

GENERAL SERVICES ADMINISTRATION
PUBLIC BUILDINGS SERVICE
SUPPLEMENTAL LEASE AGREEMENT

SUPPLEMENTAL AGREEMENT
NO. 02

DATE
6/11/2012

TO LEASE NO. GS-02B-23880

ADDRESS OF PREMISES: 122 E. Seneca Street
Manlius, New York 13104-1850

THIS AGREEMENT, made and entered into this date by and between **Pavone Associates, LLC.**

whose address is

5081 Pine Valley Drive
Fayetteville, , New York 13086

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

WHEREAS, the parties hereto desire to amend the above Lease, (1) to establish the commencement date and lease term, (2) to establish the actual tenant improvements costs, (3) to establish the annual rental rate, (4) to modify the base cost of services.

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: Pavone Associates, LLC

[Redacted Signature]

[Redacted Name]

Manager (Title)

[Redacted Name]

UNITED STATES OF AMERICA, GENERAL SERVICES ADMINISTRATION

BY [Redacted Signature]

Contracting Officer
(Official Title)

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1. The Government has accepted the space as substantially complete. The term of the Lease, together with the rental payments, shall commence on May 7, 2012 and shall continue through May 6, 2022, subject to termination rights as set forth in Section 1.04 of the Lease Agreement.

2. The Lessor and the Government mutually agree that, based upon the Government's Approved Construction Drawings and the specifications set forth in the Lease, the total actual cost of the tenant improvements (TI) is \$55,833.00 which is less than the tenant improvement allowance of \$74,425.55 established in Section 8, Paragraph 1 of the Lease. In accordance with Section 8, Paragraph 1, if the actual cost of constructing the tenant improvements is less than the tenant improvement allowance, the rental rate will be reduced to reflect that actual cost which will be amortized into the annual rental over 60 months at an interest rate of 5.75% and such adjusted amount shall constitute the annual tenant improvement rental. The portion of the annual rental amount amortized pursuant to this calculation is \$55,833.00 (\$6.55/ABOASF) payable monthly at the rate of \$1,072.93 or \$12,875.16 annually and is included in the annual rent payment identified in Paragraph 3 of this Supplemental Lease Agreement.

3. The Lessor and the Government mutually agree that for years 1-5 of the Lease, the Government shall pay the Lessor annual rent of \$47,504.66 (\$22.57/RSF yielding \$24.18/ABOASF) at the rate of \$3,958.72 per month in arrears and subject to operating cost escalation adjustments.

The Lessor and the Government mutually agree that for years 6-10 of the Lease, the Government shall pay the Lessor annual rent of \$34,629.50 (\$16.45/RSF yielding \$17.62/ABOASF) at the rate of \$2,885.79 per month in arrears and subject to operating cost escalation adjustments.

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

Pavone Associates, LLC
5081 Pine Valley Drive
Fayetteville, New York 13086

Initials: AP / MN
Lessor/Gov't

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4. In accordance with Section 8, Paragraphs 2 and 3 of the Lease, and Paragraph 1.07 Operating Cost Base of the Lease the base cost of services is increased to \$8,479.85 per annum or \$4.03 per rentable square foot due to an operating cost escalation effective 12/01/2011.

5. As a result of all improvements to the premises, the Lessor hereby waives its rights to require the Government to restore the premises.

6. The Lessor shall be required to maintain and repair all items furnished and installed as part of the Supplemental Lease Agreement in accordance with the provisions of the Lease, and in the same manner as all other tenant improvements provided by the Lessor under the Lease.

7. Except as modified in this Agreement, all 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 Agreement conflict with any terms and conditions of the Lease or any previous Supplemental Lease Agreements, the terms and conditions of this Agreement shall control and govern.

Initials: AP / Ma
Lessor/Gov't