receipt of an original invoice. The invoice for this amount shall reference the number RWA# N0726999. The Government shall reimburse the Lessor in a lump sum payment in the amount of \$98,537.99 upon receipt of an original invoice. The invoice for this amount shall reference the number RWA#N1654853.

Approved Change Orders (COR) PS0037710, RWA # <u>N0726999</u>			
COR #	Date Approved	Description	Cost
1	2/28/2017	Changes to the plumbing and electrical work	
3	4/11/2017	Permits	
4	4/11/2017	Credit Change for trench drain	
5	4/11/2017	Power for Verizon Devices	
6	6/8/2017	Electrical work, new fencing and antenna masts, ambush monitors and Pipe Conduit	
7	7/10/2017	Warehouse Sprinkler System	
8	7/10/2017	24-7 Cooling for Telephone Room	

Approved Change Orders (COR) PS0037710, RWA # <u>1654853</u>			
COR #	Date Approved	Description	Cost
2	5/2/2017	Install and build out the MDF & all IDF closets to include cable tray, cable tray drops outs, cabinets, swing racks, patch panels, fiber enclosures & grounding	

The Lessor agrees that the invoices shall be printed on the same letterhead as the Lessor named on this lease, shall include the Lease number, this lease amendment number, building address, and a price and quantity of the items delivered. The invoice shall reference the number PS0037710 and shall be sent electronically to the GSA Finance Website at <http://www.finance.gsa.gov/defaultexternal.asp>. Instructions for invoice submission are included on the website. Additional assistance is available from the Finance Customer Service line at 817-978-2408.

If the Lessor is unable to process the invoice electronically, then the invoice may be mailed to:

General Services Administration
 FTS and PBS Payment Division (7BCP)
 P.O. Box 17181
 Fort Worth, TX 76102-0181

Lessor also agrees that a copy of the invoice shall be sent simultaneously to the GSA Lease Contracting Officer electronically at eduardo.vidal@gsa.gov.

BUILDING SPECIFIC AMORTIZED CAPITAL (BSAC) ACCEPANCE:

On July 15, 2017, the Government accepted the Building Specific Amortized Capital Improvements as substantially complete. The total Building Security Amortized Capital (BSAC) costs are \$349,633.28, which includes taxes, design costs and fees. The Lessor shall provide \$22,500.00 of BSAC towards the cost of the construction. The remaining \$327,133.28 will be amortized in the rent at an annual rate of 5% over the full term of the lease (fifteen (15) years).

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