

US GOVERNMENT LEASE FOR REAL PROPERTY

DATE OF LEASE March 25, 2010

LEASE NO. GS-02B-23753

BUILDING: BNY7505ZZ

THIS LEASE, made and entered into this date between The Oxford Fund, L.P. C/O Oxford Development Company

whose address is: **One Oxford Centre - Suite 4500
301 Grant Street
Pittsburg, PA 15219-1407**

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:
29,100 rentable square feet (RSF), yielding approximately 27,859 ANSI/BOMA Office Area square feet and related space located, as the sole tenant on the First (1st) floor of a building to be constructed at 4551 State Route 11 (E), Malone, NY 12953-1827, 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 sixty-four (64) secured, surface parking spaces and fifteen (15) structured parking spaces for employees and visitors, total of seventy-nine (79) parking spaces at no additional cost to the Government.
2. TO HAVE AND TO HOLD the said Premises with their appurtenances for the twenty (20) year term beginning one hundred and eighty (180) working days after the Contracting Officer issues the Tenant Improvement Notice to Proceed, subject to termination and renewal rights as may be hereinafter set forth. Said term shall be more specifically set forth in a Supplemental Lease Agreement to this lease.
3. The Government shall pay the Lessor annual rent of:
\$
SEE PARAGRAPHS 8 AND 9 OF THE RIDER TO THIS LEASE
4. The Government may terminate this lease, in whole or in part, at any time on or after the fifteen (15th) year by giving the Lessor at least ninety (90) days notice in writing. No rent shall accrue after the effective date of termination. Said notice shall be computed commencing with the day after the day 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: The Oxford Fund, L.P.

BY

Scott Pollock
(Signature)

Scott Pollock, Vice President of Development
Oxford Development Company

(Title)

IN PRESENCE OF

Susan Steider
(Signature) SUSAN STEIDER

One Oxford Centre - Suite 4500
301 Grant Street, Pittsburg PA 15219

(Address)

UNITED STATES OF AMERICA

BY

[Signature]
(Signature)

Contracting Officer, General Services Administration
(Official Title)

6. The Lessor shall furnish to the Government as part of the rental consideration, the following:
- A. The sixty-four (64) secured, surface parking spaces and fifteen (15) structured parking as described in Paragraph 1.1B of the SFO dated 7/29/09 and parking spaces required by local code.
 - B. All labor, materials, equipment, design, professional fees, permit fees, inspection fees, utilities, construction drawings (including, without limitation, plans and specifications), construction costs and services and all other similar costs and expenses associated with making the space, common areas, and related facilities ready for occupancy in accordance with the requirements of this lease and the Government's final construction drawings; provided that the Government shall make payments for lump sum items identified in the attachment sheets in the amounts specified therein. All cost associated with services, utilities, maintenance, repair, replacement, inspections, improvements and other requirements as required by the Solicitation For Offers No. 8NY2420 and its attachments.
 - C. Adequate space for telecommunications antennae and transmission devices located on the building roof in accordance with Paragraph 8.14 entitled, "Telecommunications: Local Exchange Access," of the Solicitation for Offers.
 - D. Holding cells, helipad, eighty (80) foot communication tower, additional floor loading, security countermeasures, on-site vehicle refuel station in accordance with Paragraph 1.2, Unique Requirements. Sallyport, dog kennels and fitness room in accordance with Paragraph 11.1, Special Requirements.
7. 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 8 through 30,
 - b) Section 1.0: Summary, Paragraphs 1.1 through 1.3,
 - c) Section 2.0: Price Evaluation, Paragraph 2.1,
 - d) Section 3.0: Submittal Requirements, Paragraphs 3.1 through 3.5,
 - e) Section 4.0: Utilities, Services and Lease Administration, Paragraphs 4.1 through 4.13,
 - f) Section 5.0: Design, Construction and Other Post Award Activities, 5.1 through 5.13,
 - g) Section 6.0: General Architecture, Paragraphs 6.1 through 6.12,
 - h) Section 7.0: Architectural Finishes, Paragraphs 7.1 through 7.12,
 - i) Section 8.0: Mechanical, Electrical, Plumbing, Paragraphs 8.1 through 8.17,
 - 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 10.0 through 10.35,
 - l) Voice/Data Communications Room Requirement, Release Version 3.0, June 2009
 - m) (1) CD containing (i) 50 Agent Prototype [REDACTED] and (ii) Burke NY [REDACTED] Special Requirements (updates & modifies Drawings & Specs as contained in the other folder on the CD), both of which are incorporated by reference into this Lease,
 - n) General Clauses, GSA Form 3517B (Rev. 11/05), Paragraphs 1 through 48,
 - o) Representations and Certifications, GSA Form 3518 (Rev. 1/07), Paragraphs 1 through 11,
 - p) Exhibit "A" floor plan of the demised premises,
 - q) Exhibit "B" site plan of the demised premises,
 - r) Commission Agreement dated September 15, 2009,
 - s) Davis Bacon Wage Rate Form.

Rider to Lease No. GS-02B-23753

8. The Government shall pay the Lessor an annual rate of \$958,845.00 (\$32.95 per rentable square foot (RSF) and \$34.42 per ANSI/BOMA office area square foot (ABOA), at the rate of \$79,903.75 per month for year one (1) through year fifteen (15) of the Lease. The Government shall pay the Lessor an annual rate of \$824,985.00 (\$28.35 per rentable square foot (RSF) and \$29.61 per ANSI/BOMA office area square foot (ABOA), at the rate of \$68,748.75 per months for year sixteen (16) through year twenty (20) of the Lease.



Rent payments shall be payable to:

The Oxford Fund, L.P. C/O Oxford Development Company
One Oxford Centre - Suite 4500
301 Grant Street
Pittsburg, PA 15219-1407

9. In accordance with the "Broker Commission and Commission Credit" paragraph of SFO - 8NY2420, 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 fifteen (15) 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 to CB Richard Ellis 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 \$657,610.56 or \$54,800.88 per month due and owing under Paragraph 8 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 sixth (6th) month of the lease term as follows: Monthly Rental Payments \$79,903.75 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted Monthly Rent.

10. 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 \$167,300.00 (or \$5.75 per Rentable Square Foot and \$6.01 per ABOA square feet).
11. The rent rate in paragraph 8, the Tenant Improvement Allowance (TI) provided in the lease is \$1,151,400 amortized at an interest rate of 5.25 % over (180 months) for a rate of \$3.98 ANSI/BOMA office area square foot (ABOA). The T/I will be used to construct the interior space in accordance with the approved Design Intent Drawings provided by the Government. If the T/I cost exceeds \$1,151,400, the balance due the Lessor will be paid by rental adjustment, or lump sum, to be determined by the Government. If the entire T/I of \$1,151,400 is not used, the Government will adjust the rental rate downward to off-set the difference in the tenant improvement. Building Specific Security cost is \$0.82 ABOA or \$235,646.00 amortized at an interest rate of 5.25 % over fifteen (15) years (180 months). The Lessor understands, in lieu of Cost and Pricing Data, each of his sub-contractors shall solicit three (3) bids for work completed as a part of the initial tenant alterations, e.g., for electrical, plumbing, etc. The lowest responsive bid will be accepted. Tenant Improvement Fee Schedule is established as follows: General Conditions 5%; General Contractor's fee 2%; Architectural/Engineering fees 6% and Project Management fees (includes Financing) 2%.
12. For purposes of Real Estate Tax Adjustments as set forth in Paragraph 4.2, the Government occupies 29,100 rentable square feet (RSF) or 100% of the building (Based on Government occupancy of 29,100 rentable square feet). The Base Year taxes for the purpose of the Real Estate Tax Adjustment clause shall be \$58,702.00.
13. In accordance with Paragraph 4.1(C) (Common Area Factor), the common area factor (CAF) is established as 4.45% rounded based on 27,859 ANSI/BOMA Office Area Square Feet (OASF) and 29,100 rentable square feet.
14. For real estate tax identification purposes, the premises hereby leased to the Government is identified as follows: [REDACTED]
15. The Lessor agrees to provide all services, utilities, and maintenance as set forth in Sections 1 through 6 of this lease including, but not limited to, heating, ventilation, water and sewer charges, and electricity for lights, power, and air conditioning.
16. 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 \$1.00 per useable square foot per annum for operating expenses.
17. In accordance with Paragraph 4.6 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 \$15.00 per hour for the entire building or \$7.50 to \$5.00 per hour per zone dependant upon final building configuration. Rate to be established via a Supplemental Lease Agreement at occupancy. 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 included as part of the rental consideration at no additional charge.
18. The Lessor shall provide sixty-four (64) secured, surface parking spaces and fifteen (15) structured parking spaces. The cost of the parking spaces shall be included in the rental rate.
19. 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".

INITIALS:  LESSOR &  GOV'T

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20. 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.
21. 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.
22. This Lease shall not be binding on either party until executed by a duly authorized official of the General Services Administration.
23. The Government reserves the right to post Government rules and regulations where the Government leases space within the demised premises.
24. 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.
25. 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.

26. 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.
27. 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.
28. The Government shall have access to the leased space, including the parking, on a 24 hour, 7-day a week basis.
29. 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.
30. 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.

INITIALS: EL LESSOR & JLB GOV'T