

STANDARD FORM 2  
AUGUST 2009 EDITION  
GENERAL SERVICES  
ADMINISTRATION  
FPR (41 CFR) 1-16.601

**U.S. GOVERNMENT  
LEASE FOR REAL PROPERTY**

DATE OF LEASE

3/21/13

LEASE NO. GS-02B-24120  
BUILDING NO. NY

THIS LEASE, made and entered into this date by and between: **GOVERNMENT PROPERTIES INCOME TRUST LLC**

whose address is: **255 Washington Street, Suite 300  
Newton, MA 02458-1634**

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:  
A total of 59,394 BOMA Rentable Square Feet (BRSF) yielding approximately 55,040 ANSI/BOMA Office Area square feet (ABOA) of office and related space located on a portion of the 1<sup>st</sup> and 4<sup>th</sup> Floors, and the entire 5<sup>th</sup> and 6<sup>th</sup> Floors in the building located at 138 Delaware Avenue, Buffalo, New York 14202-2404, together with fourteen (14) reserved parking spaces for Official Government Vehicles to be used for such purpose as determined by the General Services Administration.
2. TO HAVE AND TO HOLD the said premises with their appurtenances for a TEN (10) YEAR firm term commencing on December 17, 2013 through December 16, 2023, subject to termination rights as may be hereinafter set forth.
3. The Government shall pay the Lessor annual rent as outlined below in arrears. Rent for a lesser period shall be prorated. Rent shall be made payable to: c/o **GOVERNMENT PROPERTIES INCOME TRUST LLC, 255 Washington Street, Suite 300, Newton, MA 02458-1634** via electronic payment of funds. The Government shall pay no rent for the initial six (6) months of this lease. Additionally, as outlined in Paragraph 6(B) of this Standard Form 2, the Government shall receive a commission credit in the amount of [REDACTED]

For the period from December 17, 2013 to June 16, 2014, the Government shall pay the Lessor annual rent of \$0.00.

For the period from June 17, 2014 to October 16, 2014, the Government shall pay the Lessor annual rent of \$583,065.02 at the rate of approximately \$48,588.75 per month

For the period from October 17, 2014 to December 16, 2023, the Government shall pay the Lessor annual rent of \$1,355,965.02 at the rate of approximately \$112,997.09 per month.

4. INTENTIONALLY DELETED
5. INTENTIONALLY DELETED

LESSOR *[Signature]* GOVT SE

6. The Lessor shall furnish to the Government, as part of the rental consideration, the following:
- A. All services, improvements, alterations, repairs, maintenance, and utilities (with the exception of tenant electric which is separately metered), as well as any other rights and privileges stipulated by this lease, the SFO and its attachments.
  - B. In accordance with SFO Paragraph 2.1, Broker Commission and Commission Credit, UGL Services Equis Operations Co. ("Broker") is the authorized real estate broker representing GSA in connection with this lease transaction. The total amount of Commission is [REDACTED] and is earned upon lease execution, payable according to the Commission Agreement signed between the two parties. Due to the Commission Credit described in SFO Paragraph 2.1, only [REDACTED] of the Commission will be payable to UGL Services Equis Operations Co. with the remaining [REDACTED], which is the "Commission Credit", to be credit to the shell rent portion of the annual rental payments due and owing to fully recapture the Commission Credit. The reduction in shell rent shall commence with the seventh first month of the rental payments and continue until credit has been fully recaptured in equal monthly installments over the shortest time period practicable.

Notwithstanding Paragraph 3 of this SF-2, the shell rental payments due and owing under this Lease during this period shall be reduced to fully recapture this Commission Credit. The reduction in shell rent shall commence with the seventh month of the rental payments and continue as indicated in this schedule for adjusted Monthly Rent:

From June 17, 2014 to July 16, 2014, the rental payment shall be \$48,588.75 (rental payment of [REDACTED] minus prorated Commission Credit of [REDACTED])

From July 17, 2014 to August 16, 2014, the rental payment shall be \$48,588.75 (rental payment of [REDACTED] minus prorated Commission Credit of [REDACTED])

From August 17, 2014 to September 16, 2014, the rental payment shall be \$48,588.75 (rental payment of [REDACTED] minus prorated Commission Credit of [REDACTED])

From September 17, 2014 to October 16, 2014, the rental payment shall be \$48,588.75 (rental payment of [REDACTED] minus prorated Commission Credit of [REDACTED])

**NOTE:** Commissions and/or credits are treated as confidential financial information and are not for public disclosure. The information is not for use for any other purpose than that which it is provided without consent of the GSA Lease Contracting Officer.

- C. In the event of a conflict between this SF-2 and other documents that are part of the Lease, the SF-2 shall govern.

7. The following are attached and made a part hereof:

- A. Rider to Lease GS-02B-24120 (Pages 4-5)
- B. Solicitation for Offers # 0NY2098 (Pages 1-44)
- C. GSA Form 3517B, "General Clauses" (Pages 1-33)
- D. GSA Form 3518, "Representations and Certifications" (Pages 1-7)
- E. Floor Plan (Exhibit A) (Pages 1-4)
- F. Roof condition report (Exhibit B) (Pages 1-12)
- G. Fire and Life Safety Evaluation (Exhibit C) (Pages 1-104)
- H. Tier 2 Seismic Evaluation Report (Exhibit D) (Pages 1-82)
- I. [REDACTED] - Buffalo, New York, Master Specification (Exhibit E) (Pages 1-17)
- J. LEED Scorecard (Exhibit F) (Page 1)
- K. ABAAS Compliance Requirements (Exhibit G) (Pages 1-2)

8. The following changes were made in this lease prior to execution: Paragraphs 4 and 5 have been deleted in their entirety.





**RIDER TO LEASE GS-02B-24120**

9. The Tenant Improvements ("TI") shall include all work necessary to prepare the premises for Tenant's use and occupancy as set forth herein. The Lessor agrees to contribute a TI Allowance of \$2,408,955.49 towards the cost of TI work. Such contribution is included as part of the rental consideration set forth in Paragraph 3 of this SF-2. The Lessor's contribution toward the TI cost will be amortized over the 10-year term of the Lease together with interest at a rate of 0.00% per annum (\$240,895.55 per annum). If the TI cost exceeds \$2,408,955.49 then the Government shall have the option to either (i) pay the Lessor the difference between \$2,408,955.49 and the total TI cost in a one-time lump sum payment upon Substantial Completion of the TI, acceptance thereof by the Government and submission of a proper invoice by the Lessor, or (ii) reduce the Tenant Improvement requirements. In the event the TI cost is less than \$2,408,955.49, only the actual TI cost shall be amortized into the annual rent in the same manner as set forth above and the rental rate set forth in Paragraph 3 of this SF-2 shall be reduced accordingly. Such additional payment or rental reduction, if applicable, will be memorialized in a Supplemental Lease Agreement.
10. The Tenant Improvement Allowance includes the following fees: (1) General Conditions fees shall not exceed seven percent (7%) of the TI; (2) General Contractor's fees shall not exceed five percent (5%) of the TI; (3) Architectural and Engineering fees shall not exceed six percent (6%) of the TI (4) Lessor's overhead, profit and project management fees shall not exceed three (3%) percent of the TI.
11. The Lessor shall adhere to the scope of work pertaining to the concrete deck system below and complete all recommendations included in the Tier 2 report (Exhibit D) no later than the second quarter of 2014, subject to coordination with tenant, receipt of applicable permits and sign offs from structural engineering firm:
- A. January 2013 – Engage structural engineering firm to conduct analysis of the parking deck system, subject to revisions after lease execution.
  - B. February 2013 – Distribute repair specifications to interested contractors for bidding, subject to revisions after lease execution.
  - C. May 2013 – Evaluate bids and select winning contractor.
  - D. June 2013 – Contractor to begin review of work plan.
  - E. July/August 2013 – Commencement of ordering materials and permitting.
  - F. September 2013 – Commencement of construction.
  - G. Second Quarter 2014 – Completion of work.
12. The Government is accepting the shell improvements that currently exist in the demised premises with the exception of the following list that must be completed no later than December 16, 2013, subject to the clarifications below:
- A. All finishes in the elevators shall be upgraded to meet the requirements stated in SFO Paragraph 8.18,
  - B. Lessor will be required to perform building shell work associated with addressing "personnel access" issues on the 5<sup>th</sup> and 6<sup>th</sup> floor corridors.
  - C. Pursuant to SFO paragraph 6.1 the 4<sup>th</sup>, 5<sup>th</sup> and 6<sup>th</sup> Floor core toilet rooms shall be upgraded to meet compliance with Architectural Barriers Act Accessibility Standard (ABAAS) and upgrade all finishes within each toilet room in accordance with SFO Paragraph 8.6. The Lessor shall also modify the drinking fountain areas on the 4<sup>th</sup>, 5<sup>th</sup>, and 6<sup>th</sup> floors so they comply with ABAAS. The attached Exhibit G provides a list of all deficiencies that were present as of May 30, 2012 and the Lessor shall prepare drawings to ensure these deficiencies are remedied and to ensure that the entire space will comply with the most recent ABAAS code upon lease commencement. The Government shall have the opportunity to review and comment to ensure compliance with the Lease. In addition, the Lessor shall resolve the flushing and hot water issues in these rooms.
  - D. All stairwells and handrails shall be painted and install non-skid strips to prevent slips.
  - E. All ceiling tiles throughout the entire demised premises shall be replaced.
  - F. The angled area in room 421 on 4<sup>th</sup> floor reception area shall be modified to a closet for guest's coats.
  - G. The Government is requesting specific alterations on the 4<sup>th</sup> and 6<sup>th</sup> floors which are shown on Exhibit E. The Lessor shall be responsible for all items described in SFO Paragraph 1.4 entitled "Building Shell Requirements" for these improvements.
  - H. All work required to ensure the demised premises can meet a minimum of a LEED Silver-CI rating and is described on Exhibit F including replacing the existing heat pump units throughout the demised premises and install high efficiency heat pumps
  - I. Install shatter resistant window protection on all exterior windows as described in SFO Paragraph 10.19.
  - J. Repair and repaint the floor of the garage, which work may be performed in connection with the work pertaining to the concrete deck system by the second quarter of 2014.
  - K. Perform all recommended corrective actions stated in the Fire and Life Safety Evaluation report attached to this lease as Exhibit C including the replacement of the fire alarm system no later than April 25, 2018.
13. Pursuant to the Roof Condition Survey conducted, all preventive maintenance measures must be implemented i.e., the application of EPDM repair tapes to all seams, the stripping in of additional, mechanically fastened, wind uplift resistance bars, as well as localized reinforcement of parapet metals. In addition, an updated roof condition survey must be performed every two years or in the event of a roof leak until a new roof is installed.
14. Definitions
- A. Where the word "Offeror" appears it shall be considered "Lessor";
  - B. Where the word(s) "Solicitation" or "Solicitation for Offers" appears it shall be considered to be "Lease".

LESSOR

GOV'T

