

LEASE NO. GS-02P-LNY24278

Global Lease
GSA FORM L100 (09/2015)

INSTRUCTIONS TO OFFEROR: Do not attempt to complete this lease form (GSA Lease Form L100, hereinafter Lease Form). Upon selection for award, GSA will transcribe the successful Offeror's final offered rent and other price data included on the lease proposal form (GSA Lease Proposal Form 1364, hereinafter Lease Proposal Form) into a Lease Form, and transmit the completed Lease Form, together with appropriate attachments, to the successful Offeror for execution.

This Lease is made and entered into between Niagara Group, LP

Lessor's Name

(Lessor), whose principal place of business is 295 Main Street, Suite 210, Buffalo, New York 14203, 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

68-94 South Elmwood Avenue, Buffalo, New York 14202

and more fully described in Section 1 and Exhibit A, 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

To Have and To Hold the said Premises with its appurtenances for the term beginning either upon **October 16, 2015**, and continuing for a period of **10 Years, 5 Years Firm,**

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.

[Redacted Signature]

FOR THE GOVERNMENT:
[Redacted Signature]

Name: _____
Title: President of Niagara Group, Inc.
Entity Name: Niagara Group LP
Date: 1/29/16

Title: Lease Contracting Officer
General Services Administration, Public Buildings Service
Date: February 2, 2016

[Redacted Signature] BY: _____

Title: Attorney
Date: 1/29/16

SECTION 1 THE PREMISES, RENT, AND OTHER TERMS

1.01 THE PREMISES (SEP 2015)

The Premises are described as follows:

A. Office and Related Space: 65,458 rentable square feet (RSF), yielding 56,920 ANSI/BOMA Office Area (ABOA) square feet (SF) of office and related Space located on the 1st, 2nd and 3rd floor(s) of the Building, as depicted on the floor plan(s) attached hereto as Exhibit A. In addition 5,338 RSF which yields 4,642 ABOASF shall be provided at no additional cost by the Lessor to the Government as part of this Lease.

B. Common Area Factor: The Common Area Factor (CAF) is established as 15 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.

C. Unless otherwise noted, the Government accepts the Premises and tenant improvements in their existing condition, except where specifications or standards are contained elsewhere in this Lease. These standards include security improvements, Fire Protection and Life Safety requirements, ABAAS compliance, as well as compliance with all local codes and ordinances. Such acceptance by the Government of existing Premises shall not relieve Lessor of continuing obligations for cleaning, janitorial, maintenance, repair, etc. as set forth in the Lease paragraphs and attached General Clauses.

1.02 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: 132 parking spaces as depicted on the plan attached hereto as Exhibit B, reserved for the exclusive use of the Government, of which 74 shall be structured/inside parking spaces, and 58 shall be surface/outside parking spaces. 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.

1.03 RENT AND OTHER CONSIDERATION (SEP 2015)

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

	FIRM TERM	NON FIRM TERM
	ANNUAL RENT	ANNUAL RENT
SHELL RENT ¹	\$1,655,956.12	\$1,855,956.12
TENANT IMPROVEMENTS RENT ²	\$ 34,489.17	\$0.00
OPERATING COSTS ³	\$ 212,413.15	\$ 212,413.15
BUILDING SPECIFIC AMORTIZED CAPITAL (BSAC) ⁴	\$ 0.00	\$0.00
PARKING ⁵	\$0.00	\$ 0.00
TOTAL ANNUAL RENT	\$1,902,858.44	\$1,868,369.27

¹Shell rent calculation:

(Firm Term) \$29.07 per RSF multiplied by 65,458 RSF

(Non Firm Term) \$28.54 per RSF multiplied by 65,458 RSF

²Tenant Improvements of \$150,467.15 are amortized at a rate of 5.5 percent per annum over 5 years.

³Operating Costs rent calculation: \$3.25 per RSF multiplied by 65,458 RSF

⁴Building Specific Amortized Capital (BSAC) of \$XX are amortized at a rate of X percent per annum over XX years

⁵Parking costs described under sub-paragraph I below

B. ~~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.~~

C. ~~Rent is subject to adjustment based upon a mutual on-site measurement of the Space upon acceptance, not to exceed XX ABOA SF based upon the methodology outlined under the "Payment" clause of GSA Form 3517.~~

D. 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.

E. Rent is subject to adjustment upon reconciliation from quantities in the Lease to the approved DIDs and post-DID change orders, based on unit costs negotiated and agreed upon prior to Lease award.

F. 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.

G. 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 by the Lessor in the System for Award Management (SAM). If the payee is different from the Lessor, both payee and Lessor must be registered and active in SAM.

H. 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 (with the exclusion of utilities), 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 utilities 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.

I. Parking shall be provided at a rate of \$0.00 per parking space per month (structured/inside), and \$0.00 per parking space per month (surface/outside).

J. ~~In accordance with the Lease negotiations, the Lessor has offered free rent to the Government for the first XX (X) months of the Lease. Therefore, the first XX (X) months of the Lease shall be provided at no cost to the Government.~~

1.04 BROKER COMMISSION AND COMMISSION CREDIT (SEP 2015) – INTENTIONALLY DELETED

1.05 TERMINATION RIGHTS (AUG 2011)

The Government may terminate this Lease, in whole or in part, at any time effective after the Firm Term of this Lease, by providing not less than 120 days' prior written notice to the Lessor. The effective date of the termination shall be the day following the expiration of the required notice period or the termination date set forth in the notice, whichever is later. No rental shall accrue after the effective date of termination.

1.06 RENEWAL RIGHTS (SEP 2013) – INTENTIONALLY DELETED

1.07 DOCUMENTS INCORPORATED IN THE LEASE (SEP 2015)

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

DOCUMENT NAME	NO. OF PAGES	EXHIBIT
FLOOR PLAN(S)	3	A
PARKING PLAN(S)	1	B
AGENCY REQUIREMENTS	N/A	N/A
SECURITY REQUIREMENTS	16	C
SECURITY UNIT PRICE LIST	N/A	N/A
GSA FORM 3517B GENERAL CLAUSES	46	D
GSA FORM 3518-SAM, ADDENDUM TO SYSTEM FOR AWARD MANAGEMENT (SAM) REPRESENTATIONS AND CERTIFICATIONS (ACQUISITIONS OF LEASEHOLD INTERESTS IN REAL PROPERTY)	12	E
SEISMIC FORM C, BUILDING RETROFIT OR NEW CONSTRUCTION PREAWARD COMMITMENT	N/A	N/A
SMALL BUSINESS SUBCONTRACTING PLAN	N/A	N/A
LEASE AMENDMENT(S) ISSUED UNDER RLP AMENDMENT No. X	N/A	N/A

1.08 TENANT IMPROVEMENT RENTAL ADJUSTMENT (SEP 2015)

A. The Tenant Improvement Allowance (TIA) for purposes of this Lease is **\$.61** 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 **5.5** 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 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)	\$0.00
LESSOR'S PROJECT MANAGEMENT FEE (% OF TI CONSTRUCTION COSTS)	5%

1.10 BUILDING SPECIFIC AMORTIZED CAPITAL (SEP 2012) – INTENTIONALLY DELETED

1.11 BUILDING SPECIFIC AMORTIZED CAPITAL RENTAL ADJUSTMENT (SEP 2013) – INTENTIONALLY DELETED

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 REAL ESTATE TAX BASE (SEP 2013)

The Real Estate Tax Base, as defined in the Real Estate Tax Adjustment paragraph of the Lease shall not occur until the tax year following lease commencement has passed or at the end of the Empowerment Zone tax abatement, whichever is later. The Real Estate Tax Base, as defined in the Real Estate Tax Adjustment paragraph of the Lease shall be established during the following periods:

County Taxes: January 1, 2016 - December 31, 2016
City Taxes: 1st and 2nd half - July 1, 2016 - June 30, 2017

Any Tax adjustments shall not occur until all (3) payments (County 2017 and the 1st and 2nd payment of City for 2017-2018, on or about 12/31/2017) are fully paid and submitted to the Government in accordance with tax submission process established in section 2.07 of this lease and shall continue thereafter until lease expiration. The amount of the tax adjustment shall be determined by multiplying the Government's Percentage of Occupancy by the difference between the current year Unadjusted Real Estate Taxes and the Real Estate Tax Base. The Government shall pay the tax adjustment in a single annual lump sum payment to the Lessor. In the event that this tax adjustment results in a credit owed to the Government, the Government may elect to receive payment in the form of a rental credit or lump sum payment.

1.14 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 \$3.25 per RSF (\$212,413.15/annum).

1.15 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 \$.50 per ABOA SF of Space vacated by the Government.

1.16 HOURLY OVERTIME HVAC RATES (AUG 2011) – INTENTIONALLY DELETED

1.17 24-HOUR HVAC REQUIREMENT (SEP 2014) – INTENTIONALLY DELETED

1.18 BUILDING IMPROVEMENTS (SEP 2012)

Before the Government accepts the Space, the Lessor shall complete the following additional Building improvements:

- A. See Section 7 - Additional Terms and Conditions

1.19 HUBZONE SMALL BUSINESS CONCERNS ADDITIONAL PERFORMANCE REQUIREMENTS (MAR 2012) – INTENTIONALLY DELETED