

LEASE NO. GS-02P-L Y24198Standard Lease
GSA FORM L201C (September 2013)

This Lease is made and entered into between

600 Midland Avenue, LLC

(Lessor), whose principal place of business is 80 Curtwright Drive, Suite 5, Williamsville, NY 14221, and whose interest in the Property described herein is that of Fee Owner, and

The United States of America

(Government), acting by and through the designated representative of the General Services Administration (GSA), upon the terms and conditions set forth herein.

Witnesseth: The parties hereto, for the consideration hereinafter mentioned, covenant and agree as follows:

Lessor hereby leases to the Government the Premises described herein, being all or a portion of the Property located at

**600 Midland Avenue
Rye, NY 10580**

and more fully described in Section 1 and Exhibits A & B, together with rights to the use of parking and other areas as set forth herein, to be used for such purposes as determined by GSA.

LEASE TERM

To Have and To Hold the said Premises with its appurtenances for the term beginning upon acceptance of the Premises as required by this Lease and continuing for a period of

10 Years

subject to termination and renewal rights as may be hereinafter set forth. The commencement date of this Lease, along with any applicable termination and renewal rights, shall be more specifically set forth in a Lease Amendment upon substantial completion and acceptance of the Space by the Government.

In Witness Whereof, the parties to this Lease evidence their agreement to all terms and conditions set forth herein by their signatures below, to be effective as of the date of delivery of the fully executed Lease to the Lessor.

FOR THE LESSORName: Michael Huntress
Title: Manager
Entity Name: 600 Midland Avenue, LLC
Date: 11/18/14**FOR THE GOVERNMENT**Name: Scott Elgart
Title: Lease Contracting Officer
General Services Administration, Public Buildings Service
Date: 11/19/14**WITNESSED FOR THE LESSOR BY:**Name: Omar Abu-Sitta
Title: Director of Development
Date: 11/18/14

The information collection requirements contained in this Solicitation/Contract, that are not required by the regulation, have been approved by the Office of Management and Budget pursuant to the Paperwork Reduction Act and assigned the OMB Control No. 3090-0163.

LEASE NO. GS-02P-LNY24198

LESSOR: NotGOVERNMENT: SE

GSA FORM L201C (09/13)

SECTION 1 THE PREMISES, RENT, AND OTHER TERMS

1.01 THE PREMISES (JUN 2012)

The Premises are described as follows:

A. Office and Related Space: 30,258 rentable square feet (RSF), yielding 27,450 ANSI/BOMA Office Area (ABOA) square feet (SF) of office and related Space located on the entire 1st and 2nd floor(s) of the Building, as depicted on the floor plan(s) attached hereto as Exhibit B.

B. Common Area Factor: The Common Area Factor (CAF) is established as 10.2295 percent. This factor, which represents the conversion from ABOA to rentable square feet, rounded to the nearest whole percentage, shall be used for purposes of rental adjustments in accordance with the Payment Clause of the General Clauses.

1.02 CONVEYANCE OF TITLE

Pursuant to the terms listed in the Contract of Sale (Exhibit I) the Lessor shall deliver to the Government a copy of the deed listing 600 Midland Avenue, LLC. as the registered owner no later than 60 calendar days after lease execution. If deed is not provided within that time frame the Government shall provide the Lessor with notice of its intent to terminate the lease if title isn't provided within 15 calendar days.

1.03 EXPRESS APPURTENANT RIGHTS (SEP 2013)

The Government shall have the non-exclusive right to the use of Appurtenant Areas, and shall have the right to post Rules and Regulations Governing Conduct on Federal Property, Title 41, CFR, Part 102-74, Subpart C within such areas. The Government will coordinate with Lessor to ensure signage is consistent with Lessor's standards. Appurtenant to the Premises and included in the Lease are rights to use the following:

A. Parking: 84 secured surface parking spaces as depicted on the plan attached hereto as Exhibit C, reserved for the exclusive use of the Government. In addition, the Lessor shall provide such additional parking spaces as required by the applicable code of the local government entity having jurisdiction over the Property.

B. Antennas, Satellite Dishes, and Related Transmission Devices: (1) Space located on the roof of the Building sufficient in size for the installation and placement of telecommunications equipment, (2) the right to access the roof of the Building, and (3) use of all Building areas (e.g., chases, plenums, etc.) necessary for the use, operation, and maintenance of such telecommunications equipment at all times during the term of this Lease.

1.04 RENT AND OTHER CONSIDERATION (SEP 2013)

A. The Government shall pay the Lessor annual rent, payable in monthly installments in arrears, at the following rates:

	YEARS 1-3	YEARS 4-7	YEARS 8-10
	ANNUAL RENT	ANNUAL RENT	ANNUAL RENT
SHELL RENT	\$888,873.14	\$919,131.14	\$949,389.14
TENANT IMPROVEMENTS RENT ¹	\$ 160,574.97	\$160,574.97	\$160,574.97
OPERATING COSTS	\$ 140,074.94	\$140,074.94	\$140,074.94
BUILDING SPECIFIC AMORTIZED CAPITAL (BSAC) ²	\$ 87,344.95	\$87,344.95	\$87,344.95
PARKING ³	\$ 201,600.00	\$ 201,600.00	\$ 201,600.00
TOTAL ANNUAL RENT	\$1,478,468.00	\$1,508,726.00	\$1,538,984.00

¹The Tenant Improvement Allowance of \$1,261,602.00 is amortized at a rate of 5 percent per annum over 10 years.

²Building Specific Amortized Capital (BSAC) of \$686,250.00 are amortized at a rate of 5 percent per annum over 10 years

³Parking costs described under sub-paragraph G below

In instances where the Lessor amortizes either the TI or BSAC for a period exceeding the Firm Term of the Lease, should the Government terminate the Lease after the Firm Term or does not otherwise renew or extend the term beyond the Firm Term, the Government shall not be liable for any costs, including unamortized costs beyond the Firm Term.

B. Rent is subject to adjustment based upon the final Tenant Improvement (TI) cost to be amortized in the rental rate, as agreed upon by the parties subsequent to the Lease Award Date.

C. Rent is subject to adjustment based on the final Building Specific Amortized Capital (BSAC) cost to be amortized in the rental rate, as agreed upon by the parties subsequent to the Lease Award Date.

D. If the Government occupies the Premises for less than a full calendar month, then rent shall be prorated based on the actual number of days of occupancy for that month.

E. Rent shall be paid to Lessor by electronic funds transfer in accordance with the provisions of the General Clauses. Rent shall be payable to the Payee designated in the Lessor's Central Contractor Registration (CCR), now the System for Award Management (SAM). If the payee is different from the Lessor, both payee and Lessor must be registered in SAM.

F. Lessor shall provide to the Government, in exchange for the payment of rental and other specified consideration, the following:

1. The leasehold interest in the Property described in the paragraph entitled "The Premises."
2. All costs, expenses and fees to perform the work required for acceptance of the Premises in accordance with this Lease, including all costs for labor, materials, and equipment, professional fees, contractor fees, attorney fees, permit fees, inspection fees, and similar such fees, and all related expenses.
3. Performance or satisfaction of all other obligations set forth in this Lease; and all services, utilities, and maintenance required for the proper operation of the Property, the Building, and the Premises in accordance with the terms of the Lease, including, but not limited to, all inspections, modifications, repairs, replacements, and improvements required to be made thereto to meet the requirements of this Lease.
3. Performance or satisfaction of all other obligations set forth in this Lease; and all services, utilities (with the exclusion of **natural gas and electric**), maintenance required for the proper operation of the Property, the Building, and the Leased Premises, in accordance with the terms of the Lease, including, but not limited to, all inspections, modifications, repairs, replacements and improvements required to be made thereto to meet the requirements of this Lease. The Government shall be responsible for paying the cost of **natural gas and electric** directly to the utility provider. The Lessor shall ensure that such utilities are separately metered. The Lessor shall provide and install as part of shell rent, separate meters for utilities. Sub-meters are not acceptable. The Lessor shall furnish in writing to the LCO, prior to occupancy by the Government, a record of the meter numbers and verification that the meters measure Government usage only. Proration is not permissible. In addition, an automatic control system shall be provided to assure compliance with heating, ventilation, and air conditioning requirements.

G. Parking shall be provided at a rate of **\$200.00** per parking space per month (surface/outside).

1.05 RENEWAL RIGHTS (SEP 2013)

This Lease may be renewed at the option of the Government for a term of [REDACTED] at the following rental rate(s):

	OPTION TERM [REDACTED]	
	ANNUAL RENT	ANNUAL RATE / RSF
SHELL RENTAL RATE	[REDACTED]	
OPERATING COSTS	OPERATING COST BASIS SHALL CONTINUE FROM THE EFFECTIVE YEAR OF THE LEASE. OPTION TERM IS SUBJECT TO CONTINUING ANNUAL ADJUSTMENTS.	

provided notice is given to the Lessor at least **180** days before the end of the original Lease term, all other terms and conditions of this Lease, as same may have been amended, shall remain in full force and effect during any renewal term.

1.06 DOCUMENTS INCORPORATED IN THE LEASE (SEP 2013)

The following documents are attached to and made part of the Lease:

DOCUMENT NAME	NO. OF PAGES	EXHIBIT
FLOOR PLAN(S)	2	A
PARKING PLAN(S)	1	B
PROGRAM OF REQUIREMENTS FOR NEW OFFICE CONSTRUCTION: DATED MAY 8, 2014	69	C
APPENDIX 1: ROOM DATA MATRIX DATED MAY 8, 2014	1	D
APPENDIX 3: BUILDING DATA MATRIX DATED MAY 8, 2014	1	E
SECURITY REQUIREMENTS – FACILITY SECURITY LEVEL III	9	F
GSA FORM 3517B GENERAL CLAUSES	47	G
GSA FORM 3518, REPRESENTATIONS AND CERTIFICATIONS	10	H
CONTRACT OF SALE	17	I

1.07 TENANT IMPROVEMENT ALLOWANCE (AUG 2011)

The Tenant Improvement Allowance (TIA) for purposes of this Lease is **\$1,261,602.00**. The TIA is the amount that the Lessor shall make available for the Government to be used for TIs. This amount is amortized in the rent over the 10 year firm term of this Lease at an annual interest rate of **5** percent.

1.08 TENANT IMPROVEMENT RENTAL ADJUSTMENT (SEP 2013)

A. The Government, at its sole discretion, shall make all decisions as to the use of the TIA. The Government may use all or part of the TIA. The Government may return to the Lessor any unused portion of the TIA in exchange for a decrease in rent according to the agreed-upon amortization rate over the Firm Term.

B. The Government may elect to make lump sum payments for any or all work covered by the TIA. That part of the TIA amortized in the rent shall be reduced accordingly. At any time after occupancy and during the Firm Term of the Lease, the Government, at its sole discretion, may elect to pay lump sum for any part or all of the remaining unpaid amortized balance of the TIA. If the Government elects to make a lump sum payment for the TIA after occupancy, the payment of the TIA by the Government will result in a decrease in the rent according to the amortization rate over the Firm Term of the Lease.

C. If it is anticipated that the Government will spend more than the allowance identified above, the Government may elect to:

1. Reduce the TI requirements;
2. Pay lump sum for the overage upon substantial completion in accordance with the "Acceptance of Space and Certificate of Occupancy" paragraph;
3. Negotiate an increase in the rent.

1.09 TENANT IMPROVEMENT FEE SCHEDULE (JUN 2012)

For pricing TI costs, the following rates shall apply for the initial build-out of the Space.

	INITIAL BUILD-OUT
ARCHITECT/ENGINEER FEES (\$ PER ABOA SF OR % OF TI CONSTRUCTION COSTS)	\$4.00 PER ABOA
LESSOR'S PROJECT MANAGEMENT FEE (% OF TI CONSTRUCTION COSTS)	8%

1.10 BUILDING SPECIFIC AMORTIZED CAPITAL (SEP 2012)

For purposes of this Lease, the Building Specific Amortized Capital (BSAC) is **\$686,250.00**. The Lessor will make the total BSAC amount available to the Government, which will use the funds for security related improvements. This amount is amortized in the rent over the Firm Term of this lease at an annual interest rate of 5 percent.

1.11 BUILDING SPECIFIC AMORTIZED CAPITAL RENTAL ADJUSTMENT (SEP 2013)

A. The Government, at its sole discretion, shall make all decisions about the use of the Building Specific Amortized Capital (BSAC). The Government may use all or part of the BSAC. The Government may return to the Lessor any unused portion of the BSAC in exchange for a decrease in rent (where applicable) according to the agreed-upon amortization rate over the Firm Term.

B. The Government may elect to make lump-sum payments for any work covered by the BSAC. The part of the BSAC amortized in the rent shall be reduced accordingly. At any time after occupancy and during the Firm Term of the Lease, the Government, at its sole discretion, may elect to pay a lump sum for any part or all of the remaining unpaid amortized balance of the BSAC. If the Government elects to make a lump-sum payment for the BSAC after occupancy, the payment of the BSAC by the Government will result in a decrease in the rent according to the amortization rate over the Firm Term of the Lease.

C. If it is anticipated that the Government will spend more than the BSAC identified above, the Government may elect to:

1. Reduce the security countermeasure requirements;
2. Pay a lump sum for the amount overage upon substantial completion in accordance with the "Acceptance of Space and Certificate of Occupancy" paragraph; or
3. Negotiate an increase in the rent.

1.12 PERCENTAGE OF OCCUPANCY FOR TAX ADJUSTMENT (JUN 2012)

As of the Lease Award Date, the Government's Percentage of Occupancy, as defined in the "Real Estate Tax Adjustment" paragraph of this Lease is **100 percent**.

1.13 OPERATING COST BASE (SEP 2013)

The parties agree, for the purpose of applying the paragraph titled "Operating Costs Adjustment," that the Lessor's base rate for operating costs shall be **\$140,074.94** per annum.

1.14 RATE FOR ADJUSTMENT FOR VACANT LEASED PREMISES (SEP 2013)

In accordance with the paragraph entitled "Adjustment for Vacant Premises," if the Government fails to occupy or vacates the entire or any portion of the Premises prior to expiration of the term of the Lease, the operating costs paid by the Government as part of the rent shall be reduced by \$1.50 per ABOA SF of Space vacated by the Government.

1.15 HOURLY OVERTIME HVAC RATES (AUG 2011)

The following rates shall apply in the application of the paragraph titled "Overtime HVAC Usage:"

- \$0.00 per hour for the entire Space.

1.16 24-HOUR HVAC REQUIREMENT (APR 2011)

The hourly overtime HVAC rate specified above shall not apply to any portion of the Premises that is required to have heating and cooling 24 hours per day. If 24-hour HVAC is required by the Government for any designated rooms or areas of the Premises, such services shall be provided by the Lessor at an annual rate of \$1.50 per ABOA SF of the area receiving the 24-hour HVAC. Notwithstanding the foregoing, Lessor shall provide this service at no additional cost to the Government if the Lessor provides this service to other tenants in the Building at no additional charge.

1.17 BUILDING IMPROVEMENTS (SEP 2012)

Before the Government accepts the Space, the Lessor shall complete the following additional Building improvements as part of the building shell:

- Install high performance windows throughout the facility.
- Upgrade the entire mechanical system to meet the requirements stated within the Lease and POR.

1.18 ENVIRONMENTAL REQUIREMENTS

- Lessor must correspond with NYS' [REDACTED] Region 3 office to obtain any approvals, permits, authorizations before proceeding with any work at the site.
- Lessor must develop and provide a Storm Water Pollution Plan to prevent any impacts to the nearby pond and wetlands.