

U.S. GOVERNMENT
LEASE FOR REAL PROPERTY

DATE OF LEASE

MAY 19, 2009.

LEASE NO.

GS-02B-23643

NY7471

THIS LEASE, made and entered into this date by and between **40 Love Associates, Ltd.**

whose address is c/o Omni Development Company, Inc.
40 Beaver Street
Albany, NY 12207

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 consideration hereinafter mentioned, covenant and agree as follows:

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

Thirteen Thousand Nine Hundred Fifty (13,950) rentable square feet (RSF) of office space consisting of 12,237 ANSI/BOMA Office Area square feet (USF) located on the 8th floor of the nine-story building known and designated as One Broadway Center, Schenectady, New York in accordance with the attached floor plan labeled Exhibit "A" attached hereto and made a part hereof to be used for office and related purposes by the United States Government; together with 50 parking spaces located in the municipal garage at 220 Broadway, Schenectady, New York.

2. ~~TO HAVE AND TO HOLD~~ the said premises with their appurtenances for the term beginning on

SEE PARAGRAPH 8 OF THE RIDER TO THIS LEASE

through _____, subject to termination and renewal rights as may be hereinafter set forth.

3. The Government shall pay the Lessor annual rent of

\$ _____

SEE PARAGRAPH 11 OF THE RIDER TO THIS LEASE

at the rate of \$ _____ per _____ in arrears.

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

4. The Government may terminate this lease at any time by giving at least _____ days notice in writing to the Lessor and no rental 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.

6. The Lessor shall furnish to the Government, as part of the rental consideration, the following:

INTENTIONALLY DELETED

7. The following are attached and made a part hereof:
The General Provisions and Instructions (Standard Form 2 - A _____ edition).

SEE PARAGRAPH 7 OF THE RIDER TO THIS LEASE.

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

LESSOR **40 Love Associates, Ltd.**

BY: HOUSTEL CORP. GENERAL PARTNER

(Signature)

IN PRESENCE OF:

2200 New Street + Albany, NY 12207

(Address)

UNITED STATES ADMINISTRATION

BY _____ Contracting Officer
(Official title)

RIDER TO LEASE

7. The following are attached hereto and made a part hereof:
- a. Lease Rider, Paragraphs 7 through 35,
 - b. Section 1: Summary, Paragraphs 1.8 through 1.10, and 1.12,
 - c. Section 2: Intentionally deleted
 - d. Section 3: Miscellaneous, Paragraphs 3.1 through 3.3, 3.5, 3.7, 3.9 through 3.14, 3.16 through 3.18
 - e. Section 4: General Architecture, Paragraphs 4.1 through 4.6, 4.8 through 4.14,
 - f. Section 5: Architectural Finishes, Paragraphs 5.1 through 5.23,
 - g. Section 6: Mechanical, Electrical, Plumbing, Paragraphs 6.1 through 6.19,
 - h. Section 7: Services, Utilities, Maintenance, Paragraphs 7.1 through 7.4, 7.6 through 7.8, and 7.10,
 - i. Section 8: Safety and Environmental Management, Paragraphs 8.1 through 8.12,
 - j. Section 9: Lease Security Standards, Paragraphs 9.1 through 9.14,
 - k. Section 10: Intentionally Deleted (references to Section 10 shall mean Section 11)
 - l. Section 11: Special Requirements: Paragraphs 11.1 through 11.5
 - m. Section 12: Unique Requirements
 - n. New 4 Post Lan Rack Requirements
 - o. General Clauses - GSA Form 3517B (Rev. 11/05), Paragraphs 1 through 48,
 - p. Representations & Certifications - GSA Form 3518 (Rev. 1/07), Paragraphs 1 through 11,
 - q. Attachment 1: Payments in Lieu of Taxes (PILOT Payments)
 - r. Attachment 2: Changes to the Solicitation for Offers and General Clauses
 - s. Demising Plan, Exhibit "A",
 - t. Design Intent Drawing, Exhibit "B" (*to be provided*),
 - u. The Smith Group Drawings, Exhibit "C" (*to be provided*),
8. The term of this Lease shall commence upon completion of the alterations to the leased premises by the Lessor and acceptance thereof by the Government as substantially complete and run for a firm period of ten (10) years thereafter. The commencement date shall be more specifically set forth in a Supplemental Lease Agreement executed by both the Lessor and the Government.
9. The Lessor agrees to proceed with due diligence to provide all labor and materials necessary to perform all alterations and installations in accordance with this rider, Sections 1 through 10 of this lease, its attachments, the Government's approved design intent drawings and the Government's electrical and data cabling plan and specifications (also known as "The Smith Group Drawings") (to be provided by the Government) and to deliver the space ready for occupancy in accordance with Paragraph 3.16 of this Lease.

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10. The space leased to the Government must contain the required ANSI/BOMA office area square feet (usf) specified in Paragraph 1 of the SF2 of this lease. In no event shall the Government pay for more than 12,237 usf of office space.
11. The annual rental amount for years 1 through 10 is \$348,192.00 per annum (\$29,016.00 per month) (\$24.96 rsf/\$28.45 usf) subject to annual operating cost escalations as specified in Paragraph 3.7 of this Lease. This annual rent includes the maximum tenant improvement allowance (TIA) of \$509,793.00 amortized over years 1 through 10 at a rate of 7.5% for a total tenant improvement rental of \$72,616.00 (\$5.21 rsf/\$5.93 usf) per annum.
12. The Lessor and the Broker have agreed to a cooperating lease commission of [REDACTED] of the firm term value of the lease. The total amount of the commission is [REDACTED]. The Lessor shall pay the Broker no additional commissions associated with this lease transaction. In accordance with the "Broker Commission and Commission Credit" paragraph, the Broker has agreed to forgo [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 the Broker in accordance with the "Broker Commission and Commission Credit" paragraph in the SFO attached to and forming a part of this lease. The shell rental payments due and owing under this lease shall be reduced to fully recapture this Commission Credit. The reduction in shell rent shall commence with the first month of the rental payments and continue until fully recaptured.
- First Month's Rental Payment \$29,016.00 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted First Month's Rent.
- Second Month's Rental Payment \$29,016.00 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted Second Month's Rent.
- Third Month's Rental Payment \$29,016.00 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted Third Month's Rent.
- Fourth Month's Rental Payment \$29,016.00 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted Fourth Month's Rent.
- Fifth Month's Rental Payment \$29,016.00 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted Fifth Month's Rent.
13. Rent shall be paid monthly by the Government, in arrears. Rent for a lesser period shall be prorated. Rent checks shall be made payable to 40 Love Associates, c/o Omni Development Company Inc., 40 Beaver Street, Albany, New York 12207.

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14. For the purposes of operating cost escalations, in accordance with Paragraph 3.7 of this Lease, the annual base cost of services is \$61,851.00 (\$4.43 rsf/\$5.05 usf).
15. All services, maintenance and utility costs, except for tenant electric for lights, VAV boxes and office machines, are included in the rental consideration. Services, utilities and maintenance shall be provided by the Lessor in accordance with the specifications in this lease at no additional cost to the Government.
16. The tenant electric for lights, VAV boxes, supplemental 24 hour HVAC and office machines shall be separately metered. The Government shall pay the cost of the tenant electric directly to the utility company.
17. Pursuant to Paragraph 7.3 of the Lease, there is an additional charge of \$20.00/hour for the use of overtime air-conditioning service beyond the Government's normal hours as stipulated in Paragraph 7.2 of this Lease. There is no additional overtime charge for heat beyond the Government's normal hours as stipulated in Paragraph 7.2 of this Lease.
18. The electric for the supplemental HVAC for the DCR room as referenced in Section 10.0(1)(C) Special Requirements shall be provided 24 hours a day, 7 days per week.
19. The Lessor represents and warrants that due to the tax-exempt status of the Property, the Lessor makes payments in lieu of taxes (PILOT Payments) to the local taxing authority rather than conventional real estate tax payments. Lessor further represents and warrants that the Property's assessed value has been established at \$8,700,200.00 through and including December 31, 2019. Providing that the foregoing representations and warranties continue to be true and accurate, the Lessor and the Government agree that the base year real estate taxes shall be based upon the assessment of \$8,700,200.00 and that future payments for increases in real estate taxes shall be limited to the increase in tax rates applied to this assessment.
20. For the purposes of tax adjustments in accordance with Paragraph 3.4 of this Lease, the Government's percentage of occupancy is 10.67% the building.
21. For the purposes of Adjustment for Vacant Premises, in accordance with Paragraph 3.13 of the Lease, the rent shall be reduced by \$1.00 rsf/\$1.14 usf.
22. The Lessor shall be solely responsible for the technical accuracy of the construction documents to be developed by the Lessor from the approved design intent drawings and the construction of the leased premises as required by this Lease including but not limited to, HVAC requirements, lighting placement, plumbing and fire/life safety requirements.

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23. Wherever the words "Offeror" 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 the Lease, they shall be deemed to mean "this Lease"; wherever the words "space offered for Lease" appear in this Lease, they shall be deemed to mean "Leased Premises."
24. Each employee of the Lessor and/or its contractor(s) shall be (1) a citizen of the United States of America; (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 Immigration and Naturalization Service that employment will not affect his/her immigration status.
25. 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 employees of the General Services Administration or personnel authorized by the Contracting Officer.
26. Lessor shall not be reimbursed for any services not provided for in the Lease including, but not limited to, repairs and alterations, nor will any rental be paid for occupancy in whole or in part except for the Lease term specified in this Lease, unless approved in advance and in writing by an authorized official of the General Services Administration.
27. In accordance with Paragraph 14 of the General Clauses, the Lessor shall be responsible for the maintenance, operation, repair and replacement of all equipment installed at the leased premises by the Lessor for the entire lease term so as to keep such equipment in good working order. The Government shall permit the Lessor or the Lessor's employees to enter the Government's leased space for this purpose provided the Lessor gives the Government a minimum of 24 hours advance notice if access to the leased premises is required after the Government's normal hours of operation. If for any reason access to the leased premises after the Government's normal hours of operation is necessary and proper notification can't be provided, a written explanation must be provided to the Government on the next business day.
28. If, during the term of this Lease including extensions, title to this 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 certified copy of the deed transferring title to the property from the Lessor to the new owner.
 - A letter from the new owner assuming, approving, and agreeing to be bound by the terms of this Lease.
 - A letter from the Lessor waiving all rights under this Lease against the Government up to the effective date of the transfer.

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- The new owner's employer identification or Social Security Number.
- A completed "Payment Information Form" SF3881 (Provided to the Lessor by the Government)
- 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 fully and identify under the laws of which state the limited partnership is created. If a realty trust, give names of all trustees and the recording date of the trust.

The foregoing information must be received by the fifteenth day of the month in which the transfer of title will be effected. 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 for the month during which the transfer occurred, to the new owner will be processed on the first day of the second month following the transfer of title. If the notification of transfer and related information is not received until the sixteenth day of that month (or later), in which the transfer of title will be effected, the full contract rental for the month will be forwarded to the Lessor. In this instance, it will be the responsibility of both the Lessor and the new owner to submit, in conjunction with the other requested information, a letter of agreement regarding disposition of the monthly rent with respect to the effective date of transfer. 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.

29. The Lessor shall install and maintain 10 lbs. ABC multipurpose fire extinguishers throughout the leased premises at such locations that the maximum traveled distance between extinguishers is fifty (50) feet. A sign shall be placed above the extinguisher so its location is apparent from a distance. The Lessor shall insure that the leased premises comply with all applicable fire and safety provisions.
30. The Government shall have 24-hour/7-day access to the leased premises.
31. In the event of any conflict or inconsistency between the SFO, the rider and approved construction drawings it is agreed that the rider and the approved construction drawings shall control and govern.
32. As part of the rental consideration, the Government shall have the right to install a satellite dish and/or antenna on the roof of the building.
33. The Lessor shall provide and install drinking fountains adjacent to the public and employee toilet rooms.
34. The Lease shall not be binding on either party until executed by a duly authorized official of the General Services Administration.

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