

<b>GENERAL SERVICES ADMINISTRATION</b> <b>PUBLIC BUILDINGS SERVICE</b>  <b>LEASE AMENDMENT</b>	<b>LEASE AMENDMENT No. 1</b>  <b>TO LEASE NO. GS-02B-24214</b>
<b>ADDRESS OF PREMISES:</b> 171 Saw Mill River Road Hawthorne, NY 10532-1529	<b>PDN Number: N0726999</b>

THIS AGREEMENT made and entered into this date by and between Acquest Development Company LLC

whose address is: 80 Curtwright Drive, Suite 5, Williamsville, NY 14221

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

WHEREAS, the parties hereto desire to amend the above Lease in order to: 1) Revise the Lease Term; 2) Revise the Annual Rents; 3) Delete the Government's Termination Rights; 4) Amend the Tenant Improvement Allowance; 5) Issue a Notice to Proceed for the construction of the Tenant Improvements items (TI); 6) Issue a Notice to Proceed for the construction of the Building Security Amortized Capital items (BSAC); 7) State the manner by which all Change Orders will be addressed during construction; 8) Add language to the end of the Government's General Clause No. 1 SUBLETTING AND ASSIGNMENT; 9) Add language to the end of the Government's General Clause No. 10 DEFAULT BY LESSOR, Paragraph (2)

NOW THEREFORE, these parties for the considerations hereinafter mentioned covenant and agree that the said Lease is amended, effective upon the date of the government signature of this Amendment as follows.

#### 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

**15 Years Firm**

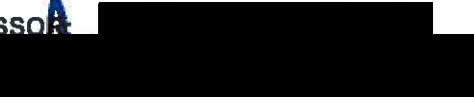
The commencement date of this Lease shall be more specifically set forth in a Lease Amendment upon substantial completion and acceptance of the Space by the Government.

This Lease Amendment contains {3} pages.


All other terms and conditions of the lease shall remain in force and effect.

IN WITNESS WHEREOF, the parties subscribed their names as of the below date.


FOR THE LESSOR:

Signature:   
 Name: Michael Huntress  
 Title: President  
 Entity Name: Acquest Development Company LLC  
 Date: 2/22/17

FOR THE GOVERNMENT:

Signature:   
 Name: Eduardo Vidal  
 Title: Lease Contracting Officer  
 GSA, Public Buildings Service,  
 Date: 2/23/17

WITNESSED FOR THE LESSOR BY:

Signature:   
 Name: Cinderella Dargatzis  
 Title: Exec Assistant  
 Date: 2/22/17

**1.01 RENT AND OTHER CONSIDERATION (OCT 2016)**

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

	YEARS 1-15			
	ANNUAL RENT (YR. 1)	ANNUAL RENT (YR. 2)	ANNUAL RENT (YR. 3)	ANNUAL RENTS (YRS. 4-15)
SHELL RENT <sup>1</sup>	\$1,360,116.78	\$1,410,379.78	\$1,460,642.78	\$1,510,905.78
OPERATING COSTS <sup>2</sup>	\$228,194.02	\$228,194.02	\$228,194.02	\$228,194.02
TENANT IMPROVEMENTS RENT <sup>3</sup>	\$334,932.57	\$334,932.57	\$334,932.57	\$334,932.57
BUILDING SPECIFIC AMORTIZED CAPITAL (BSAC) <sup>4</sup>	\$31,043.39	\$31,043.39	\$31,043.39	\$31,043.39
<b>TOTAL ANNUAL RENT</b>	<b>\$1,954,286.76</b>	<b>\$2,004,549.76</b>	<b>\$2,054,812.76</b>	<b>\$2,105,075.76</b>

<sup>1</sup>Shell rent calculation:

Yr. 1 \$27.06 per RSF multiplied by 50,263 RSF

Yr. 2 \$28.06 per RSF multiplied by 50,263 RSF

Yr. 3 \$29.06 per RSF multiplied by 50,263 RSF

Yr. 4-15 \$30.06 per RSF multiplied by 50,263 per RSF

<sup>2</sup>Operating Costs rent calculation: \$4.54 per RSF multiplied by 50,263 RSF

<sup>3</sup>Tenant Improvements of \$3,529,498.31 are amortized at a rate of 5 percent per annum over 15 years.

<sup>4</sup>Building Specific Amortized Capital (BSAC) of \$327,133.28 are amortized at a rate of 5 percent per annum over 15 years

**1.05 TERMINATION RIGHTS (OCT 2016)**

This paragraph is deleted in its entirety from the Lease.

**1.08 TENANT IMPROVEMENT RENTAL ADJUSTMENT (OCT 2016)**

A. The Tenant Improvement Allowance (TIA) for purposes of this Lease is **\$74.44** per ABOA SF. 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 Firm Term of this Lease at an annual interest rate of 5 percent.

B. 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.

C. 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.

D. If it is anticipated that the Government will spend more than the identified TIA, 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.

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**TENANT IMPROVEMENT COSTS:**

The Lessor's Tenant Improvement price proposal shall be supported by sufficient cost or pricing data to enable the Government to evaluate the reasonableness of the proposal, or documentation that the Proposal is based upon competitive proposals.

Based on this contract requirement, the Government has reviewed the Tenant Improvement (TI) costs in the amount of \$6,409,015.00, which includes taxes, design costs and TI fees and determined that they are fair and reasonable. This lease amendment represents the Notice to Proceed (NTP) with the construction of the TIs. The Lessor shall provide \$529,498.31 of TIs towards the cost of the construction. The Government will reimburse the Lessor for the remaining \$5,879,516.69 in the following manner; \$3,529,498.31 will be amortized in the rent at an annual rate of 5% over the full term of the lease (fifteen (15) years). The remaining (TI) costs of \$2,350,018.38 will be paid via lump sum upon completion, inspection, and acceptance of the space; and upon receipt of an original invoice by the Contracting Officer.

**BUILDING SPECIFIC AMORTIZED CAPITAL (BSAC) PRICE PROPOSAL:**

The Lessor's BSAC price proposal shall be supported by sufficient cost or pricing data to enable the Government to evaluate the reasonableness of the proposal, or documentation that the Proposal is based upon competitive proposals.

Based on this contract requirement, the Government has reviewed the Building Security Amortized Capital (BSAC) costs in the amount of \$349,633.28, which includes taxes, design costs and TI fees and determined that they are fair and reasonable. This lease amendment represents the Notice to Proceed (NTP) with the construction of the BSAC. The Lessor shall provide \$22,500.00 of BSAC towards the cost of the construction. The remaining \$327,133.28 will be amortized in the rent at an annual rate of 5% over the full term of the lease (fifteen (15) years).

**CHANGE ORDERS:**

Any Change Orders during construction will be authorized via a Notice To Proceed letter by the Government and will be memorialized via a subsequent lease amendment establishing beneficial occupancy.

**GENERAL CLAUSE NO. 1**

The following language is hereby added to the end of General Clause No. 1. "The Lessor will be deemed to have reasonably withheld its consent if the Lessor, in its reasonable discretion, determines that the proposed sublessee or assignee (i) would deviate from the general lab, office and related space purposes for which the Government initially intends to use the Leased Premises, (ii) is a military or police enforcement agency where weapons may be brought in the building, (iii) requires increased access to the Leased Premises by the general public, (iv) will increase the security requirements to be provided by the Lessor for the Leased Premises or the building. It shall be deemed to be reasonable for Lessor to consider the credit rating or financial strength of a proposed assignee when determining whether to consent to an assignment proposed by Lessee."

**GENERAL CLAUSE NO. 10.**

The following language is hereby added to the end of General Clause No. 10, Paragraph (2). "The Government agrees not to abate rent or exercise its option to terminate the Lease in the event of default by the Lessor without first providing written notice of the specific default to the Lender/Mortgagee as has been identified to the Government in writing. The Government further agrees to provide copies of all default notices to the Lender/Mortgagee, and the Lender/Mortgagee shall have the right to cure Lessor defaults within the same cure periods as are provided to Lessor."

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