

GENERAL SERVICES ADMINISTRATION
PUBLIC BUILDINGS SERVICE
SUPPLEMENTAL LEASE AGREEMENT

SUPPLEMENTAL AGREEMENT
NO. 03

DATE

11/24/2011

TO LEASE NO. GS-02B-23736,

NY7499

ADDRESS OF PREMISES: 111 Genesee Street
Buffalo, New York 14210

THIS AGREEMENT, made and entered into this date by and between Genesee Gateway, LLC

whose address is

726 Exchange Street, Suite 825
Buffalo, New York 14210

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) amend the square footage, (7) identify the outstanding punch list items, and (8) provide documentation and pricing for all change orders.

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: Genesee Gateway, LLC

BY [Signature]
(Signature)

Member
(Title)

IN PRESENCE OF
[Signature]
(Signature)

[Redacted Address]
(Address)

UNITED STATES OF AMERICA, GENERAL SERVICES ADMINISTRATION

BY Mary Rowan
(Signature)

Contracting Officer
(Official Title)

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1. The construction plans that were approved and dated March 30, 2010 shall be made a part of this Agreement and hereinafter referred to as the "Final Construction Plans" annexed hereto and labeled Exhibit "A".
2. The term of the Lease, together with the rental payments, shall commence on November 1, 2010 and shall continue through October 31, 2020, subject to termination rights as set forth below.
3. The Lessor and the Government hereby agree that the final cost of the tenant improvements is \$956,642.59 subject to the final negotiation and approval of change orders. Of this amount, \$434,373.48 has been amortized into the rental rate over the full term of the lease at an interest rate of 4.0% and such adjusted amount shall constitute the annual tenant improvement rental. The portion of the annual rental amount amortized pursuant to this calculation is \$434,373.48 (\$43.77/ABOASF (as defined below)) payable monthly at the rate of \$4,397.82 or \$52,773.84 annually and is included in the annual rental payment identified in Paragraph 4 below. The remaining balance of \$522,269.11 shall be paid to the Lessor in two payments. A partial payment of \$444,000.00 was paid to the Lessor on August 26, 2010. The remaining balance of \$78,269.11, subject to the final negotiation and approval of change orders, shall be paid upon the Lessor's submission of a proper invoice to the Government.
4. The Lessor and the Government mutually agree that the Government shall pay the Lessor annual rent as follows:

The first six (6) months of the lease term will be rent free. The monthly rental payment will begin in the seventh month of the lease.

From May 1, 2011 through October 31, 2015 of the lease, a total rental of \$217,109.00 per annum (\$19.90/Rentable Square Foot [RSF] yielding \$21.88/ ANSI BOMA Office Area Square Foot [ABOASF] at the rate of \$18,092.42 per month in arrears.

From November 1, 2015 through October 31, 2018 of the lease, a total rental of \$228,019.00 (\$20.90/RSF yielding \$22.98/ABOASF) at the rate of \$19,001.58 per month in arrears.

From November 1, 2018 through October 31, 2020 of the lease, a total rental of \$239,801.80 per annum (\$21.98/RSF yielding \$24.16/ABOASF) at a rate of \$19,983.48 per month in arrears.

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

Genesee Gateway, LLC
726 Exchange Street, Suite 825
Buffalo, New York 14210-1486

5. The Government may terminate this lease (in whole or in part) at any time on or after November 1, 2015 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.
6. The Lessor and the Government mutually agree that the square footage is amended to a total of 11,462 rentable square feet (RSF) of office and related space, which yields 10,462 ANSI BOMA Office Area Square Feet (ABOASF) of space, on the premises known and designated as 111 Genesee Street, Buffalo, New York. The space is located on the 1st and 2nd floors, with the separate floor spaces measuring 8,501 ABOASF and 1,925 ABOASF, respectively, as shown on the floor plans labeled Exhibit "B" and Exhibit "C", and six (6) secured, reserved parking spaces to be used for office and related purposes and parking. In addition, 552 RSF which yields 507 ABOASF of space and one (1) secured, reserved parking space shall be provided at no additional cost by the Lessor to the Government as part of this lease.
7. The Lessor shall proceed with due diligence to complete the deficiencies noted on the attached punch list annexed hereto and labeled Exhibit "D" by December 31, 2010. In the event the deficiencies are not corrected by December, 31, 2010, the Government may proceed in accordance with Paragraph 15, Section 552.270-10 Failure in Performance, located in the General Clauses Section (GSA Form 3517) of the lease.
8. All change orders including those that still require a price proposal and proper documentation prior to receiving Government approval are listed on the attached Change Order report annexed hereto and labeled Exhibit "E". Those change orders marked approved and totaling \$21,052.98, will be reimbursed to the Lessor by the Government upon the Lessor's submission of a proper invoice. The Lessor shall submit the required documentation and price proposal for the remaining change orders no later than December 31, 2010. Any additional change orders, that the lessor maintains should be reimbursed by the Government, must be submitted by December 31, 2010.

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9. 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: JS & MA
Lessor Gov't